

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 18
Statement on regularity, propriety and compliance	19
Trustees' responsibilities statement	20
Independent auditors' report	21 - 22
Independent reporting accountant's assurance report on regularity	23 - 24
Statement of financial activities	25 - 26
Balance sheet	27
Cash flow statement	28
Notes to the financial statements	29 - 46

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	Mr D Farmer, Head Teacher ^{1,2,3} Mrs S Woodford, Chair ^{1,2,3}
Trustees	Mr S Capers ^{1,3} Mrs S Everson, Staff Governor ^{1,2,3} Mrs V Gregory ^{1,2} Mrs J Rickard, Vice Chair ^{1,2} Mrs B Schulz-Golder ^{1,3} Councillor V Pengelly (resigned 6 January 2015) ^{1,3} Mr K Bunt ^{2,3} Mr A Edwards ^{1,2,3} Mr S Harvey ^{1,2,3} Mrs H Massey-Clamp ^{1,2} Mr J Wright ^{1,3} Mrs J Williams (resigned 1 September 2014) Mrs S Doidge ^{1,3} Mr M Wallace (appointed 30 September 2014) ^{1,2,3} Mrs D Utku (appointed 1 April 2015) ^{1,2,3} Mrs J Blonden ³

- 1 Curriculum committee
- 2 Personnel committee
- 3 Finance and premises committee

Company registered number 07557886

Principal and Registered office Church Road
Plymstock
Plymouth
Devon
PL9 9AZ

Company secretary J Crookston

Accounting officer D Farmer

Senior management team Mr D Farmer, Headteacher
Miss A Perry, Senior Deputy Headteacher
Mr R Diment, Deputy Headteacher
Mrs K Dyke, Deputy Headteacher
Mr W Sprenkel, Senior Assistant Headteacher
Mr R Pearsall, Assistant Headteacher
Mrs R Wright, Assistant Headteacher
Mrs L Duff, Assistant Headteacher
Mrs J Crookston, School Business Manager

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Bankers	Lloyds TSB Bank plc 13 Fore Street Ivybidge Devon PL21 9AD
----------------	--

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 18 in Plymouth. It has a pupil capacity of 1,650 and had a roll of 1,560 in the school census on 1 May 2015.

For the purposes of this report, Trustees are also known as Governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of Plymstock School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Plymstock School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £5,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 1 April 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 20 other Trustees.

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 Academy's development.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are three committees as follows;

- Finance and Premises Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Curriculum Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Personnel Committee meets once a term to monitor and evaluate the recruitment of new staff. Monitor and sign off successfully completed probationary periods for support staff. Monitor DBS checking for all staff.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, Assistant Headteachers' and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Middle Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team (SLT) consists of the Headteacher, Senior Deputy Headteacher, two Deputy Hedteachers, four Assistant Headteachers, and the Academy Business Manager. The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Academy Business Manager and Finance, Finance and Premises Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Governor.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Football Foundation have sponsored the 3G pitch at the Academy which required submittal of an annual Monitoring and Evaluation report.

Goals have use of the Academy's leisure facilities and there is a shared use agreement between them and the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities between the ages of 11 and 18.

The principal object and activity of the Charitable Company is the operation of Plymstock School Academy is to provide free education and care for pupils of different abilities between the ages of 11 and 18.

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra curricular activities.
- to develop students as more effective learners.
- to enhance the tertiary provision and outcomes.
- to develop the Academy site so that it enables students to achieve their full potential.
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- to maximise the number of students who achieve 5 A* - C GCSE grades including English and Maths.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Plymstock School Academy we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

The secondary objective for the Academy is the promotion for the benefit of the inhabitants of Plymouth 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 interest of social welfare and the object of improving the condition of life of the said inhabitants.

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Improvement Plan which is in every classroom and office, and is also available from the School Office.

The document is structured under three areas of focus:
Learn together, Achieve together and Succeed together

Our four key priorities for the 2015-2016 academic year are to ensure that in every classroom our students

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

experience CONSISTENT and HIGHLY EFFECTIVE:

- Marking and feedback.
- Differentiation that meets the needs of all learners.
- Independent learning opportunities.
- Teaching, learning and support strategies that further enhance the achievement and progress of Gifted and Talented, Most Able and Disadvantaged students.

Key activities and targets were identified in the School Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- Setting ambitious targets throughout the school at all levels. The monitoring of these targets to secure high outcomes for all students was developed into a more rigorous process with accountability structures reviewed.
- Review and restructuring of the Senior Leadership Team, enabling a flatter structure and an evaluation of the ethos and culture of leadership across the school. The school will now be led under three areas of focus: Learning and the Student, Learning and the Teacher and Learning and the Curriculum. The role of SLT Achievement Leaders has been developed to ensure that progress is made in each year group.
- Review of the current curriculum structure to assess relevance and suitability in line with national developments. To support motivation of students and maximise life chances. This was carried out in 2014/15 and implemented for 2015/16. In light of further curriculum changes in the period from 2015 to 2018 there will be further developments within the new structure, for example the replacement of National Curriculum levels and new examinations at the end of Year 11 and in the Sixth Form.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Plymstock and the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to Sport.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

Due to national changes it is not applicable to compare examination performance for 2015 with previous years. However performance of students at Plymstock School is in line with the national average for students gaining 5+ A*-C including English and Maths. In the present climate where examination boards are raising grade boundaries we are pleased to celebrate this performance from a year group that was performing below the national average when they entered the school from primary school. Once again there were no NEETs with all students progressing on to employment, education or training.

GCSE

5+ A* to C including English and Mathematics was 52%, with all students studying seven discreet subject areas and no multiple qualifications. The percentage of students achieving the EBacc was over 30% - significantly above the national standard. All progress measures were positive as was the value added Capped 8 +EM VA Score of 10024.

A Level

Pathways from Year 13 are rich and varied and it was wonderful to see all our students gain their next steps in their learning journey with their excellent A Level results. This cohort all achieved at least one A level pass with

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

over 80% of students achieving good passes in three or more A levels. Achievement in vocational subjects was also very high. We were delighted that among the students going on to higher education several will be studying at Russell Group universities and two will be taking up well deserved places at Oxford and Cambridge.

The monitoring of Learning and Teaching is an important measure of our Achievements and Standards, this including Lesson Observations, Learning Walks and various Work Scrutiny activities. These are carried out within a fixed schedule and enabled both Senior and Middle Managers to target appropriate intervention. To ensure that standards are continually assessed, the Academy operates a programme of learning walks and lesson observations, which are undertaken by the Department Heads and the Senior Leadership Team matrix managers.

During the year the Academy was successful in gaining an Academies Capital Maintenance Fund (ACMF) bid to replace most of the remaining single glazed windows with more efficient double glazed units. A science laboratory was fully refurbished and work completed on the Sixth Form building to create three new learning spaces. The staffroom was redecorated and some furniture was replaced.

Continuing professional development for staff has been very successful with 8 teaching staff undertaking courses, 3 achieving for National Professional Qualification for Senior Leaders (NPQSL) and 3 achieving the National Professional Qualification for Middle Leadership (NPQML). We also celebrated the success of two colleagues who successfully completed the National Professional Qualification for Headteachers (NPQH).

The Academy has established close links with Heles School (Academy), Ridgeway School (Academy) and Coombe Dean School (Academy). The four Academies are embarking on mutual staff development, with the primary aim of driving up standards. In 2014 to 2015 Plymstock hosted the Newly Qualified Teachers from the four schools for regular training and also led a middle leader training programme.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the restriction has been removed in the year. In period under review, £1,344,349 was carried forward representing 18% of GAG.

Going Concern

After making appropriate enquiries, the Finance and Premises Committee has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2015, the Academy received total income of £8,883,377 and incurred total expenditure of £9,000,757. The deficit of income over expenditure for the year was -£167,380.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued in 2012 at £27,400,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the former school's budget share (£165,915) was transferred across on conversion and is shown

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Trustees have adopted an internal audit policy and appointed Mandy Vickery to undertake a programme of internal checks on the financial controls. During the year, the Trustees received three reports from the internal audit which contained no matters of significance.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be approximately £500,000 - £750,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets, designated reserves and restricted funds) is £285,453.

The trustees have designated £440,000 at the year end, split between £220,000 for the sinking fund of the 3G pitch (Football Foundation requirement for receipt to funding). A further £220,000 has been designated for the refurbishment of the 6th form block.

The Trustees have reviewed the future plans of the Academy and have that reserves will be at a level necessary to:

- To support any changes to pay and conditions
- To support future years allocated decreasing income

Unrestricted reserves will be at a level necessary to:

- Allow future planned expenditure that cannot be met from the annual budget.
- Allow the creation and maintenance of a 'Contingency' fund for the replacement of large capital and infrastructure items, and used to deal with unknown items of expenditure that cannot be expected to be funded from annual budgets.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. On a daily basis this is achieved by automatic transfer of surplus funds to overnight deposit. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 95.3% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy and a Risk Register.. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Due to the demographics of Plymouth there is a fall in students in Year 6 across the City but risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance and Premises Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

The Board of Trustees has reviewed the major 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 Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note X to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website or from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

No funds are held as custodian trustees on behalf of others.

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Finance and Premises Committee, as company directors, on 10 December 2015 and signed on the board's behalf by:

**Mrs S Woodford
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Plymstock School 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 Finance and Premises Committee 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 Plymstock School and the Secretary of State for Education. They are also responsible for reporting to the Finance and Premises Committee any material weaknesses or breakdowns in internal control.

For the purposes of this report, Trustees are also known as Governors.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Finance and Premises Committee has formally met 14 times during the year. Attendance during the year at meetings of the Finance and Premises Committee was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Farmer, Head Teacher	12	14
Mrs S Woodford, Chair	8	11
Mr S Capers	6	10
Mrs S Everson, Staff Governor	10	10
Mrs V Gregory	10	11
Mrs J Rickard, Vice Chair	10	11
Mrs B Schulz-Golder	9	11
Mr K Bunt	6	10
Mr A Edwards	14	14
Mr S Harvey	7	10
Mrs H Massey-Clamp	9	11
Mr J Wright	8	11
Mrs S Doidge	7	11
Mr M Wallace	7	11
Mrs D Utku	4	4
Mrs J Blonden	6	11

Governance reviews:

Plymstock School Academy Trust reviews its Governance annually and always when a vacant Governor place becomes available. The Academy actively recruits for specific skills to support the Governance of Plymstock School Academy Trust. This is conducted initially by telephone and then an invitation to come into Plymstock School Academy Trust to meet with the Chair of Governors and the Headteacher.

The **Finance and Premises Committee** is a sub-committee of the main Board of Trustees. Its purpose is to:

- 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 public and private finances and resources including the buildings.
- To ensure that the Academy undertakes proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the governing body on a regular basis.

The Audit Committee is also part of main Finance and Premises Committee. Its purpose is to:

Assist the Governing Body in fulfilling its oversight responsibilities with particular reference to strategic financial

GOVERNANCE STATEMENT (continued)

reporting, internal control, risk management and external audit. To make appropriate comments and recommendations on such matters, to the Governing Body on a regular basis and refer major issues to the Governing Body for ratification.

Major issues will be referred to the full governing body for ratification

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs S Capers	2	3
Mr S Harvey	2	3
Mr D Farmer	2	3
Mrs J Blonden	2	3
Mrs S Everson	3	3
Mr J Wright	3	3
Mrs S Woodford	2	3
Mr K Bunt	3	3
Mr A Edwards	3	3
Mrs S Doige	1	3

Membership

The Chair of Governors and the Head Teacher will be ex-officio member of the committee, together with 6 other members of the Governing Body. The membership will be agreed annually at the first meeting of the whole governing body in the autumn term. The chair of the committee will be elected by the whole governing body on an annual basis at the first meeting of the whole governing body in the autumn term. No governor employed at the academy will act as chair to the committee. In the absence of the chair the committee will elect a temporary replacement from among the governors present at the committee meeting.

- The quorum for each committee meeting is fixed at six of the members eligible to vote.
- The committee will meet as often as is necessary to fulfil its responsibilities and at least once each term.
- The clerk to the committee will circulate an agenda for each meeting and papers at least a week before the committee meeting.
- Attendance at each committee meeting, issues discussed and recommendations for decisions will be recorded. The written record will be included on the agenda and papers of the next meeting of the whole governing body. This is to meet statutory requirements, to provide information to the whole governing body and to seek ratification of decisions and recommendations.
- The committee may invite attendance at its meetings from persons to assist or advise on a particular matter or range of issues, including parents and members of the academy staff who are not governors.
- Any governor may attend meetings of committees.
- Only governors who are members of the committee may vote at committee meetings. Where necessary, the elected chair of the committee may have a second or casting vote.

Terms of Reference

Subject to the requirements of statutory requirements, the committee is authorised:

- To consider the academy's indicative funding, notified annually by the EFA and other grant making bodies.
- To assess the implications for the academy of the funding stream in consultation with the head teacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the governing body.
- To consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year.
- To monitor capital expenditure and take appropriate steps in the event of possible over/under-spending.
- To consider policy with regard to income generation and the use of such income.
- To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the head teacher, and with the stated and agreed aims and objectives of the academy.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be

GOVERNANCE STATEMENT (continued)

adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.

- To liaise with and receive reports from the staffing/remuneration and curriculum committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the EFA, drawing any matters of concern to the attention of the governing body.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
- To approve the financial statement to form part of the annual report of the governing body to parents and for filing in accordance with Companies Act and Charity Commission requirements.
- To recommend to the Full Governing Body the appointment of Internal Audit.
- To receive auditors' reports and to recommend to the full governing body action as appropriate in response to audit findings.
- To recommend to the full governing body the appointment or reappointment of the auditors of the academy.
- To provide effective stewardship of the school premises. To accomplish this the committee will be responsible for:
 - a) Monitoring the structural and decorative state of the building. The Committee shall make an annual tour of inspection and produce a written report to the full Governing Body.
 - b) To draw up priorities for repairs and maintenance each financial year
 - c) To allocate funding from the repair budget.
 - d) To approve all planned repair and maintenance work of a capital nature (deemed to be over £25,000) having gone through the appropriate tendering procedures.
 - e) To draw up submissions for capital grant.
 - f) To assist the Governing Body and headteacher to discharge their responsibilities under the Health and Safety at Work Act 1974 in collaboration with the LA.
 - g) To monitor the effectiveness of the school's health and safety arrangements, make periodic inspections of buildings, plant and equipment and report at least once a year to the Governing Body.
 - h) To oversee the running of the Plymstock School Sports Centre and the 3G facility, and to receive annual reports

Frequency of Meetings

There should be a minimum of four meetings in each financial year at which time the quarterly Income and Expenditure reports can be approved. In the interim, monthly reports detailing variances should be circulated to members.

The Committee should, from time to time, arrange to tour the school buildings to look at areas of development or concern.

GOVERNANCE STATEMENT (continued)

Special Meetings can be requisitioned at any time by any three members of the committee contacting the Clerk to Governors.

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to:

Assist the Governing Body in fulfilling its oversight responsibilities with particular reference to strategic financial reporting, internal control, risk management and external audit. To make appropriate comments and recommendations on such matters, to the Governing Body on a regular basis and refer major issues to the Governing Body for ratification.

REVIEW OF VALUE FOR MONEY

As accounting officer, the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- A rolling programme of changed to LED lighting is being undertaken to support decreased utility bills in the longer term and better lighting for student study.
- A major capital programme was completed during the summer holidays of replacement windows and doors.
- A refurbishment of the sixth form has enabled additional teaching areas to be available for the sixth form smaller classes enabling larger classrooms to be used for years 7 to 11 making less movement around site for the majority of students.

Effectiveness of financial control

- To review the effectiveness of financial and other control systems
- To ensure that all significant losses have been properly investigated and reported as appropriate
- To oversee the academy's policy on fraud and irregularity
- To oversee the academy's corporate governance arrangements including the code of practice for governing body members and code of conduct for senior staff
- To monitor the implementation of approved recommendations relating to both internal and external audit
- To monitor the effectiveness of the internal and external audit services and to promote co-ordination between the two
- To monitor the academy's arrangements to secure value for money

Risk management

To advise the governing body on risk management by:

- Becoming familiar with the concepts and requirements of risk management
- Acting as a catalyst for risk management activity across the academy
- Ensuring appropriate audit work on risk management
- Collecting information on risks and risk management
- to review the Academy's procedures for detecting fraud and whistle blowing and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters;
- to review management's reports on the effectiveness of the systems for internal financial control, financial reporting and risk management;
- to monitor the integrity of the Academy's internal financial controls;
- to review the statement in the annual report and accounts on the Academy's internal controls and risk management framework;
- to assess the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks.

GOVERNANCE STATEMENT (continued)

Internal audit

- To advise the governing body on the appointment and remuneration of the internal audit service
- To consider and advise the governing body on the audit needs assessment and the strategic and the annual audit plans for the internal audit service
- To consider and advise the governing body on internal audit reports
- To receive an annual report from the internal auditor, which should include an opinion on the degree of assurance that can be placed on the system of internal control

External audit

- To advise the governing body on the appointment and remuneration of external auditors and the scope of their work
- To guide the external auditor on the nature and scope of the audit as necessary
- To consider and advise the governing body on external audit reports and management letters
- To consider the academy's financial statements as appropriate

Other

- To receive and review relevant reports relating to audit such as those prepared by the National Audit Office
- To prepare an annual report for submission to the governing body on the work of the committee including an opinion on the effectiveness of the internal control system and the pursuit of VFM together with an assurance on risk management

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Plymstock School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Finance and Premises Committee has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Finance and Premises Committee is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Finance and Premises Committee.

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Finance and Premises Committee;
- regular reviews by the 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 Finance and Premises Committee has considered the need for a specific internal audit function and has decided to appoint Mandy Vickery (St Kew Accountants) as internal auditor.

GOVERNANCE STATEMENT (continued)

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- A quarterly internal audit is undertaken covering the key financial systems and controls and the reports are distributed to the Board of Trustees. No contentious issues have arisen.

On a quarterly basis, the internal auditor reports to the Finance and Premises Committee on the operation of the systems of control and on the discharge of the Finance and Premises Committee' financial responsibilities. The internal auditor has delivered their scheduled visits and written reports have been provided. No material control issues were reported.

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 internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy 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 internal auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Finance and Premises Committee on 10 December 2015 and signed on its behalf, by:

Mrs S Woodford
Chair of Governors

Mr D Farmer
Accounting Officer

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Plymstock School I have considered my responsibility to notify the Academy Finance and Presmises Committee 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 and the 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 Finance and Presmises Committee are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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 Finance and Presmises Committee and EFA.

Mr D Farmer
Accounting Officer

Date: 10 December 2015

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of Plymstock School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements 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 financial statements for each financial year. Under company law the Trustees must not approve the financial statements 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 financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments 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 financial statements;
- prepare the financial statements 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 financial statements 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 grants received from 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Finance and Premises Committee and signed on its behalf by:

**Mrs S Woodford
Chair of Governors**

Date: 10 December 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMSTOCK SCHOOL

We have audited the financial statements of Plymstock School for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an Auditors' 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 Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy'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 financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements 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 FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 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
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMSTOCK SCHOOL

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 financial statements 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.

Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

15 December 2015

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PLYMSTOCK SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Plymstock School during the year 1 September 2014 to 31 August 2015 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 Plymstock School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Plymstock School and 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 Plymstock School and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF PLYMSTOCK SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Plymstock School's funding agreement with the Secretary of State for Education dated 31 March 2011, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 year 1 September 2014 to 31 August 2015 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 to 2015 issued by 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's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PLYMSTOCK
SCHOOL 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 year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

15 December 2015

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	136,925	-	136,925	152,492
Activities for generating funds	3	123,327	-	-	123,327	147,011
Investment income	4	17,004	-	-	17,004	9,295
Incoming resources from charitable activities	5	102,936	8,178,000	275,185	8,556,121	8,446,957
TOTAL INCOMING RESOURCES		243,267	8,314,925	275,185	8,833,377	8,755,755
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and activities for generating funds		56,132	-	-	56,132	119,282
Charitable activities		1,269	8,393,065	525,867	8,920,201	8,930,739
Governance costs	9	-	24,424	-	24,424	38,102
TOTAL RESOURCES EXPENDED	6	57,401	8,417,489	525,867	9,000,757	9,088,123
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		185,866	(102,564)	(250,682)	(167,380)	(332,368)

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	18	-	(163,719)	163,719	-	-
NET EXPENDITURE FOR THE YEAR		185,866	(266,283)	(86,963)	(167,380)	(332,368)
Actuarial gains and losses on defined benefit pension schemes		-	(144,000)	-	(144,000)	(308,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		185,866	(410,283)	(86,963)	(311,380)	(640,368)
Total funds at 1 September		601,758	(793,839)	28,084,741	27,892,660	28,533,028
TOTAL FUNDS AT 31 AUGUST		787,624	(1,204,122)	27,997,778	27,581,280	27,892,660

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 46 form part of these financial statements.

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07557886

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		28,048,500		28,084,741
CURRENT ASSETS					
Debtors	15	125,163		145,290	
Cash at bank and in hand		2,609,847		2,403,369	
			2,735,010	2,548,659	
CREDITORS: amounts falling due within one year	16	(622,230)		(441,477)	
NET CURRENT ASSETS			2,112,780		2,107,182
TOTAL ASSETS LESS CURRENT LIABILITIES			30,161,280		30,191,923
CREDITORS: amounts falling due after more than one year	17		-		(17,263)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			30,161,280		30,174,660
Defined benefit pension scheme liability	24		(2,580,000)		(2,282,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			27,581,280		27,892,660
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	18	1,375,878		1,488,161	
Fixed asset funds	18	27,997,778		28,084,741	
Restricted funds excluding pension liability		29,373,656		29,572,902	
Pension reserve		(2,580,000)		(2,282,000)	
Total restricted funds			26,793,656		27,290,902
Unrestricted funds	18		787,624		601,758
TOTAL FUNDS			27,581,280		27,892,660

The financial statements were approved by the Trustees, and authorised for issue, on 10 December 2015 and are signed on their behalf, by:

Mrs S Woodford, Chair
Chair of Trustees

The notes on pages 29 to 46 form part of these financial statements.

**PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	20	306,422	153,029
Returns on investments and servicing of finance	21	2,883	9,295
Capital expenditure and financial investment	21	(102,827)	(465,907)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>206,478</u>	<u>(303,583)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £	2014 £
Increase/(Decrease) in cash in the year	<u>206,478</u>	<u>(303,583)</u>
MOVEMENT IN NET FUNDS IN THE YEAR	206,478	(303,583)
Net funds at 1 September 2014	<u>2,403,369</u>	<u>2,706,952</u>
NET FUNDS AT 31 AUGUST 2015	<u>2,609,847</u>	<u>2,403,369</u>

The notes on pages 29 to 46 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

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

Charitable activities are costs incurred in the Academy's educational operations.

Governance costs include the costs attributable to the Academy'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 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 Academy 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 financial statements. The trustees conclude that it is appropriate to prepare the accounts on the going concern basis for the year ended 31st August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

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 are 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's depreciation policy.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Motor vehicles	-	20% reducing balance
Fixtures, fittings & equipment	-	20% reducing balance
Computer equipment	-	33.33% straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.7 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 TAXATION

The Academy 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.9 PENSIONS

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy.

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 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 24, the TPS is a multi-employer scheme and the Academy 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 recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 the 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 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.

1.10 AGENCY ARRANGEMENTS

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	-	136,925	136,925	152,492
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	92,802	-	92,802	113,061
Consultancy	5,625	-	5,625	-
Other	24,900	-	24,900	33,950
	<u>123,327</u>	<u>-</u>	<u>123,327</u>	<u>147,011</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	17,004	-	17,004	9,295
	<u>17,004</u>	<u>-</u>	<u>17,004</u>	<u>9,295</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	275,185	275,185	30,020
General Annual Grant	-	7,466,122	7,466,122	7,541,674
Other DfE/EFA grants	-	287,044	287,044	282,524
	<u>-</u>	<u>8,028,351</u>	<u>8,028,351</u>	<u>7,854,218</u>
Other government grants				
High Needs	-	294,818	294,818	287,817
Other government grants non capital	-	80,718	80,718	135,349
	<u>-</u>	<u>375,536</u>	<u>375,536</u>	<u>423,166</u>
Other funding				
Other	102,936	49,298	152,234	169,573
	<u>102,936</u>	<u>49,298</u>	<u>152,234</u>	<u>169,573</u>
	<u>102,936</u>	<u>8,453,185</u>	<u>8,556,121</u>	<u>8,446,957</u>

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other	2015	2014
	£	2015	2015	£	£
		£	£		
Costs of activities for generating funds	50,369	-	5,763	56,132	119,282
COSTS OF GENERATING FUNDS	50,369	-	5,763	56,132	119,282
Direct costs	5,358,036	340,078	941,550	6,639,664	6,693,293
Support costs	1,448,714	555,328	276,495	2,280,537	2,237,446
CHARITABLE ACTIVITIES	6,806,750	895,406	1,218,045	8,920,201	8,930,739
GOVERNANCE	7,484	-	16,940	24,424	38,102
	6,864,603	895,406	1,240,748	9,000,757	9,088,123

7. DIRECT COSTS

	Total	Total
	2015	2014
	£	£
Pension finance costs	12,000	61,000
Educational supplies	494,580	478,995
Examination fees	136,146	131,291
Other costs	262,859	222,999
Supply teachers	35,965	23,525
Wages and salaries	4,362,578	4,457,099
National insurance	366,267	348,566
Pension cost	629,191	638,143
Depreciation	340,078	331,675
	6,639,664	6,693,293

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	37,000	-
Recruitment and support	51,534	56,037
Maintenance of premises and equipment	124,291	153,727
Cleaning	15,100	17,166
Rent and rates	44,790	58,167
Energy costs	122,260	86,865
Insurance	56,412	58,919
Security and transport	5,417	4,169
Catering	34,365	26,885
Technology costs	797	1,004
Office overheads	53,575	51,471
Legal and professional	99,224	90,342
Bank interest and charges	-	60
Wages and salaries	1,141,314	1,103,265
National insurance	60,410	59,845
Pension cost	246,990	236,975
Depreciation	187,058	232,549
	<u>2,280,537</u>	<u>2,237,446</u>

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	7,495	7,495	7,300
Auditors' non audit costs	-	4,067	4,067	21,263
Other costs	-	5,378	5,378	3,344
Wages and salaries	-	7,484	7,484	6,195
	<u>-</u>	<u>24,424</u>	<u>24,424</u>	<u>38,102</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	527,136	564,224
Auditors' remuneration	7,495	16,300
Auditors' remuneration - non-audit	4,067	12,263
Operating lease rentals:		
- other operating leases	14,955	15,855
	<u>553,653</u>	<u>612,642</u>

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	5,507,504	5,587,819
Social security costs	426,677	408,411
Other pension costs (Note 24)	876,181	875,118
	6,810,362	6,871,348
Supply teacher costs	35,965	32,863
Staff restructuring costs	18,276	4,094
	6,864,603	6,908,305

b. Staff severance payments

Included in staff costs is one non contractual/non statutory severance payment totalling £15,776 (2014: £959)

c. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teachers	99	87
Administration and support	81	86
Management	10	12
	190	185

d. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £110,001 - £120,000	1	1

During the year ended 31 August 2015, pension contributions for these members amounted to £42,539 (2014: four employees, £41,544).

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 Trustees (2014: 4) in respect of defined benefit pension schemes.

During the year, no Trustees received any reimbursement of expenses (2014: £NIL).

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy in respect of their role as governors. The value of trustee's remuneration including pension contributions in respect of defined benefit schemes in the year was as follows; D Farmer, one hundred to one hundred and five thousand (2014: one hundred to one hundred and five thousand), pension contributions between ten thousand and fifteen thousand (2014: between ten thousand and fifteen thousand). S Everson twenty to twenty five thousand (2014: twenty to twenty five thousand), pension contributions between nil and five thousand (2014: between nil and five thousand) and M Wallace forty to forty five thousand pounds (2014: £Nil), pension contributions between five and ten thousand pounds (2014: £Nil).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,678 (2014: £1,560). The cost of this insurance is included in the total amount.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures, fittings & equipment £	Computer equipment £	Total £
COST					
At 1 September 2014	29,026,706	25,455	634,120	130,453	29,816,734
Additions	441,071	-	45,117	4,707	490,895
At 31 August 2015	<u>29,467,777</u>	<u>25,455</u>	<u>679,237</u>	<u>135,160</u>	<u>30,307,629</u>
DEPRECIATION					
At 1 September 2014	1,361,119	11,748	236,325	122,801	1,731,993
Charge for the year	425,098	3,427	91,980	6,631	527,136
At 31 August 2015	<u>1,786,217</u>	<u>15,175</u>	<u>328,305</u>	<u>129,432</u>	<u>2,259,129</u>
NET BOOK VALUE					
At 31 August 2015	<u>27,681,560</u>	<u>10,280</u>	<u>350,932</u>	<u>5,728</u>	<u>28,048,500</u>
At 31 August 2014	<u>27,665,587</u>	<u>13,707</u>	<u>397,795</u>	<u>7,652</u>	<u>28,084,741</u>

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. DEBTORS

	2015	2014
	£	£
Trade debtors	12,894	64,085
VAT recoverable	23,805	3,865
Prepayments and accrued income	88,464	77,340
	<u>125,163</u>	<u>145,290</u>

16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	138,688	20,239
Other taxation and social security	124,367	116,731
Other creditors	120,751	122,586
Accruals and deferred income	238,424	181,921
	<u>622,230</u>	<u>441,477</u>

DEFERRED INCOME

Resources deferred during the year	<u>16,319</u>
------------------------------------	----------------------

£

Deferred income relates to income received in advance for school trips taking place after the year end.

17. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Other creditors	<u>-</u>	<u>17,263</u>

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
DESIGNATED FUNDS						
3G sinking fund	-	-	-	220,000	-	220,000
6th form block	-	-	-	220,000	-	220,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>440,000</u>	<u>-</u>	<u>440,000</u>
GENERAL FUNDS						
General funds	601,758	243,267	(56,132)	(503,440)	-	285,453
Fixed assets	-	-	(1,269)	63,440	-	62,171
	<u>601,758</u>	<u>243,267</u>	<u>(57,401)</u>	<u>(440,000)</u>	<u>-</u>	<u>347,624</u>
Total Unrestricted funds	<u>601,758</u>	<u>243,267</u>	<u>(57,401)</u>	<u>-</u>	<u>-</u>	<u>787,624</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	1,446,601	7,466,122	(7,396,765)	(163,719)	-	1,352,239
Pupil premium	41,560	287,044	(304,965)	-	-	23,639
Other restricted funds	-	561,759	(561,759)	-	-	-
Pension reserve	(2,282,000)	-	(154,000)	-	(144,000)	(2,580,000)
	<u>(793,839)</u>	<u>8,314,925</u>	<u>(8,417,489)</u>	<u>(163,719)</u>	<u>(144,000)</u>	<u>(1,204,122)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	26,597,313	-	(406,437)	-	-	26,190,876
Fixed assets purchased from GAG and other restricted funds	328,694	-	(60,652)	163,719	-	431,761
DfE/EFA Capital grants	1,158,734	275,185	(58,778)	-	-	1,375,141
	<u>28,084,741</u>	<u>275,185</u>	<u>(525,867)</u>	<u>163,719</u>	<u>-</u>	<u>27,997,778</u>
Total restricted funds	<u>27,290,902</u>	<u>8,590,110</u>	<u>(8,943,356)</u>	<u>-</u>	<u>(144,000)</u>	<u>26,793,656</u>
Total of funds	<u><u>27,892,660</u></u>	<u><u>8,833,377</u></u>	<u><u>(9,000,757)</u></u>	<u><u>-</u></u>	<u><u>(144,000)</u></u>	<u><u>27,581,280</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

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

Designated funds

£220k has been designated for the the sinking fund for the 3G pitch.

A further £220k has been designated for the refurbishment of the the 6th Form Block.

Restricted Funds

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Income from the EFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

Special Educational Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Other Restricted Funds - This represents other various income received with restrictions.

Pension Reserve – This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed Assets Transferred on Conversion – This represent the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed Assets Purchased from GAG and Unrestricted funds - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

DfE/EFA Capital Grants - This represent funding from the DfE/EFA to cover the maintenance and purchase of the schools assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	-	-	-	440,000	-	440,000
Unrestricted funds	601,758	243,267	(57,401)	(440,000)	-	347,624
	<u>601,758</u>	<u>243,267</u>	<u>(57,401)</u>	<u>-</u>	<u>-</u>	<u>787,624</u>
Restricted funds	(793,839)	8,314,925	(8,417,489)	(163,719)	(144,000)	(1,204,122)
Restricted fixed asset funds	28,084,741	275,185	(525,867)	163,719	-	27,997,778
	<u>27,892,660</u>	<u>8,833,377</u>	<u>(9,000,757)</u>	<u>-</u>	<u>(144,000)</u>	<u>27,581,280</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	62,171	-	27,986,329	28,048,500	28,084,741
Current assets	854,656	1,868,905	11,449	2,735,010	2,548,659
Creditors due within one year	(129,203)	(493,027)	-	(622,230)	(441,476)
Creditors due in more than one year	-	-	-	-	(17,263)
Pension scheme liability	-	(2,580,000)	-	(2,580,000)	(2,282,000)
	<u>787,624</u>	<u>(1,204,122)</u>	<u>27,997,778</u>	<u>27,581,280</u>	<u>27,892,660</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(167,380)	(332,368)
Returns on investments and servicing of finance	(2,883)	(9,295)
Depreciation of tangible fixed assets	527,136	-
Capital grants from DfE	(275,185)	(30,020)
Decrease in debtors	20,127	416,197
Increase/(decrease) in creditors	50,607	(49,485)
Defined benefit pension scheme adjustments	154,000	158,000
NET CASH INFLOW FROM OPERATIONS	<u>306,422</u>	<u>153,029</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015	2014
	£	£
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	2,883	9,295
	<u>2,883</u>	<u>9,295</u>
	2015	2014
	£	£
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(378,012)	(495,927)
Capital grants from DfE	275,185	30,020
	<u>(102,827)</u>	<u>(465,907)</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(102,827)	(465,907)

22. ANALYSIS OF CHANGES IN NET FUNDS

	1		Other	
	September	Cash flow	non-cash	31 August
	2014		changes	2015
	£	£	£	£
Cash at bank and in hand:	2,403,369	206,478	-	2,609,847
NET FUNDS	2,403,369	206,478	-	2,609,847

23. CONTINGENT LIABILITIES

At the 31 August 2015 there is an ongoing investigation being undertaken by the Health and Safety Executive. No final outcomes have been made in this investigation and it is not possible to quantify any potential liability at this time.

24. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Devon County 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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £104,296 were payable to the schemes at 31 August 2015 (2014: 102,510) and are included within creditors.

Teachers' Pension Scheme

Introduction

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

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.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. 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 (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £546,961 (2014: £550,807).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £335,000, of which employer's contributions totalled £259,000 and employees' contributions totalled £76,000. The agreed contribution rates for future years are 19.7% for employers and 5.5 - 7.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

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.

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.

The amounts recognised in the Balance sheet are as follows:

	2015	2014
	£	£
Present value of funded obligations	(5,006,000)	(4,452,000)
Fair value of scheme assets	2,426,000	2,170,000
	<hr/>	<hr/>
Net liability	(2,580,000)	(2,282,000)
	<hr/> <hr/>	<hr/> <hr/>

The amounts recognised in the Statement of financial activities are as follows:

	2015	2014
	£	£
Current service cost	(335,000)	(331,000)
Interest on obligation	(186,000)	(186,000)
Expected return on scheme assets	137,000	125,000
Past service cost	-	(13,111)
Gains on curtailments and settlements	(29,000)	-
	<hr/>	<hr/>
Total	(413,000)	(405,111)
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Opening defined benefit obligation	4,452,000	3,768,000
Current service cost	335,000	331,000
Interest cost	186,000	186,000
Contributions by scheme participants	76,000	76,000
Actuarial Losses	-	122,000
Losses (gains) on curtailments	29,000	-
Benefits paid	(72,000)	(31,000)
Liability transferred on conversion	-	-
	<hr/>	<hr/>
Closing defined benefit obligation	5,006,000	4,452,000
	<hr/> <hr/>	<hr/> <hr/>

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

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

	2015	2014
	£	£
Opening fair value of scheme assets	2,170,000	1,952,000
Expected return on assets	137,000	125,000
Actuarial gains and (losses)	(144,000)	(186,000)
Contributions by employer	259,000	234,000
Contributions by employees	76,000	76,000
Benefits paid	(72,000)	(31,000)
	2,426,000	2,170,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(1,082,000) (2014: £(938,000)).

The Academy expects to contribute £229,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	57.00 %	59.00 %
Property	11.00 %	10.00 %
Cash	2.00 %	2.00 %
Target return portfolio	15.00 %	14.00 %
Infrastructure	3.00 %	3.00 %
Gilts	5.00 %	6.00 %
Other bonds	5.00 %	4.00 %
Alternative assets	2.00 %	2.00 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	6.00 %	6.00 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.8	22.7
Females	26.1	26
Retiring in 20 years		
Males	25.1	24.9
Females	28.4	28.3

PLYMSTOCK SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(5,006,000)	(4,452,000)	(3,768,000)	(3,076,000)
Scheme assets	2,426,000	2,170,000	1,952,000	1,462,000
Deficit	(2,580,000)	(2,282,000)	(1,816,000)	(1,614,000)
Experience adjustments on scheme liabilities	-	(122,000)	(216,000)	(576,000)
Experience adjustments on scheme assets	(144,000)	(186,000)	134,000	28,000

25. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
EXPIRY DATE:				
Within 1 year	-	-	-	841
Between 2 and 5 years	-	-	14,955	14,955

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy'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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. The following related party transactions took place in the year: Sales of £4,614 (2014: £3,500) were made to Elburton Primary School Academy. Mrs J Rickard and Mrs V Gregory are both directors of both Plymstock School and Elburton Primary School Academy.

27. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £28,964 and disbursed £28,964 from the fund.