

LOOE COMMUNITY ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2014

Company Registration No. 07909371 England and Wales

LOOE COMMUNITY ACADEMY TRUST

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LOOE COMMUNITY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

MM Evans (Chair)
HR Jenkins (Accounting officer) *
SD Brock
DL Glynn (Appointed 28 January 2014)
J Hearnden (Resigned 13 January 2014) *
L Ingham (Appointed 6 November 2014)
JR Kevern
MJ Lewis
P Lewis *
M Long *
SG Minnette *
KE Mordan *
BP Prisk
SP Thomas (Resigned 28 March 2014) *
T Vasey (Appointed 6 November 2014)
GJ Walton (Resigned 28 June 2014)
T Wardle

* members of the Finance and Premises Committee

Members

MM Evans
J Hearnden (until 13 January 2014)
HR Jenkins
KE Mordan
P Prisk

Senior management team

- Headteacher	HR Jenkins
- Deputy headteacher	C Damerell
- Deputy headteacher	H Casson
- PA to the headteacher	H Willars
- Business manager	SP Green

Company secretary

SP Green

Company registration number

07909371 (England and Wales)

Registered office

Looe Community Academy Trust
Sunrising
EAST LOOE
Cornwall
PL13 1NQ

LOOE COMMUNITY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Robinson Reed Layton Peat House Newham Road TRURO Cornwall TR1 2DP
Actuary	Hymans Robertson LLP 20 Waterloo Street GLASGOW G2 6DB
Bankers	Lloyds Bank plc The Parade LISKEARD Cornwall PL14 6AF
Solicitors	Cornwall Council Legal Services Room 458 County Hall TRURO Cornwall TR1 3AY

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11-16 serving a catchment area in Looe, Cornwall. It has a pupil capacity of 610 and had a roll of 544 in the school census on 13 October 2013.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Looe Community Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

In accordance with normal commercial practice the charitable company has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on the charitable company's business. The insurance provides cover up to £10 million on any one claim.

Method of recruitment and appointment or election of trustees

The charitable company shall have the following trustees as set out in its Articles of Association and funding agreement:

- up to 11 trustees who are appointed by the members;
- up to 2 staff trustees who are appointed by the members;
- any additional trustees appointed by the Secretary of State;
- a minimum of 2 and up to 6 parent trustees who are elected by parents of registered pupils at the charitable company;
- up to 3 co-opted trustees who are appointed by the governing body; and
- the headteacher who is treated for all purposes as being an ex officio trustee.

The number of trustees shall not be less than 3 nor more than 23.

Trustees are appointed for a four year period, except that this time limit does not apply to the headteacher. Subject to remaining eligible to be a particular type of trustee, any trustee can be re-appointed or re-elected.

When appointing new trustees, the board will give consideration to the skills and experience mix of existing trustees in order to ensure that the board has the necessary skills to contribute fully to the charitable company's development.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Policies and procedures adopted for the induction and training of trustees

Key information provided to new trustees includes:

- Trustee Induction Pack which included such essential documents as the Instrument of Government and comprehensive Terms of Reference, the DfE Governor's Handbook and important websites for further information;
- Looe Community Academy Trust's trustee induction procedure;
- The Good Practice Guide for Governing Bodies - a protocol for working together;
- The Charity Commission's publications: A Guide for Trustees; Being a Trustee; Internal Controls.
- Looe Community Academy Trust's Code of Conduct.
- Committee on Standards in Public Life: The Seven Principles of Public Life.

Trustees visit the academy and meet with the headteacher, deputy headteachers and business manager and are encouraged to take part in the extensive range of trustee courses, particularly the Induction for Governors Part 1 and 2 and any other course that they feel would be beneficial to them, all arranged and funded by the charitable company.

All new trustees are assigned an experienced trustee mentor to assist them in taking on new responsibilities, and are required to attend the new trustee training course provided by County Council.

Organisational structure

Looe Community Academy Trust has followed the organisational structure laid down in the Articles of Association that were registered with Companies House on 13 January 2012.

To ensure its business is conducted efficiently, the governing body delegates responsibilities through agreed terms of reference to the following standing committees: Finance and Premises; Curriculum and Personnel; Personal, Social, Health and Citizenship Education; Salary Review. Other committees are formed as required. Trustees exercise their corporate responsibilities by serving on one or more of these committees. Outcomes are shared across the governing body through the circulation of minutes and via updates at full governing body meetings.

Day to day management of the charitable company and implementation of the governing body's strategic direction, policies and procedures is delegated to the headteacher, who is supported by two deputy headteachers, an assistant headteacher and the business manager. At least one member of the charitable company's senior leadership team attends each of the committee or full governing body meetings to provide operational advice to the trustees.

Connected organisations including related party relationships

None as at 31 August 2014.

Related party relationships are detailed in Note 22 to the financial statements.

Objectives and activities

Objects and aims

The charitable company was established through its articles of association with the following objects:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and
- to promote for the benefit of the inhabitants of Looe and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, strategies and activities

The charitable company's primary objectives during the year continued to be to raise student aspiration and increase collaborative working between academies to improve standards of education for all children.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

About us

“Encouraging, empowering and exciting the young people’s appetites for learning” (from our Ofsted 2010 report).

Our Academy is situated in the historic fishing town of Looe on Cornwall's outstanding south eastern coastline, serving the beautiful coastal and rural villages and hamlets in the area. Assessed by Ofsted as good with outstanding features, the Academy is an inclusive secondary community school delivering Key Stage 3 and Key Stage 4 to 610 students aged 11-16 and of mixed ability. Our mission is to create and sustain a caring, learning community of high quality, where everyone is valued for who they are and what they may become. Enshrined in Cornish, the Academy motto is "Bydh gwella gylli" (Be the best you can be).

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Strategic report

Achievements and performance

Outcomes

The Academy further extended the upward trend in examination results (based on the government's key measure of five A* to C grades, including English and Maths):

- 2007/08 - 43%
- 2008/09 - 44%
- 2009/10 - 45%
- 2010/11 - 53%
- 2011/12 - 58%
- 2012/13 - 62%
- **2013/14 - 67%**

Furthermore, through an imaginative and personalised programme of learning, we managed to continue to narrow the achievement gap between those students classed as disadvantaged under the Pupil Premium initiative and their peers:

- | | | |
|---|-----------------------------|-------------------------|
| • 2010/11 - Disadvantaged Students - 9% | Other Students - 53% | Gap of 44 points |
| • 2011/12 - Disadvantaged Students - 29% | Other Students - 63% | Gap of 34 points |
| • 2012/13 - Disadvantaged Students - 42% | Other Students - 67% | Gap of 25 points |
| • 2013/14 - Disadvantaged Students - 50% | Other Students - 71% | Gap of 21 points |

The trustees are pleased with these improving trends and recognise just how important this is for the future opportunities and long term prospects of all those young people leaving the academy trust with the results that they need for their chosen pathways.

Our Year

Our engaging curriculum offer was broadened by new courses in Child Development, Land Based Studies and our collaborative working within the South East Cornwall Learning Partnership where we were able to offer optional vocational courses, such as Construction.

Staff development continued with training events that included literacy and numeracy across the curriculum, meeting special educational needs, the characteristics of high quality teaching and learning, effective feedback, using data effectively, mobile technology in the classroom, strategies for marking and the use of dedicated improvement time.

Instilling ambition to raise student aspirations continued through our "Be the Best you can Be" programme in association with 21st Century Legacy, as we continued to capitalise on the inspiration of the acclaimed London 2012 Olympic Games. Team GB Olympic Weightlifter Michaela Breeze MBE was a very inspirational role model for our Year 7 intake, as she helped them through their self-motivation, goal-setting and confidence building workshops. This year we extended elements of the programme to engage and encourage students across all years and Michaela led by example as she broke a Commonwealth Games record to secure her silver medal at the Glasgow 2014 Commonwealth Games.

Literacy continued to feature across the curriculum as we appointed our first Student Literacy Leaders. We were proud to have one student's poem about Cornwall entitled "Tea by the Sea" published on the packaging of a local product, Cornish Tea. Year 7 students contributed to the "Mazed" project, which included an afternoon of Cornish story-telling and they also helped to develop an app to promote the traditional tales from South East Cornwall. As part of the Story Republic project we were very pleased to work collaboratively with our Primary feeder schools on a combined Arts and literacy project called "Trading Tales" where practising artists, writers and musicians delivered creative workshops; as a result the academy trust hosted a community showcase of written work, art, music and theatre performed by our students and the participating primary pupils.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The Arts continued to play a prominent role in academy trust life by complimenting the core curriculum through offering students a sense of fun, an opportunity for self-expression and the chance to develop and nurture their appreciation of culture:

- students worked collaboratively with the RAF Central Band and the East Cornwall Bach Choir, and, in an ambitious project with other Cornish schools, performed a breath-taking bespoke composition with over 500 Cornish students at the Royal Albert Hall in the Schools Prom;
- the public were treated to our annual art and design exhibition by students and staff, Christmas and spring music concerts, our Oscars themed Fashion Show “Hollywood Fashionista”, a polished performance at the Looe Music Festival and a fabulous production of Oliver! the Musical;
- the academy trust upheld tradition with our renowned Christmas Show, which is performed for and by the students;
- our students designed and produced their own textiles and technology creations and performed their own dance and theatre, showcasing many of these creations at the Cornish schools CreatEd exhibition in Falmouth and at the Falmouth University Fashion Show. They further developed their knowledge and interest through visits to the Clothes Show, professional theatre productions, the Victoria and Albert Museum and the London art galleries;
- to link the Arts with History and mark the 100th anniversary of World War One, students performed in a drama showcase called “Stories Behind 1914”.

Sport also plays an important part in the academy trust ethos, with opportunities for a vast range of activities in both the school day and beyond, when the academy trust opens its facilities to local clubs, organisations, groups and teams to ensure that members of the public in our area get access to quality leisure time facilities. In addition to representing their House in Sports Day, students that represented the academy trust achieved to high standard, including successes at the Cornwall Youth Games, netball and football. Additionally, our students appeared for their local clubs in athletics, sailing, swimming, football and rugby and competed at county level in cricket and athletics, where two students emerged as County Champions, and national level in athletics and swimming. Academy trust staff organised regular trips at weekends for students to see the Plymouth Raiders compete in the national basketball league; the Raiders responded by delivering a basketball engagement day for all our students.

Our Challenge Week July 2014 saw students develop broader skills for life:

- scuba diving was offered for the first time and proved very popular;
- there were memorable residential trips to Paris, the Ardeche, the Isles of Scilly and London;
- those on the home programme participated in “leisure for pleasure” including new activities like animation movies, beach rescue and a performance production;
- our Year 10 students prepared for employment through their chosen Work Experience placements.

In the community we were hugely proud of our flower display for Cornwall in Bloom, which featured the Cornish Flag surrounded by poppies to mark the 100 year anniversary of World War One; we received fantastic news that one of our students was awarded a commendation for his creativity. Students actively engaged in fundraising, achieving £900 from their annual Summer Fayre, £500 for Children in Need, £100 for the Poppy Appeal and £200 for Cancer Research. Other organisations that benefitted from academy trust fundraising efforts were Kt’s Fund, the Philippines Typhoon Disaster and men’s health via a very creative Movember campaign.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

We invested heavily in our learning resources and environment to ensure students continue to feel proud of their academy trust by:

- extensively modernising the dining area to provide a vibrant, modern sociable environment;
- erecting outdoor canopies to ensure access to fresh air at lunch and break times during extreme weather;
- refurbishing the well-used, 20 year old sports hall flooring by sanding, sealing, relining and further sealing to provide a modern facility for students and the community. We thank the trustees of the West Looe Town Trust for their kind donation towards this popular project;
- procuring two class sets of tablet PCs for use in Science;
- replacing outdated windows with noise reducing and heat retaining double glazed units;
- providing additional modern interactive teaching boards with high quality projection units and touch screen TVs;
- replacing ageing carpets, chairs, desks and furnishings;
- planting trees in support of the Woodland Trust.

Maintaining the ageing Academy infrastructure proved expensive as we were forced to divert funds towards replacing the main gas supply to ensure a safe and efficient supply to our heating, cooking and hot water systems.

Our comprehensive fire risk assessment identified a number of priorities for remedial works which will be funded by our successful bid to the DfE's capital maintenance fund.

To take stock of the overall condition of the estate, we commissioned a building condition survey, which will help us to plan expenditure and prioritise our bids for capital funding.

Information and advice for parents and carers was provided through:

- weekly bulletins and termly newsletters from the Headteacher;
- announcements and news articles on the academy trust website;
- letters and text messages about specific events;
- regular reports on their child's progress, targets and improvement strategies;
- information evenings with tutors, heads of year, subject teachers, special needs adviser, the leadership team and governors;
- a careers convention to inform post-16 choices.

The academy trust firmly believes in helping to provide stability for students to ensure they get the best from their time at school:

- our Family Support Manager engages with, or signposts, those families in need of professional advice or support;
- we offer dramatherapy and mentoring services so that vulnerable students can receive one to one support;
- we launched our whole school buddying programme so that every student has another student to support them;
- we worked collaboratively with the Cornwall NHS Foundation Trust to secure an Integrated Health Centre on our site to serve the health needs of young people in the area; Heads of Terms have been agreed and the NHS have identified funding for the project, which we look forward to completing in 2015.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Much value is placed on the smooth transition from primary school:

- our leader of learning for Year 7, supported by our special needs adviser, visited all students in their primary settings;
- Year 6 students visited the academy trust for an induction day and participated in an activity day on the beach to help integration with students from other primary schools;
- Younger students came to the matinee performance of Oliver! the Musical to get them familiar with the academy trust surroundings;
- the academy trust organised competitive sports for the feeder primary schools, including cross country and netball;
- the academy trust's Junior Sports Leader students organised events at the primary schools and at the academy trust;
- high performing Year 6 students participated in Maths master classes at the academy trust;
- we ran Science workshops to engage Year 5 pupils;
- moderation evenings with staff from our feeder primary schools;
- all new students were invited to our second Summer School in August 2014, which was a massive success and greatly appreciated by students, parents and carers.

The academy trust featured regularly in the local press for our fundraising, performances, arts, Olympians and other achievements. We were very excited and honoured to be selected to host the helicopter landing for their Royal Highnesses Prince Charles and the Duchess of Cornwall when they visited Looe in July 2014; our students lined the route along with primary students to provide a warm welcome for the Royal couple.

After a busy final year of learning, adventure, performance, sport, revision (including after school and school holiday sessions) and examinations, our Year 11 students were sent off in traditional Looe style at their leavers' prom in July 2014. The event received much praise from the community and the press for the high standards of citizenship they displayed as academy trust ambassadors, and for the excellent arrangements to integrate the event with needs of the local community.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The charitable company's accounting period is for the year to 31 August 2014.

Most of the charitable company's income is derived from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period to 31 August 2014, and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The charitable company also received grants for fixed assets from:

- the EFA via the devolved formula capital grant; and
- the DfE via the Academies Capital Maintenance Fund.

Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Reserves policy

Looe Community Academy Trust trustees aim to control reserves to an agreed level to ensure excessive balances are not held at any one time. Trustees will ensure that delegated funds are spent appropriately on the pupils of Looe Community Academy Trust and that government balances policies will always be adhered to.

However, trustees are also aware of their responsibilities to ensure sufficient reserves are kept to ensure good financial practice and to maintain a safe financial future for Looe Community Academy Trust. Any future financial trends are identified early by good financial planning and regular monitoring by finance staff and the Looe Community Academy Trust finance committee.

The trustees consider the financial year end position of £7,753,412 (2013: £8,018,613) comprising £7,411,740 (2013: £7,552,333) of restricted fixed asset funds, £(327,562) (2013: £(53,953)) of restricted funds and £669,234 (2013: £520,233) of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to £(385,000) (2013: £(194,000)) and general restricted funds of £57,438 (2013: £140,047).

The level of free reserves held by the charitable company are £669,234 (2013: £520,233).

The charitable company's net current assets total £798,515 (2013: £660,280).

The Local Government Pension Scheme (LGPS) fund is currently in deficit. The charitable company has entered into an agreement with the LGPS trustees to make additional annual contributions of £16,000 in addition to normal funding levels, over a period of 20 years, in order to bridge the scheme deficit.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of charitable company closure, outstanding LGPS liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Investment policy and powers

The trustees of Looe Community Academy Trust are not allowed to make financial investments with any level of risk with third party organisations that may threaten the future of the charitable company.

Principal risks and uncertainties

The trustees use a number of charitable company policies, including health and safety, finance, safeguarding and a risk register to evaluate strategic and reputational, operational, compliance and financial risks to which the charitable company is exposed and have ensured that the management structure, systems and controls are in place to manage those risks, as well as insurance to cover financial and governance arrangements, and are satisfied with the overall assessment.

The governing body ensure regular review of risks through the reporting provided by the management team to the aforementioned board of trustees.

The principal future financial risks that Looe Community Academy Trust currently faces are the uncertainties over future funding levels and income sources. Through the DfE's new funding formula the academy lost income previously received for its two specialist statuses, small school protection, extended services and 14-19 diploma provision. The formula does include protection that limits the per pupil reduction to 1.5% between financial years, however, our main challenge is from demographic changes as pupil numbers are set to decline over the next few years and this is not protected within the funding formula. The Academy has established a working group to conduct a strategic financial review to address this risk and balance the high standard of education for the students of Looe Community Academy.

The lack of secure budgetary information makes long term financial planning difficult, though the 3-year budget plan approved by the governing body in July 2014 made provision for all of the above factors. However, charitable company staff and trustees will ensure to identify any potential problems and take appropriate strategic action as early as possible to ensure that the organisation is prepared for potential funding reductions but is still able to maintain the high levels of education standards for the students of Looe Community Academy Trust.

Risk is managed at Looe Community Academy Trust through sound financial practice stipulated in the academy's finance policy. The academy operates a strong scheme of delegation policy and improving internal audit system to ensure financial procedures are correctly adhered to on a regular basis.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Plans for future periods

In 2014/15 we will continue the emphasis on:

- raising achievement in literacy and numeracy across the curriculum;
- personalised learning for all;
- identifying, implementing and developing the appropriate and effective strategies to eliminate the disadvantage gap;
- developing a professional and skilled workforce with an emphasis on “quality first teaching”.

and, from our analysis of 2013/14 we will focus on improving:

Achievement:

- the achievement of boys;
- the achievement of pupil premium students;
- the achievement in English for all subgroups of learners;
- the achievement science for all;
- progress in history at KS4.

Behaviour:

- staff awareness of the vulnerable nature of SEN and PP students and, where necessary staff will aim to improve motivation and employ self-esteem strategies for positive engagement;
- reoffending rates through homework or behaviour;
- use of the reporting system with leaders of learning and teaching staff to identify low level disruption in lessons/ subjects/times of day/hotspots and identify training/support as necessary;
- our work with parents of PP and SEN students to improve their ability to access homework;
- awareness of cyber activity with students and parents, especially around the acceptable use of social networking;
- future support to those students at Action and Action+, who have been placed on the register of need solely for behavioural issues;
- identification of internal truancy immediately through attendance registers every lesson.

Teaching and Learning:

- embedding marking, feedback and dedicated improvement time to ensure a more consistent standard, including clear guidance on the next steps for students to improve their work;
- research and the development of strategies for improving boys' outcomes;
- teaching and learning in science;
- whole school literacy, numeracy and achievement for all policies.

Leadership and Management:

- the focus on PP students and other vulnerable groups and their need to be the priority of all interventions and opportunities, to be closely identified and monitored by the Leaders of Learning, of subjects and year teams to ensure achievement and equality of opportunity;
- the regularity and consistency of scrutiny of work and marking by all Leaders of Learning to include more no-notice checking;
- assessment practice at KS3 and KS4 in all areas for formative and summative assessment which measures progress, assesses what needs to be taught next and identifies what support or further work students may need and to develop further dedicated improvement time so that learners take responsibility for outcomes;
- the intelligent use of data by Leaders of Learning (year teams) to monitor learning outcomes and identify mentors or support as appropriate, working with the link Key Stage Deputy Headteacher;
- all Teaching Assistants to support and improve learning outcomes for identified underachievers within subject areas, as directed by the Leaders of Learning.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

We will employ new and extend proven strategies that offer support and provide challenge to further develop our students as independent learners:

- homework clubs will run at lunchtimes and after school;
- parents, carers and students will be given online access to past and current homework through the use of “Show My Homework”;
- an additional, optional GCSE in Psychology will be offered once more after school;
- Science catch up lessons will run after school on a Monday and Wednesday;
- all Year 10 and Year 11 students will be mentored by adults employed at the academy trust.

The academy trust image will be further enhanced by:

- the roll out of our new PE uniform, which is compulsory for Year 7 and optional for other students;
- our new sports kit for all representative teams;
- a uniform for all PE staff.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Robinson Reed Layton be reappointed as auditor of the charitable company will be put to the members.

Approved by order of the board of trustees on 08 December 2014 and signed on its behalf by:

MM Evans

Chair

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Looe Community Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Looe Community Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
MM Evans (Chair)	4	4
HR Jenkins (Accounting officer)	4	4
SD Brock	3	4
DL Glynn (Appointed 28 January 2014)	1	2
J Hearnden (Resigned 13 January 2014)	2	2
L Ingham (Appointed 6 November 2014)	0	0
JR Kevern	4	4
MJ Lewis	3	4
P Lewis	2	4
M Long	3	4
SG Minnette	4	4
KE Mordan	4	4
BP Prisk	3	4
SP Thomas (Resigned 28 March 2014)	0	3
T Vasey (Appointed 6 November 2014)	0	0
GJ Walton (Resigned 28 June 2014)	1	3
T Wardle	3	4

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The Finance and Premises Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity and to provide support and guidance for all matters relating to the school premises, grounds, security and health and safety.
- To make appropriate comments and recommendations on such matters to the governing body on a regular basis.
- Major issues will be referred to the full governing body for ratification, unless otherwise delegated.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
HR Jenkins (Accounting officer)	5	5
J Hearnden (Resigned 13 January 2014)	2	2
P Lewis	0	5
M Long	5	5
SG Minnette	5	5
KE Mordan	4	5
SP Thomas (Resigned 28 March 2014)	0	3

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Looe Community Academy Trust for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed G Edwards as responsible officer (RO).

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

Review of effectiveness

As accounting officer the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 08 December 2014 and signed on its behalf by:

MM Evans
Chair

HR Jenkins
Accounting officer

LOOE COMMUNITY ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2014

As accounting officer of Looe Community Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.

Approved on 08 December 2014 and signed by:

HR Jenkins
Accounting Officer

LOOE COMMUNITY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who also act as governors for Looe Community Academy Trust and are also the directors of Looe Community Academy Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the EFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 08 December 2014 and signed on its behalf by:

MM Evans
Chair

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LOOE COMMUNITY ACADEMY TRUST

We have audited the accounts of Looe Community Academy Trust for the year ended 31 August 2014 set out on pages 22 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees, who are also the directors of Looe Community Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LOOE COMMUNITY ACADEMY TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark Williams (Senior Statutory Auditor)

Robinson Reed Layton

Chartered Accountants

Statutory Auditor

Peat House

Newham Road

TRURO

Cornwall

TR1 2DP

Dated: 8 December 2014

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LOOE COMMUNITY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Looe Community Academy Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Looe Community Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Looe Community Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Looe Community Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Looe Community Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Looe Community Academy Trust's funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- a review of minutes of all trustees' meetings;
- an evaluation of internal control procedures and reporting lines and a check on the implementation of such controls;
- a review of items purchased with credit cards to ensure they are not used for personal benefit;
- a review of financial transactions for any unusual transactions which may be improper;
- a review of all the activities of the charitable company to ensure that they are in keeping with the charitable company's framework and the charitable objectives;
- a review of pecuniary interest forms to ensure all key staff and trustees have declared their interest in related parties, as well as discussion and testing of these forms;
- a review of expenditure to ensure it does not contravene the funding agreement; and
- a review of procurement procedures to ensure activity is in accordance with Annex 4.4 of Managing Public Money.

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LOOE COMMUNITY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mark Williams

Reporting Accountant

Robinson Reed Layton

Dated: 08 December 2014

LOOE COMMUNITY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2014 £	Total 2013 £
<u>Incoming resources</u>						
<i>Resources from generated funds</i>						
- Voluntary income	2	2,297	-	28,556	30,853	9,795
- Activities for generating funds	3	30,645	-	-	30,645	48,831
- Investment income	4	2,703	-	-	2,703	1,206
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	113,356	3,210,309	68,905	3,392,570	3,716,345
Total incoming resources		<u>149,001</u>	<u>3,210,309</u>	<u>97,461</u>	<u>3,456,771</u>	<u>3,776,177</u>
<u>Resources expended</u>						
<i>Charitable activities</i>						
- Educational operations	7	-	3,203,246	307,013	3,510,259	3,640,253
Governance costs	8	-	3,713	-	3,713	3,772
Total resources expended	6	<u>-</u>	<u>3,206,959</u>	<u>307,013</u>	<u>3,513,972</u>	<u>3,644,025</u>
Net incoming/(outgoing) resources before transfers						
		149,001	3,350	(209,552)	(57,201)	132,152
Gross transfers between funds		-	(68,959)	68,959	-	-
Net income/(expenditure) for the year		<u>149,001</u>	<u>(65,609)</u>	<u>(140,593)</u>	<u>(57,201)</u>	<u>132,152</u>
<u>Other recognised gains and losses</u>						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	(208,000)	-	(208,000)	27,000
Net movement in funds		<u>149,001</u>	<u>(273,609)</u>	<u>(140,593)</u>	<u>(265,201)</u>	<u>159,152</u>
Fund balances at 1 September 2013		<u>520,233</u>	<u>(53,953)</u>	<u>7,552,333</u>	<u>8,018,613</u>	<u>7,859,461</u>
Fund balances at 31 August 2014		<u>669,234</u>	<u>(327,562)</u>	<u>7,411,740</u>	<u>7,753,412</u>	<u>8,018,613</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

LOOE COMMUNITY ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2014

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		7,339,897		7,552,333
Current assets					
Debtors	12	131,199		212,331	
Cash at bank and in hand		922,141		819,983	
		<u>1,053,340</u>		<u>1,032,314</u>	
Creditors: amounts falling due within one year	13	(254,825)		(372,034)	
Net current assets			<u>798,515</u>		<u>660,280</u>
Total assets less current liabilities			<u>8,138,412</u>		<u>8,212,613</u>
Defined benefit pension liability	17	(385,000)		(194,000)	
Net assets			<u><u>7,753,412</u></u>		<u><u>8,018,613</u></u>
Funds of the academy trust:					
Restricted income funds	15				
- Fixed asset funds			7,411,740		7,552,333
- General funds			57,438		140,047
- Pension reserve			(385,000)		(194,000)
Total restricted funds			<u>7,084,178</u>		<u>7,498,380</u>
Unrestricted funds	15		<u>669,234</u>		<u>520,233</u>
Total funds			<u><u>7,753,412</u></u>		<u><u>8,018,613</u></u>

The accounts were approved by order of the board of trustees and authorised for issue on 08 December 2014.

MM Evans
Chair

Company Number 07909371

LOOE COMMUNITY ACADEMY TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £	2013 £
Net cash inflow/(outflow) from operating activities	18	96,571	42,497
Returns on investments and servicing of finance			
Investment income		2,703	1,206
		<u>2,703</u>	<u>1,206</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		2,703	1,206
		<u>99,274</u>	<u>43,703</u>
Capital expenditure and financial investments			
Capital grants received		97,461	282,203
Payments to acquire tangible fixed assets		(94,577)	(435,164)
Receipts from sales of tangible fixed assets		-	1,000
		<u>2,884</u>	<u>(151,961)</u>
Net cash flow from capital activities		2,884	(151,961)
Increase/(decrease) in cash	19	<u>102,158</u>	<u>(108,258)</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the accounts.

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the academy trust's educational operations.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land & buildings	2 - 5% per annum on cost
Computer equipment	33% per annum on cost
Furniture & equipment	20% per annum on cost

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency, the Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and the Department for Education.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Capital grants	-	28,556	28,556	-
Other donations	2,297	-	2,297	9,795
	<u>2,297</u>	<u>28,556</u>	<u>30,853</u>	<u>9,795</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Hire of facilities	30,645	-	30,645	48,831
	<u>30,645</u>	<u>-</u>	<u>30,645</u>	<u>48,831</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Short term deposits	2,703	-	2,703	1,206
	<u>2,703</u>	<u>-</u>	<u>2,703</u>	<u>1,206</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
DfE / EFA grants				
General annual grant (GAG)	-	3,022,101	3,022,101	3,064,370
Capital grants	-	68,905	68,905	102,455
Other DfE / EFA grants	-	156,108	156,108	133,963
	-	3,247,114	3,247,114	3,300,788
Other government grants				
Local authority grants	-	32,100	32,100	285,734
Other funds				
Other incoming resources	113,356	-	113,356	129,823
Total funding	113,356	3,279,214	3,392,570	3,716,345

6 Resources expended

	Staff costs £	Premises costs £	Other costs £	Total 2014 £	Total 2013 £
Academy's educational operations					
- Direct costs	2,018,630	-	379,534	2,398,164	2,505,643
- Allocated support costs	459,307	396,768	256,020	1,112,095	1,134,610
	2,477,937	396,768	635,554	3,510,259	3,640,253
Other expenditure					
Governance costs	-	-	3,713	3,713	3,772
Total expenditure	2,477,937	396,768	639,267	3,513,972	3,644,025

Incoming/outgoing resources for the year include:

	2014 £	2013 £
Operating leases		
- Plant and machinery	22,133	19,015
Loss/(profit) on disposal of fixed assets	-	281
Fees payable to auditor		
- Audit	2,550	2,500
- Other services	2,725	2,750

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Direct costs				
Teaching and educational support staff costs	-	2,004,204	2,004,204	2,108,926
Technology costs	-	27,874	27,874	35,371
Educational supplies and services	-	107,759	107,759	142,853
Examination fees	-	46,993	46,993	46,605
Staff development	-	14,426	14,426	17,559
Other direct costs	-	196,908	196,908	154,329
	-	2,398,164	2,398,164	2,505,643
Allocated support costs				
Support staff costs	-	459,307	459,307	442,969
Depreciation	-	307,013	307,013	320,126
Technology costs	-	20,480	20,480	15,038
Recruitment and support	-	11,036	11,036	4,985
Maintenance of premises and equipment	-	89,755	89,755	101,802
Cleaning	-	10,816	10,816	8,683
Energy costs	-	52,506	52,506	55,408
Rent and rates	-	18,461	18,461	30,606
Insurance	-	44,788	44,788	53,411
Security and transport	-	22,771	22,771	20,675
Catering	-	19,232	19,232	26,318
Interest and finance costs	-	(1,000)	(1,000)	4,000
Other support costs	-	56,930	56,930	50,589
	-	1,112,095	1,112,095	1,134,610
Total costs	-	3,510,259	3,510,259	3,640,253

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Auditor's remuneration				
- Audit of financial statements	-	2,550	2,550	2,500
- Other audit costs	-	425	425	400
Other governance costs	-	738	738	872
	-	3,713	3,713	3,772

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

9 Staff costs

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2014 Number	2013 Number
Teachers	31	37
Administration and support	31	31
Management	6	6
	68	74
	68	74

Costs included within the accounts:

	2014 £	2013 £
Wages and salaries	1,987,542	2,057,544
Social security costs	137,462	146,785
Other pension costs	291,965	288,575
	2,416,969	2,492,904
Supply teacher costs	46,542	48,991
Compensation payments	-	10,000
Staff development and other staff costs	14,426	17,559
	2,477,937	2,569,454
	2,477,937	2,569,454

The number of employees whose annual remuneration was £60,000 or more was:

	2014 Number	2013 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
	1	1

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2014	2013
Teachers' Pension Scheme	Numbers	2	2
	£	20,052	19,630
		20,052	19,630
Local Government Pension Scheme	Numbers	-	-
	£	-	-
		-	-

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

10 Trustees' remuneration and expenses

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, and the prior year, no travel and subsistence payments were reimbursed to any trustees.

The value of trustees' remuneration was as follows:

HR Jenkins (headteacher and trustee): £85,000 - £90,000 (2013: £85,000-£90,000).

JR Kevern (staff trustee): £40,000 - £45,000 (2013: £45,000-£50,000).

SG Minette (staff trustee): £25,000 - £30,000 (2013: £15,000-£20,000).

Other related party transactions involving the trustees are set out within the related parties note.

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,781 (2013: £1,730).

11 Tangible fixed assets

	Leasehold land & buildings £	Computer equipment £	Furniture & equipment £	Total £
Cost				
At 1 September 2013	7,385,200	175,059	441,027	8,001,286
Additions	57,407	33,691	3,479	94,577
At 31 August 2014	7,442,607	208,750	444,506	8,095,863
Depreciation				
At 1 September 2013	241,656	80,860	126,437	448,953
Charge for the year	149,225	68,887	88,901	307,013
At 31 August 2014	390,881	149,747	215,338	755,966
Net book value				
At 31 August 2014	7,051,726	59,003	229,168	7,339,897
At 31 August 2013	7,143,544	94,199	314,590	7,552,333

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

12 Debtors	2014	2013
	£	£
VAT recoverable	33,422	12,962
Other debtors	3,850	417
Prepayments and accrued income	93,927	198,952
	<u>131,199</u>	<u>212,331</u>
	<u><u>131,199</u></u>	<u><u>212,331</u></u>
13 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	43,790	37,346
Taxes and social security costs	82,126	79,308
Other creditors	-	7,348
Accruals	128,034	236,761
Deferred income	875	11,271
	<u>254,825</u>	<u>372,034</u>
	<u><u>254,825</u></u>	<u><u>372,034</u></u>
14 Deferred income	2014	2013
	£	£
Deferred income is included within:		
Creditors due within one year	875	11,271
	<u>875</u>	<u>11,271</u>
	<u><u>875</u></u>	<u><u>11,271</u></u>
Total deferred income at 1 September 2013	11,271	1,960
Amounts credited to the statement of financial activities	(11,271)	(1,960)
Amounts deferred in the year	875	11,271
	<u>875</u>	<u>11,271</u>
Total deferred income at 31 August 2014	<u><u>875</u></u>	<u><u>11,271</u></u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

15 Funds

	Balance at 1 September 2013 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2014 £
Restricted general funds					
General Annual Grant	140,047	3,022,101	(3,035,751)	(68,959)	57,438
Other DfE / EFA grants	-	156,108	(156,108)	-	-
Other government grants	-	32,100	(32,100)	-	-
	<u>140,047</u>	<u>3,210,309</u>	<u>(3,223,959)</u>	<u>(68,959)</u>	<u>57,438</u>
Funds excluding pensions	140,047	3,210,309	(3,223,959)	(68,959)	57,438
Pension reserve	(194,000)	-	17,000	(208,000)	(385,000)
	<u>(53,953)</u>	<u>3,210,309</u>	<u>(3,206,959)</u>	<u>(276,959)</u>	<u>(327,562)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	747,194	68,905	(51,948)	-	764,151
Inherited fixed asset fund	6,764,553	-	(231,830)	-	6,532,723
Capital expenditure from GAG or other funds	40,586	-	(21,704)	68,959	87,841
Private sector capital sponsorship	-	28,556	(1,531)	-	27,025
	<u>7,552,333</u>	<u>97,461</u>	<u>(307,013)</u>	<u>68,959</u>	<u>7,411,740</u>
Total restricted funds	<u>7,498,380</u>	<u>3,307,770</u>	<u>(3,513,972)</u>	<u>(208,000)</u>	<u>7,084,178</u>
Unrestricted funds					
General funds	<u>520,233</u>	<u>149,001</u>	<u>-</u>	<u>-</u>	<u>669,234</u>
Total funds	<u>8,018,613</u>	<u>3,456,771</u>	<u>(3,513,972)</u>	<u>(208,000)</u>	<u>7,753,412</u>

The specific purposes for which the funds are to be applied are as follows:

Restricted general funds - The restricted general fund includes grants receivable from the Education Funding Agency and the Department for Education towards the principal activity of the academy, being the provision of education.

Restricted fixed asset funds - The restricted fixed asset fund includes the leasehold property and furniture and equipment transferred to Looe Community Academy Trust on 1 February 2012 and Education Funding Agency grants which have been received. The fund is being reduced by the depreciation in the period.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2014 are represented by:				
Tangible fixed assets	-	-	7,339,897	7,339,897
Current assets	679,957	301,540	71,843	1,053,340
Creditors: amounts falling due within one year	(10,723)	(244,102)	-	(254,825)
Defined benefit pension liability	-	(385,000)	-	(385,000)
	<u>669,234</u>	<u>(327,562)</u>	<u>7,411,740</u>	<u>7,753,412</u>

17 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 and of the LGPS 31 March 2013.

Contributions amounting to £41,225 (2013: £37,538) were payable to the schemes at 31 August 2014 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Pensions and similar obligations

(Continued)

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Teachers' Pension Scheme changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100 percent basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme, and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23.5% for employers and between 5.5 and 7.5% for employees. The estimated value of employer contributions for the forthcoming year is £136,000.

The academy has entered into an agreement with the LGPS trustees to make additional annual contributions of £16,000 in addition to normal funding levels, over a period of 20 years, in order to bridge the scheme deficit.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Pensions and similar obligations

(Continued)

	2014 £	2013 £
Employer's contributions	119,000	110,000
Employees' contributions	26,000	24,000
Total contributions	<u>145,000</u>	<u>134,000</u>

Principal actuarial assumptions

	2014 %	2013 %
Rate of increase in salaries	4.4	5.1
Rate of increase for pensions in payment	2.6	2.8
Discount rate for scheme liabilities	3.7	4.6
Commutation of pensions to lump sums relating to pre-April 2008 services	40	40
Commutation of pensions to lump sums relating to post-April 2008 services	70	70

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions as at 31 August 2014:

0.5% decrease in Real Discount Rate - 12% approximate increase to Employer Liability equating to approximately £171,000.

1 year increase in member life expectancy - 3% approximate increase to Employer Liability equating to approximately £45,000.

0.5% increase in the Salary Increase Rate - 5% approximate increase to Employer Liability equating to approximately £74,000.

0.5% increase in the Pension Increase Rate - 6% approximate increase to Employer Liability equating to approximately £93,000.

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2014 Years	2013 Years
Retiring today		
- Males	22.2	21.3
- Females	24.4	23.4
Retiring in 20 years		
- Males	24.4	23.2
- Females	26.8	25.6

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Pensions and similar obligations

(Continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2014 Expected return %	2014 Fair value £	2013 Expected return %	2013 Fair value £
Equities	6.2	585,000	6.6	586,000
Bonds	3.2	441,000	3.9	232,000
Property	4.5	66,000	4.7	46,000
Other assets	3.3	11,000	3.6	65,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total market value of assets		1,103,000		929,000
Present value of scheme liabilities - funded		(1,488,000)		(1,123,000)
		<u> </u>		<u> </u>
Net pension asset / (liability)		(385,000)		(194,000)
		<u> </u>		<u> </u>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. They have been calculated using 5,000 simulations of Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP, and calibrated using market data as at a recent date.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, yields applicable at the accounting date on suitable bond indices have been used.

The actual return on scheme assets was £112,000 (2013: £88,000).

Operating costs and income recognised in the statement of financial activities

	2014 £	2013 £
Financial expenditure/(income)		
Expected return on pension scheme assets	(55,000)	(37,000)
Interest on pension liabilities	54,000	41,000
	<u> </u>	<u> </u>
	(1,000)	4,000
	<u> </u>	<u> </u>
Other expenditure/(income)		
Current service cost	103,000	88,000
Past service cost	-	-
	<u> </u>	<u> </u>
	103,000	88,000
	<u> </u>	<u> </u>
Total operating charge/(income)	<u> </u>	<u> </u>
	102,000	92,000
	<u> </u>	<u> </u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2014	2013
	£	£
Actuarial (gains)/losses on assets: actual return less expected	(10,000)	(51,000)
Experience (gains)/losses on liabilities	5,000	-
(Gains)/losses arising from changes in assumptions	213,000	24,000
	<u>208,000</u>	<u>(27,000)</u>
Total (gains)/losses	<u>208,000</u>	<u>(27,000)</u>
Cumulative (gains)/losses to date	<u>169,000</u>	<u>(39,000)</u>

Movements in the present value of defined benefit obligations were as follows:

	2014	2013
	£	£
Opening defined benefit obligations	(1,123,000)	(946,000)
Current service cost	(103,000)	(88,000)
Interest cost	(54,000)	(41,000)
Contributions by employees	(26,000)	(24,000)
Actuarial gains/(losses)	(218,000)	(24,000)
Benefits paid	36,000	-
	<u>(1,488,000)</u>	<u>(1,123,000)</u>

Movements in the fair value of the academy trust's share of scheme assets:

	2014	2013
	£	£
Opening fair value of scheme assets	929,000	707,000
Expected return on assets	55,000	37,000
Actuarial gains/(losses)	10,000	51,000
Contributions by employers	119,000	110,000
Contributions by employees	26,000	24,000
Benefits paid	(36,000)	-
	<u>1,103,000</u>	<u>929,000</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Pensions and similar obligations

(Continued)

History of experience gains and losses:

	2014	2013	2012
	£	£	£
Present value of defined benefit obligations	(1,488,000)	(1,123,000)	(946,000)
Fair value of share of scheme assets	1,103,000	929,000	707,000
	<u> </u>	<u> </u>	<u> </u>
Surplus / (deficit)	<u>(385,000)</u>	<u>(194,000)</u>	<u>(239,000)</u>
Experience adjustment on scheme liabilities	(5,000)	-	-
Experience adjustment on scheme assets	10,000	51,000	4,000
	<u> </u>	<u> </u>	<u> </u>

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2014	2013
	£	£
Net income	(57,201)	132,152
Capital grants and similar income	(97,461)	(282,203)
Investment income	(2,703)	(1,206)
FRS17 pension costs less contributions payable	(16,000)	(22,000)
FRS17 pension finance income	(1,000)	4,000
Depreciation of tangible fixed assets	307,013	319,845
Losses/(profits) on disposals of fixed assets	-	281
(Increase)/decrease in debtors	81,132	(80,738)
Increase/(decrease) in creditors	(117,209)	(27,634)
	<u> </u>	<u> </u>
Net cash inflow/(outflow) from operating activities	<u>96,571</u>	<u>42,497</u>

19 Reconciliation of net cash flow to movement in net funds

	2014	2013
	£	£
Increase/(decrease) in cash	102,158	(108,258)
Net funds at 1 September 2013	819,983	928,241
	<u> </u>	<u> </u>
Net funds at 31 August 2014	<u>922,141</u>	<u>819,983</u>

20 Analysis of net funds

	At 1 September 2013	Cash flows	Non-cash changes	At 31 August 2014
	£	£	£	£
Cash at bank and in hand	819,983	102,158	-	922,141
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

21 Commitments under operating leases

At 31 August 2014 the academy trust had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Expiry date:		
- Within one year	5,100	-
- Between two and five years	21,398	19,015
	<u>26,498</u>	<u>19,015</u>
	<u><u>26,498</u></u>	<u><u>19,015</u></u>

22 Related parties

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

Kernow Education Arts Partnership - a charity in which HR Jenkins, headteacher and trustee, is a trustee. Transactions totalling £2,525 (2013: £740) relating to the cost of conferences attended took place in the year. £2,200 (2013: £165) was outstanding at 31 August 2014.

Sheila's School of Dancing - a business in which SD Brock, trustee, is the owner. Transactions totalling £445 (2013: £445) relating to the rental of the main hall for rehearsals and a performance took place in the year. £445 was included in accrued income at the year end (2013: £445).

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.