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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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<b>Members</b>	Lincoln Diocesan Trust and Board of Finance Limited D Oglesby S Bentley E Venn
<b>Governors</b>	P Osborne N Jones L Suffield, Head Teacher and Accounting Officer S Bentley D Oglesby (resigned 20 January 2016) C Pennock C Buckley, Staff Governor E Venn G Phillips J Bingwa, Staff Governor (resigned 20 October 2015) S Davies
<b>Company Registered Number</b>	08096761
<b>Company Name</b>	Ruskington Chestnut Street Church of England Academy
<b>Principal and Registered Office</b>	Chestnut Street Ruskington Sleaford Lincolnshire NG34 9DL
<b>Senior Leadership Team</b>	L Suffield, Head Teacher C Buckley J Bingwa B Chambers
<b>Independent Auditors</b>	Streets Audit LLP Chartered Accountants & Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
<b>Bankers</b>	Lloyds Bank plc Market Place Sleaford NG34 7BL
<b>Solicitors</b>	Lincolnshire County Council Services 45-49 Newland Lincoln LN1 1XZ

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report for charity law and a directors' report under company law.

The Academy operates for pupils aged 4 to 11 serving a catchment area in Ruskington.

**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 Governors Ruskington Chestnut Street Church of England Academy are the trustees for the purposes of charity law and the directors of the charitable company for the purposes of company law.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

**Members' Liability**

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

**Governors' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

**Method of Recruitment and Appointment or Election of Governors**

The Articles outline the different types of Governor; each category has slightly differing election processes, as outlined below:

The number of Governors shall be neither less than three nor more than 18 except for appointments of any Additional Governors made by the Secretary of State under Articles 62, 62A, 63 or 68A.

All Governors shall upon their appointment give a written undertaking to the Trustee and Foundation Members to uphold the Object of the Academy.

Subject to Articles 48 49 and 64, the Academy shall have the following Governors:

- a. Up to 2 Community Governors, appointed under Article 50;
- b. Up to 4 Foundation Governors, appointed and/or holding office further to Article 51;
- c. Up to 3 Staff Governors, if appointed under Article 50A;
- d. Up to 6 (provided there is a minimum of 2) Parent Governors appointed under Articles 53-58;
- e. the Head Teacher;
- f. any Additional Governors, if appointed under Article 62, 62A or 68A; and
- g. any Further Governors, if appointed under Article 63 or Article 68A.

The Academy may also have any Co-opted Governor appointed under Article 59

The first Governors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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Future Governors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Governor to be appointed or elected due to the fact that an Academy has not yet been established or the Head Teacher has not been appointed, then the relevant Article or part thereof shall not apply.

The Members may appoint up to 2 Community Governors provided that the person(s) appointed as a Community Governor:

- (a) lives or works in the community served by the Academy; or
- (b) in the opinion of the Governing Body, is committed to the government and success of the Academy.

The Members may appoint an employee of the Academy as a Community Governor provided that the total number of Governors (including the Head Teacher) who are employees of the Academy does not exceed one third of the total number of Governors.

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Head Teacher) who are employees of the Academy does not exceed one third of the total number of Governors.

The Incumbent(s) shall be treated for all purposes as ex officio Foundation Governors. Further, the Foundation Members after consultation with Ruskington Parochial Church Council may appoint additional Foundation Governor(s) provided that the total number of Foundation Governors (including ex officio Foundation Governors) would not thereby exceed 25% of the total number of Governors (excluding any Additional or Further Governors).

The Head Teacher shall be treated for all purposes as being an ex officio Governor.

Subject to Article 57, the Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent or legal guardian of a pupil at the Academy at the time when he is elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy by a registered pupil at the Academy.

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

In appointing a Parent Governor the Governing Body shall appoint a person who is the parent or legal guardian of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

#### CO-OPTED GOVERNORS

The Governors may appoint up to 2 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy as a Co-opted Governor if thereby the number of Governors who are employees of the Academy (including the Head Teacher) would exceed one third of the total number of Governors.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Policies and Procedures Adopted for the Induction and Training of Governors**

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Governors are given a tour of the Academy and the chance to meet with staff and students.

All Governors have access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally few new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

A mentor Governor is assigned to any new Governor.

**Organisational Structure**

The structure of the Academy consists of two senior levels: the Board of Directors ("Governing Body") and the Head Teacher leading the Senior Leadership Team which also includes the Deputy Head Teacher.

An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the School nurtures the talents of its entire staff to support continual improvement and excellence.

The Governing Body is responsible for setting the Academy's policies, adopting the School Improvement Plan and budget, monitoring performance against these plans and making major decisions about the direction of the Academy under the advice from the Head Teacher.

The Head Teacher and Senior Leadership Team control the Academy at an executive level, implementing the policies set by the Governing Body and reporting back to them.

The Governing Body has established two sub committees. Each sub committee has its own terms of reference detailing the responsibilities discharged to the sub committee, to the Head Teacher (The Accounting Officer) and to the Senior Leadership Team.

The terms of reference and meeting frequency for each sub committee is reviewed and approved by the Governing Body annually. The Academy has an approved Financial Handbook which details the Academy's authorised spending limits.

The sub committees of the Governing Body are:

- Resource Management Committee; and
- Learning and Standards Committee.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Academy's Pay Policy detail the arrangements for setting the pay and remuneration of all staff at the Academy. The pay structures within both pay policies are in full accordance with national pay scales for all roles - this includes the pay of key management personnel.

**Related Parties and Other Connected Charities and Organisations**

The Academy has close links to the charity Friends of Ruskington Chestnut Street CE Primary School. The Academy is very grateful of the contributions received from the charity.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Objectives and Activities**

**Objects and Aims**

The principal object and activity of the charitable company is the operation of The Ruskington Chestnut Street Church of England Academy to provide education for pupils of different abilities between the ages of 4 and 11 with an emphasis on particular specialisms. There is also pre reception offering 15 hours funded care per week for children aged 3 during term time with the option of paying for additional sessions.

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, and that the curriculum should comply with the substance of the national curriculum.

The main objectives of the Academy during the year ended 31 August 2016 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct Academy business in accordance with the highest standards of integrity, probity and openness.

**Objectives, Strategies and Activities**

The main objectives during the year were:

1. To develop the capability of the school's leadership & management, to be achieved by the following actions:
  - Continue to review all School policies to ensure they remain fit for purpose & are effectively implemented.
  - Continue to offer all members greater opportunity to work with the Governing Body & greater experience of financial planning.
  - To continue to review the School's current strengths & areas for development & identify training needs.
  - Continue to review the School's Timetabling & Curriculum provision to best meet the needs of students, within budget constraints.
  - Continue to review & improve Quality Assurance procedures.
2. To consolidate & extend the Academy's academic, pastoral & extra curricular excellence, to be achieved by the following actions:
  - Continue to review & improve procedures to ensure that controlled assessment, coursework & trial examinations are used to drive up performance.
  - Continue to review staff developments & curriculum requirements in order to implement appropriate succession planning.
  - Continue to support & develop independent learning in the Academy through effective use of the Library & appropriate additional departmental resources including the website.
  - Continuing to showcase the Academy's talent & academic atmosphere widely through sporting, cultural & musical public events.
  - To continue to manage rooms & facilities to better support the development of the curriculum, within timetabling constraints.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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3. To secure the future of the Academy and the prosperity of the school, to be achieved by the following actions:
- To review and develop the School Improvement Plan.
  - Explore community links and opportunities.
  - Review & develop relationships with Trustees & PTFA.
  - Continue exploration of the Academy's catchment area & with appropriate marketing & quality marketing materials.
  - Development of school's access to grant funding.
  - Sharing teaching & other shared resource opportunities with other schools.
  - To develop outreach into local primary schools & other academic community links.
  - Continue to develop the estate.
  - To consider further opportunities for growth as an Academy.

**Public Benefit**

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's objectives and aims and in future planning activities for the year. Given the activities of the Academy and the pupil population that it services, the Governors consider that the Academy's aims are demonstrably to the public benefit.

**Strategic Report**

**Achievements and Performance including Key Performance Indicators**

- Curriculum and other activities undertaken. A broad balanced curriculum to meet the needs of the children. A good Ofsted rating.
- Student attainment / examination results. Good results in English, Reading and Writing and Maths. SPAG and writing continue to be a key focus.
- Continuing Professional Development for staff. Inset training days and staff meetings provide an internal source of staff development. External development used in line with the schools needs and objectives.

The Academy reviews key performance indicators as follows:

- Staff costs as a percentage of income and as a percentage of total expenditure.
- Variance analysis of actual to budget on monthly basis.

**Going Concern**

At the year-end, the Academy joined the Lincoln Anglican Academies Trust. Assets and liabilities have been transferred in the financial statements.

**Financial Review**

**Review of Financial Performance**

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, the Academy received total funding of £1,371,103 compared to total resources expended of £1,284,368 to give a surplus for the year before actuarial losses and the transfer to Multi-Academy Trust of £86,735.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Reserves Policy**

The Academy's free reserves are its funds after excluding restricted funds. Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically free reserves represent income to the Academy which is to be spent at the Governors' discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

The Governors review the reserve levels of the Academy annually. Prior to transfer, the Academy's level of free reserves was £29,039 and the Academy also had funds of £2,099,800 which could only be realised by the disposal of fixed assets.

**Investment Policy**

Should the level of free cash reserves held by the Academy exceed that which is necessary to service its ongoing working capital needs, the Governors, with reference to the short and longer-term forecasts will consider investment of any excess funds over an appropriate period, to maximise the return on any such surplus funds, while ensuring that risk is avoided insofar as is possible.

**Principal Risks and Uncertainties**

As a stand alone academy, the Academy and Governors undertake a comprehensive review of the risks to which the Academy is exposed. The committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the Academy.

The internal controls for managing risks deemed as medium and high are incorporated into annual risk management action plan. The effectiveness of the Academy's internal controls in managing the risks identified is regularly monitored.

A thorough appraisal is undertaken in the subsequent year of the existing risks and any emerging risks, for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Resource Management Committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the Academy.

A risk register, covering low, medium and high level risks, is maintained at Academy level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Academy. However, not all factors are within the Academy's control and other factors besides those listed below may also adversely affect the Academy.

1. Government funding

The Academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority.

This risk has and will be mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements;
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;
- Ensuring the Academy is focused on those priority sectors which will continue to benefit from public funding; and
- Contingency planning embedded into the Academy budget process.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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2. Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the Academy's balance sheet in line with the requirements of FRS102.

The Academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

3. Pupil Strategy

The Academy seeks to maintain its popularity with current and prospective pupils by:

- ensuring the Academy delivers high quality education and training;
- maintaining outstanding success rates and good inspection outcomes; and
- investing in the its teaching staff and resources.

With ongoing commitment to quality, the Academy now provides market leading learning environments with state of the art technology and specialist resources. This places the Academy in an excellent position to attract new pupils.

**Plans for Future Periods**

The Academy is seeking to review the opportunities afforded by Academy status, utilising financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate.

The Academy is looking forward to the next chapter of its existence as part of the Lincoln Anglican Academies Trust.

Auditor

Insofar as the Governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 15 December 2016 and signed on the board's behalf by:

**E Venn**  
**Governor**

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As governors, we acknowledge we have overall responsibility for ensuring that Ruskington Chestnut Street Church of England Academy 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 Governing Body has delegated the day-to-day responsibility to the Head Teacher, 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 Ruskington Chestnut Street Church of England Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The Governing Body has formally met 8 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
P Osborne	4	8
N Jones	6	8
L Suffield, Head Teacher and Accounting Officer	6	8
S Bentley	8	8
D Oglesby	1	8
C Pennock	4	8
C Buckley, Staff Governor	7	8
E Venn	8	8
G Phillips	5	8
J Bingwa, Staff Governor	3	4
S Davies	6	8

**Governance Review:**

During the year, a skills review was performed of the Governing Body, although this did not result in any changes.

The Resource Management Committee was a sub committee of the main Governing Body. Its purpose is to monitor the finance and personnel of the Academy. During the year, it was integrated to form part of the Governing Body and meetings were held prior to Full Governing Body meetings. Attendances were therefore as disclosed above.

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
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**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Head Teacher has responsibility for ensuring that the Academy 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 Academy's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- the review of the provision of caretaker services and the decision for caretaking services to be sourced externally providing better value for money;
- working to manage falling pupil numbers and seeking ways to reverse the trend; and
- the decision to join the Lincoln Anglican Academies Trust.

**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 Ruskington Chestnut Street Church of England Academy for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Governing Body 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 Governing Body 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**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 Governing Body;
- regular reviews by the Governing Body 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 Governing Body has considered the need for a specific internal audit function and had appointed Julia Raftery as internal auditor.

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**GOVERNANCE STATEMENT (continued)**

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No internal audit visits were undertaken during the year due to the impending transfer to the Lincoln Anglican Academies Trust. Following the transfer, a new program for the internal checking of controls has been put in place.

**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Head Teacher 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 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 Governing Body and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 15 December 2016 and signed on their behalf, by:

**E Venn**  
**Governor**

**L Suffield, Head Teacher**  
**Accounting Officer**

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Ruskington Chestnut Street Church of England Academy I have considered my responsibility to notify the Academy Governing Body 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Governing Body 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 2015.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and EFA. If any instances are identified after the date of this statement, these will be notified to the Governing Body and EFA:

- I can confirm that I and the Governing Body are aware that the independent checking of controls was not in place during the year, as required by the Academies Financial Handbook.

**L Suffield**  
**Accounting Officer**

Date: 15 December 2016

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Governors (who act as governors of Ruskington Chestnut Street Church of England Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Governors 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 Governors 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 the EFA/DfE have been applied for the purposes intended.

The Governors 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 Governing Body on 15 December 2016 and signed on its behalf by:

**E Venn**  
**Governor**

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**

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We have audited the financial statements of Ruskington Chestnut Street Church of England Academy for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 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 GOVERNORS AND AUDITORS**

As explained more fully in the Statement of Governors' responsibilities, the Governors (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 Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' 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 2016 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, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**

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**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Robert Anderson (Senior statutory auditor)

for and on behalf of

**Streets Audit LLP**

Chartered Accountants & Statutory Auditor

Tower House  
Lucy Tower Street  
Lincoln  
LN1 1XW  
19 December 2016

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ruskington Chestnut Street Church of England Academy during the year 1 September 2015 to 31 August 2016 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 Ruskington Chestnut Street Church of England Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ruskington Chestnut Street Church of England Academy and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ruskington Chestnut Street Church of England Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of Ruskington Chestnut Street Church of England Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- A review of the Academy's systems and controls and confirmation of the operation and effectiveness during the year;
- A review of expenditure to confirm the appropriateness and value for money; and
- A review of connected party arrangements, transactions and balances.

**CONCLUSION**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

We note, as discussed on page 12, that the Academy has not had a programme for the independent checking of controls as required by the Academies Financial Handbook during the year.

Robert Anderson (Senior statutory auditor)

for and on behalf of

**Streets Audit LLP**

Chartered Accountants & Statutory Auditor

Tower House  
Lucy Tower Street  
Lincoln  
LN1 1XW

19 December 2016

**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
<b>INCOME FROM:</b>						
Donations and capital grants	2	-	4,369	7,060	11,429	9,091
Charitable activities	3	39,663	1,301,885	-	1,341,548	1,404,630
Other trading activities	4	2,068	15,653	-	17,721	24,542
Investments	5	405	-	-	405	352
<b>TOTAL INCOME</b>		<b>42,136</b>	<b>1,321,907</b>	<b>7,060</b>	<b>1,371,103</b>	<b>1,438,615</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		42,136	1,233,972	8,260	1,284,368	1,408,822
<b>TOTAL EXPENDITURE</b>	6	<b>42,136</b>	<b>1,233,972</b>	<b>8,260</b>	<b>1,284,368</b>	<b>1,408,822</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)</b>						
Transfer to Multi-Academy Trust		-	87,935	(1,200)	86,735	29,793
		(29,039)	624,719	(2,099,800)	(1,504,120)	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES</b>						
		(29,039)	712,654	(2,101,000)	(1,417,385)	29,793
Actuarial losses on defined benefit pension schemes	19	-	(319,000)	-	(319,000)	(15,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>(29,039)</b>	<b>393,654</b>	<b>(2,101,000)</b>	<b>(1,736,385)</b>	<b>14,793</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		29,039	(393,654)	2,101,000	1,736,385	1,721,592
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,736,385</b>

**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08096761**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	12		-		2,101,000
<b>CURRENT ASSETS</b>					
Debtors	13	-		57,813	
Cash at bank and in hand		-		427,879	
				<u>485,692</u>	
<b>CREDITORS:</b> amounts falling due within one year	14	-		(165,307)	
				<u>-</u>	320,385
<b>NET CURRENT ASSETS</b>					
				<u>-</u>	<u>2,421,385</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
Defined benefit pension scheme liability	19		-		(685,000)
				<u>-</u>	<u>1,736,385</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>					
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	15	-		291,346	
Restricted fixed asset funds	15	-		2,101,000	
				<u>2,392,346</u>	
Restricted funds excluding pension liability		-		(685,000)	
Pension reserve		-		<u>-</u>	
Total restricted funds				<u>-</u>	1,707,346
Unrestricted funds	15			-	29,039
				<u>-</u>	<u>1,736,385</u>
<b>TOTAL FUNDS</b>					
				<u>-</u>	<u>1,736,385</u>

The financial statements were approved by the Governors, and authorised for issue, on 15 December 2016 and are signed on their behalf, by:

**E Venn**  
**Chair of Governors**

The notes on pages 21 to 42 form part of these financial statements.

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	17	<u>(434,939)</u>	<u>153,131</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		-	(3,600)
Capital grants from EFA		<u>7,060</u>	<u>7,262</u>
<b>Net cash provided by investing activities</b>		<u>7,060</u>	<u>3,662</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(427,879)</b>	<b>156,793</b>
Cash and cash equivalents brought forward		<u>427,879</u>	<u>271,086</u>
<b>Cash and cash equivalents carried forward</b>	18	<u>-</u>	<u>427,879</u>

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

At the year end all assets and liabilities have been transferred to the Lincoln Anglican Academy Trust (LAAT), a Multi-Academy Trust. The company is set to be dissolved within the next 12 months. All of the results in the current year represent discontinued activities.

Ruskington Chestnut Street Church of England Academy constitutes a public benefit entity as defined by FRS 102.

**First time adoption of FRS 102**

These financial statements are the first financial statements of Ruskington Chestnut Street Church of England Academy prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Ruskington Chestnut Street Church of England Academy for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 24.

**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 Governors.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education Funding Agency.

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

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. 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:

Computer equipment                      -      straight line over 3 years

Land and buildings are not depreciated on the grounds of immateriality. Land and buildings are subject to regular maintenance and repair such that in the Governors opinion the residual value is not materially different from the value in the financial statements and have a long useful economic life. The Governors consider the need for impairment at each period end.

**1.6 Operating leases**

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

**1.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

**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.

**1.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.10 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 Financial instruments**

The Academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**1.13 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 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 quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**1.14 Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the Academy's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total 2016 £	Total 2015 £
Donations	-	4,369	-	4,369	1,829
Capital Grants	-	-	7,060	7,060	7,262
	-	4,369	7,060	11,429	9,091

In 2015, of the total income from donations and capital grants, £nil was to unrestricted funds and £9,091 was to restricted funds.

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total 2016 £	Total 2015 £
<b>EFA Grants</b>				
General Annual Grant (GAG)	-	928,472	928,472	1,036,700
Other EFA Grants	-	121,155	121,155	120,484
	-	1,049,627	1,049,627	1,157,184
<b>Other Government Grants</b>				
Local Authority Income	-	223,687	223,687	173,014
	-	223,687	223,687	173,014
<b>Other Funding</b>				
Other Income	39,663	28,571	68,234	74,432
	39,663	28,571	68,234	74,432
	39,663	1,301,885	1,341,548	1,404,630

In 2015, of the total income from charitable activities, £44,636 was to unrestricted funds and £1,359,994 was to restricted funds.

**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total 2016 £	Total 2015 £
Lettings income	2,068	-	2,068	1,694
Insurance claims	-	15,653	15,653	22,848
	<u>2,068</u>	<u>15,653</u>	<u>17,721</u>	<u>24,542</u>

In 2015, of the total income from other trading activities, £1,694 was to unrestricted funds and £22,848 was to restricted funds.

**5. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total 2016 £	Total 2015 £
Bank interest received	405	-	405	352
	<u>405</u>	<u>-</u>	<u>405</u>	<u>352</u>

In 2015, of the total investment income, £352 was to unrestricted funds and £405 was to restricted funds.

**6. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Activities:					
Direct costs	853,706	-	71,473	925,179	953,037
Support costs	102,546	117,206	139,437	359,189	455,785
	<u>956,252</u>	<u>117,206</u>	<u>210,910</u>	<u>1,284,368</u>	<u>1,408,822</u>

In 2016, of the total expenditure, £42,136 (2015 - £46,268) was to unrestricted funds and £1,242,232 (2015 - £1,362,554) was to restricted funds.

**RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**7. CHARITABLE ACTIVITIES**

	<b>Total 2016 £</b>	<i>Total 2015 £</i>
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Teachers and educational support staff salaries	639,044	697,183
Teachers and educational support staff national insurance	41,140	43,821
Teachers and educational support staff pension	117,551	116,007
Depreciation	1,200	15,926
Educational supplies	25,805	28,318
Technology costs	90	5,299
Staff development	8,799	2,064
Educational consultancy	4,020	4,700
Other direct costs	63,756	13,082
Educational visits	23,774	26,637
	<b>925,179</b>	<b>953,037</b>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Support staff salaries	85,087	122,247
Support staff national insurance	3,073	4,204
Support staff pension	14,386	25,658
Pension finance cost	26,000	24,000
Technology costs	13,760	14,710
Maintenance	72,077	102,477
Cleaning	5,326	4,830
Rates	7,372	6,424
Energy costs	14,558	17,939
Insurance	17,873	22,576
Office costs	15,546	12,147
Catering	49,443	57,963
Other support	26,286	35,900
Governance costs	8,402	4,710
	<b>359,189</b>	<b>455,785</b>
	<b>1,284,368</b>	<b>1,408,822</b>

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**8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
Depreciation of tangible fixed assets:		
- owned by the Academy	<b>1,200</b>	<i>15,926</i>
Auditors' remuneration - audit	<b>3,250</b>	<i>3,250</i>
Auditors' remuneration - other services	<b>1,150</b>	<i>1,460</i>
Operating lease rentals	<b>1,507</b>	<i>1,507</i>
	<b>=====</b>	<i>=====</i>

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**9. STAFF COSTS**

Staff costs were as follows:

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>724,131</b>	<i>819,430</i>
Social security costs	<b>44,213</b>	<i>48,025</i>
Operating costs of defined benefit pension schemes	<b>131,937</b>	<i>141,665</i>
	<b>900,281</b>	<i>1,009,120</i>
Supply teacher costs	<b>55,971</b>	<i>11,233</i>
	<b>956,252</b>	<i>1,020,353</i>

The average number of persons employed by the Academy during the year was as follows:

	<b>2016</b>	<i>2015</i>
	<b>No.</b>	<b>No.</b>
Management	<b>1</b>	<i>1</i>
Teaching	<b>11</b>	<i>14</i>
Administration and Support	<b>31</b>	<i>42</i>
	<b>43</b>	<i>57</i>

Average headcount expressed as a full time equivalent:

	<b>2016</b>	<i>2015</i>
	<b>No.</b>	<b>No.</b>
Management	<b>1</b>	<i>1</i>
Teaching	<b>11</b>	<i>14</i>
Administration and Support	<b>18</b>	<i>19</i>
	<b>30</b>	<i>34</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2016</b>	<i>2015</i>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>1</b>	<i>1</i>

The employee above participated in the Teachers' Pension Scheme.

The key management personnel of the Academy comprise the governors and the senior leadership team on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £183,000 (2015 - £209,000).

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**10. GOVERNORS' REMUNERATION AND EXPENSES**

During the year retirement benefits were accruing to 3 Governors (2015 - 4) in respect of defined benefit pension schemes.

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The Head Teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits for the period they were Governors was as follows:

		<b>2016</b>	<i>2015</i>
		<b>£</b>	<b>£</b>
C Buckley	Remuneration	<b>45,000-50,000</b>	<i>35,000-40,000</i>
	Pension contributions paid	<b>5,000-10,000</b>	<i>5,000-10,000</i>
L Suffield, Head Teacher	Remuneration	<b>65,000-70,000</b>	<i>65,000-70,000</i>
	Pension contributions paid	<b>10,000-15,000</b>	<i>5,000-10,000</i>
J Bingwa	Remuneration	<b>5,000-10,000</b>	<i>35,000-40,000</i>
	Pension contributions paid	<b>0-5,000</b>	<i>5,000-10,000</i>
S Rodgers	Remuneration	<b>nil</b>	<i>25,000-30,000</i>
	Pension contributions paid	<b>nil</b>	<i>0-5,000</i>

During the year, no Governors received any benefits in kind (2015 - £NIL).

During the year, no Governors received any reimbursement of expenses (2015 - £NIL).

**11. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2016 was £500 (2015 - £534).

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**12. TANGIBLE FIXED ASSETS**

	Land and buildings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 September 2015	2,098,000	49,578	2,147,578
Transfer to Multi-Academy Trust	(2,098,000)	(49,578)	(2,147,578)
At 31 August 2016	-	-	-
<b>Depreciation</b>			
At 1 September 2015	-	46,578	46,578
Charge for the year	-	1,200	1,200
Transfer to Multi-Academy Trust	-	(47,778)	(47,778)
At 31 August 2016	-	-	-
<b>Net book value</b>			
At 31 August 2016	-	-	-
<i>At 31 August 2015</i>	<u>2,098,000</u>	<u>3,000</u>	<u>2,101,000</u>

Land and buildings were stated at the valuation provided to the Academy by the EFA on conversion.

The Academy had freehold ownership of the Playing Field. Academy buildings and land are owned by the Diocese of Lincoln and were occupied under a Supplemental Agreement.

**13. DEBTORS**

	2016 £	2015 £
Trade debtors	-	1,059
VAT receivable	-	27,793
Prepayments and accrued income	-	28,961
	<u>-</u>	<u>57,813</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. CREDITORS: Amounts falling due within one year**

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
Trade creditors	-	118,552
Other taxation and social security	-	11,211
Other creditors	-	1,830
Accruals and deferred income	-	33,714
	<hr/>	<hr/>
	-	165,307
	<hr/> <hr/>	<hr/> <hr/>
	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
<b>Deferred income</b>		
Deferred income at 1 September	<b>20,011</b>	18,852
Resources deferred during the year	<b>17,207</b>	20,011
Amounts released from previous years	<b>(20,011)</b>	(18,852)
Academy transfer to MAT	<b>(17,207)</b>	-
	<hr/>	<hr/>
Deferred income at 31 August	-	20,011
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds	-	42,136	(42,136)	-	-	-
Surplus on Conversion	29,039	-	-	-	(29,039)	-
	<u>29,039</u>	<u>42,136</u>	<u>(42,136)</u>	<u>-</u>	<u>(29,039)</u>	<u>-</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	232,815	928,472	(826,338)	-	(334,949)	-
Other EFA Grants	14,590	121,155	(120,517)	-	(15,228)	-
Government Grants	43,941	223,687	(194,124)	600	(74,104)	-
Other Income	-	48,593	(47,993)	(600)	-	-
Pension Reserve	(685,000)	-	(45,000)	-	730,000	-
	<u>(393,654)</u>	<u>1,321,907</u>	<u>(1,233,972)</u>	<u>-</u>	<u>305,719</u>	<u>-</u>
<b>Restricted fixed asset funds</b>						
EFA Capital Grants	-	7,060	(7,060)	-	-	-
Capital Expenditure from GAG	3,000	-	(1,200)	-	(1,800)	-
Assets Transferred on Conversion	2,098,000	-	-	-	(2,098,000)	-
	<u>2,101,000</u>	<u>7,060</u>	<u>(8,260)</u>	<u>-</u>	<u>(2,099,800)</u>	<u>-</u>
Total restricted funds	<u>1,707,346</u>	<u>1,328,967</u>	<u>(1,242,232)</u>	<u>-</u>	<u>(1,794,081)</u>	<u>-</u>
Total of funds	<u><u>1,736,385</u></u>	<u><u>1,371,103</u></u>	<u><u>(1,284,368)</u></u>	<u><u>-</u></u>	<u><u>(1,823,120)</u></u>	<u><u>-</u></u>

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

**Surplus on Conversion** - relates to the surplus transferred by the Local Authority on conversion to an academy for which no restrictions have been applied.

**General Funds** - relates to funding received which can be used for any purpose at the discretion of the Governors.

**General Annual Grant (GAG)** - made up of a number of different funding streams from the EFA, all of which are to be used to cover the running costs of the Academy.

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**15. STATEMENT OF FUNDS (continued)**

**Other EFA Grants** - represent EFA grants including Pupil Premium which are received for specific purposes.

**Government Grants** - represent funding provided from other Government sources which are to be used to assist with pupils' education.

**Other Income** - comprises various other receipts which are applied against the costs to which they relate.

**Pension Reserve** - represents the current deficit balance of the Local Government Pension Scheme (LGPS).

**EFA Capital Grants** - represents grants received for which the specific purpose of capital expenditure has been imposed by the EFA.

**Assets Transferred on Conversion** - represents land and buildings transferred to the Academy by the Local Authority upon conversion.

**Capital Expenditure from GAG** - represents the net book value of fixed assets acquired using GAG income.

At the year-end, all balances have been transferred to the Multi-Academy Trust.

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 2016.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Tangible fixed assets	-	-	-	-	2,101,000
Current assets	-	-	-	-	485,692
Creditors due within one year	-	-	-	-	(165,307)
Provisions for liabilities and charges	-	-	-	-	(685,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,736,385</u>

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**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income for the year (as per Statement of financial activities)	<b>(1,417,385)</b>	29,793
<b>Adjustment for:</b>		
Depreciation charges	<b>1,200</b>	15,926
(Increase)/decrease in debtors	<b>(68,855)</b>	25,876
(Decrease)/increase in creditors	<b>(78,347)</b>	41,798
Capital grants from EFA and other capital income	<b>(7,060)</b>	(7,262)
Defined benefit pension scheme cost less contributions payable	<b>19,000</b>	23,000
Defined benefit pension scheme finance cost	<b>26,000</b>	24,000
Net Assets on Transfer to Multi-Academy Trust	<b>1,090,508</b>	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(434,939)</b>	<b>153,131</b>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash in hand	-	427,879
Total	-	427,879

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**19. 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 Lincolnshire County Council. Both are Multi-employer defined benefit pension schemes.

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 £1,818 were payable to the schemes at 31 August 2016 (2015 - £1,818) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £66,000 (2015 - £68,000).

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**19. PENSION COMMITMENTS (continued)**

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust 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 2016 was £60,000 (2015 - £66,000), of which employer's contributions totalled £47,000 (2015 - £51,000) and employees' contributions totalled £13,000 (2015 - £15,000). The agreed contribution rates for future years are 19.9% for employers and a maximum of 12.5% for employees.

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.

Principal actuarial assumptions:

	<b>2016</b>	<i>2015</i>
Pension Increase Rate	<b>2.10 %</b>	<i>2.60 %</i>
Salary Increase Rate	<b>3.60 %</b>	<i>4.00 %</i>
Discount Rate	<b>2.10 %</b>	<i>3.70 %</i>

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

	<b>2016</b>	<i>2015</i>
Retiring today		
Males	<b>22.2</b>	<i>22.2</i>
Females	<b>24.4</b>	<i>24.4</i>
Retiring in 20 years		
Males	<b>24.5</b>	<i>24.5</i>
Females	<b>26.8</b>	<i>26.8</i>

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**19. PENSION COMMITMENTS (continued)**

The Academy's share of the assets in the scheme was:

	<b>Fair value at 31 August 2016 £</b>	<i>Fair value at 31 August 2015 £</i>
Equities	<b>494,000</b>	369,000
Bonds	<b>84,000</b>	64,000
Property	<b>64,000</b>	59,000
Cash	-	-
	<u><b>642,000</b></u>	<u>492,000</u>
Total market value of assets	<u><b>642,000</b></u>	<u>492,000</u>

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	<b>2016 £</b>	<i>2015 £</i>
Current service cost (net of employee contributions)	<b>(66,000)</b>	(74,000)
Net interest cost	<b>(26,000)</b>	(24,000)
	<u><b>(92,000)</b></u>	<u>(98,000)</u>
Total	<u><b>(92,000)</b></u>	<u>(98,000)</u>
Actual return on scheme assets	<u><b>103,000</b></u>	<u>11,000</u>

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

	<b>2016 £</b>	<i>2015 £</i>
Opening defined benefit obligation	<b>1,177,000</b>	1,072,000
Current service cost	<b>66,000</b>	74,000
Interest cost	<b>45,000</b>	41,000
Contributions by employees	<b>13,000</b>	15,000
Changes in financial assumptions	<b>403,000</b>	9,000
Benefits paid	<b>(13,000)</b>	(34,000)
Transfer to Multi-Academy Trust	<b>(1,691,000)</b>	-
	<u><b>-</b></u>	<u>1,177,000</u>
Closing defined benefit obligation	<u><b>-</b></u>	<u>1,177,000</u>

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**19. PENSION COMMITMENTS (continued)**

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

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
Opening fair value of scheme assets	<b>492,000</b>	<i>449,000</i>
Interest income	<b>19,000</b>	<i>17,000</i>
Return on plan assets (excluding net interest)	<b>84,000</b>	<i>(6,000)</i>
Contributions by employer	<b>47,000</b>	<i>51,000</i>
Contributions by employees	<b>13,000</b>	<i>15,000</i>
Benefits paid	<b>(13,000)</b>	<i>(34,000)</i>
Transfer to Multi-Academy Trust	<b>(642,000)</b>	<i>-</i>
	<hr/>	<hr/>
Closing fair value of scheme assets	<b>-</b>	<i>492,000</i>
	<hr/> <hr/>	<hr/> <hr/>

**20. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy's future minimum lease payments under non-cancellable operating leases before transfer was:

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
<b>Amounts payable:</b>		
Within 1 year	<b>1,507</b>	<i>1,507</i>
Between 1 and 5 years	<b>-</b>	<i>1,507</i>
	<hr/>	<hr/>
Total	<b>1,507</b>	<i>3,014</i>
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**21. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy 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.

During the year, the Academy employed the spouses of two Governors, D Oglesby and G Phillips. The salaries paid to both employees for the year fell in the £10,000 to £15,000 banding and both are members of the LGPS pension scheme. The employees were fairly recruited and their performance has been managed in the normal way.

During the year, R Phillips Coaches has provided transport services to the Academy. R Phillips Coaches is operated by the brother of G Phillips, a Governor. Purchases for the year from R Phillips Coaches totalled £3,840 (2015 - £3,475). The balance due to R Phillips Coaches at the year-end was £1,675 (2015 - £675).

During the year, the Academy's catering has been provided by The Farm Kitchen Limited. The service has been provided under an agreement which has been in place for a number of years. The spouse of the Headteacher is a director and minority shareholder of the company. The Governors are fully aware of the relationship. Whilst the company does not meet the definition of a related party under FRS102, the Governors consider that it is in the spirit of the Academies Financial Handbook to fully disclose transactions and balances with the company. During the year, purchases from The Farm Kitchen Limited totalled £46,786 (2015 - £51,401). There was no balance due to the company at the year-end.

Friends of Ruskington Chestnut Street CE Primary School is a charity whose activity is to provide funding for the Academy. During the year, the charity made a donation of £1,500 to the Academy.

**22. POST BALANCE SHEET EVENTS**

At the year-end, the Academy joined the Lincoln Anglican Academies Trust. The assets and liabilities on transfer comprised fixed assets of £2,099,800, debtors of £126,668, cash at bank and in hand of £413,612, creditors of £86,960 and a pension deficit of £1,049,000.

**23. MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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 he/she ceases to be a member.

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**24. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Academy has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.