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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

Members	Lincoln Diocesan Trust and Board of Finance Limited
Members / Governors	D Oglesby S Bentley E Venn
Governors	K Booth (resigned 13 July 2015) P Osborne H Whall (resigned 1 October 2014) N Jones L Gillies (resigned 13 July 2015) L Suffield, Head Teacher C Pennock C Buckley D Rice (resigned 13 July 2015) G Phillips J Bingwa S Davies S Rodgers (resigned 13 July 2015) J Jacklin (resigned 13 July 2015)
Company Registered Number	08096761
Principal and Registered Office	Chestnut Street Ruskington Sleaford Lincolnshire NG34 9DL
Senior Leadership Team	L Suffield, Head Teacher C Buckley J Bingwa B Chambers
Independent Auditors	Streets Audit LLP Chartered Accountants & Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Bankers	Lloyds Bank plc Market Place Sleaford NG34 7BL
Solicitors	Lincolnshire County Council Services 45-49 Newland Lincoln LN1 1XZ

RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors (who are also directors of the academy for the purposes of the Companies Act) present their annual report together with the audited financial statements of Ruskington Chestnut Street Church of England Academy (the Academy) for the year ended 31 August 2015. The Governors confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

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

Structure, governance and management

a. 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 act as the trustees for the charitable activities of the Academy and are also the directors of the charitable company for the purposes of company law.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Detail on Page 1.

b. 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.

c. 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. The insurance provides cover up to £2,000,000 on any one claim.

d. 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 Trust.

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

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 Principal;
- 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.

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 Trust 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/she 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 Trust by a registered pupil at the Academy.

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

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.

e. 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.

f. ORGANISATIONAL STRUCTURE

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

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 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 - Resource Management Committee and Learning and Standards Committee. 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 authorised spending limits.

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

g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

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 of £670 towards equipment and workshops during the year.

Objectives and Activities

a. 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 a 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 2015 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;
- to conduct Academy business in accordance with the highest standards of integrity, probity and openness.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives during the year continued to be:

1. To develop the capability of the Academy's leadership & management, to be achieved by the following actions:
 - Continue to review all Academy 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 Academy's current strengths & areas for development & identify training needs.
 - Continue to review the Academy's Timetabling & Curriculum provision to best meet the needs of students, within budget constraints.
 - Continue to review & improve Quality Assurance procedures.

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GOVERNORS' REPORT (continued)
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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.

3. To secure the future of the Academy and the prosperity of the Academy, to be achieved by the following actions:
 - To review and develop 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 Academy'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.

c. PUBLIC BENEFIT

The Academy's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

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

Achievements and performance

a. REVIEW OF ACTIVITIES

- 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 for the coming year.
- 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 Academy's needs and objectives.

b. KEY FINANCIAL PERFORMANCE INDICATORS

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.

c. GOING CONCERN

After making appropriate enquiries, the Governing Body 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 Accounting Policies.

Financial review

a. 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 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year, the Academy received total funding of £1,438,615 compared to total resources expended of £1,398,822 to give a surplus for the year before actuarial losses of £39,793.

Taking into account the funds brought forwards from last year / inherited from the former local authority school, the Academy has £320,385 in accumulated reserves carried forward excluding fixed assets and pensions.

b. 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. The Academy's current level of free reserves is £29,039.

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GOVERNORS' REPORT (continued)
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The level of restricted funds at the year end, excluding the restricted fixed asset fund and the pension reserve, amounted to £291,346. Restricted funds this year continue to include amounts for future projects, specific to the Hearing Impairment Unit funding received shows a balance of £43,941.

The Governors consider an appropriate level of reserves to be in the order of 1-2 months' total expenditure, to insulate the Academy in the event of EFA funding becoming interrupted, and the carry forward position at 31 August 2015 is considered to be more than adequate.

c. 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.

d. PRINCIPAL RISKS AND UNCERTAINTIES

Based on the strategic plan, the Academy and Governors undertakes 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.

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 FRS 17. 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.

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

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

a. FUTURE DEVELOPMENTS

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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the Governing Body on 15 December 2015 and signed on the board's behalf by:

S Bentley
Chair of Governors

RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY
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GOVERNANCE STATEMENT

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 Governors' responsibilities statement. 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
D Oglesby	4	8
S Bentley	8	8
E Venn	8	8
K Booth	4	4
P Osborne	5	8
H Whall	3	4
N Jones	4	8
L Gillies	2	5
L Suffield, Head Teacher	8	8
C Pennock	4	8
C Buckley	8	8
D Rice	7	7
G Phillips	7	8
J Bingwa	8	8
S Davies	7	8
S Rodgers	2	7
J Jacklin	4	5

Governance reviews:

During the year, a skills review was performed of the Governing Body. This did not result in any changes to the make up of the Governing Body.

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GOVERNANCE STATEMENT (continued)

The Resource Management Committee is a sub-committee of the main Governing Body. Its purpose is to monitor the finance and personnel of the Academy.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
D Oglesby	1	2
L Gillies	1	2
L Suffield	1	2
D Rice	2	2
G Phillips	2	2
J Bingwa	2	2

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 available. The accounting officer for the Academy has delivered improved value for money during the year by:

- Reviewing the provision of caretaker services
- Working to manage falling pupil numbers and seeking ways to reverse the trend.
- Revising stand alone Academy status and considering the option of joining the Lincoln Anglican Academy Trust to provide improved administration and financial support.

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 2014 to 31 August 2015 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 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 Governing Body.

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GOVERNANCE STATEMENT (continued)

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 Resource Management Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint Julia Raftery as internal auditor.

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:

- Governance Arrangements
- Income, Purchase and Payroll Systems and Controls
- Control Account Reconciliations

On a half-yearly basis, the internal auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

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 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 Resource Management Committee 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 2015 and signed on its behalf, by:

S Bentley
Chair of Governors

C Buckley
Acting Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

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 (2014).

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 Governing Body and EFA.

C Buckley
Acting Accounting Officer

Date: 15 December 2015

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GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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 2015 and signed on its behalf by:

S Bentley
Chair of Governors

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

We have audited the financial statements of Ruskington Chestnut Street Church of England Academy 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 GOVERNORS AND AUDITORS

As explained more fully in the Governors' responsibilities statement, 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 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 Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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
16 December 2015

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

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

In accordance with the terms of our engagement letter dated 22 September 2014 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 Ruskington Chestnut Street Church of England Academy 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 Ruskington Chestnut Street Church of England Academy and 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 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 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 ACCOUNTANT**

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 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.

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

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

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 of money; and
- A review of connected party arrangements, transactions and balances.

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.

Robert Anderson

Streets Audit LLP

Chartered Accountants & Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

16 December 2015

RUSKINGTON CHESTNUT STREET CHURCH OF ENGLAND ACADEMY
(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:						
Activities for generating funds	2	1,694	-	-	1,694	2,502
Investment income	3	352	-	-	352	297
Incoming resources from charitable activities	4	46,465	1,382,842	7,262	1,436,569	1,367,128
TOTAL INCOMING RESOURCES		48,511	1,382,842	7,262	1,438,615	1,369,927
RESOURCES EXPENDED						
Charitable activities	6	48,097	1,303,116	23,188	1,374,401	1,305,858
Governance costs	7	-	24,421	-	24,421	29,317
TOTAL RESOURCES EXPENDED	5	48,097	1,327,537	23,188	1,398,822	1,335,175
NET INCOMING RESOURCES BEFORE TRANSFERS		414	55,305	(15,926)	39,793	34,752
Transfers between Funds	14	(414)	(3,186)	3,600	-	-
NET INCOME FOR THE YEAR		-	52,119	(12,326)	39,793	34,752
Actuarial gains and losses on defined benefit pension schemes		-	(25,000)	-	(25,000)	(135,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		-	27,119	(12,326)	14,793	(100,248)
<i>Total funds at 1 September 2014</i>		<i>29,039</i>	<i>(420,773)</i>	<i>2,113,326</i>	<i>1,721,592</i>	<i>1,821,840</i>
TOTAL FUNDS AT 31 AUGUST 2015		29,039	(393,654)	2,101,000	1,736,385	1,721,592

All activities relate to continuing operations.

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

The notes on pages 22 to 40 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	11		2,101,000		2,113,326
CURRENT ASSETS					
Debtors	12	57,813		83,689	
Cash at bank and in hand		427,879		271,086	
		<u>485,692</u>		<u>354,775</u>	
CREDITORS: amounts falling due within one year	13	<u>(165,307)</u>		<u>(123,509)</u>	
NET CURRENT ASSETS			320,385		231,266
TOTAL ASSETS LESS CURRENT LIABILITIES			2,421,385		2,344,592
Defined benefit pension scheme liability	19		<u>(685,000)</u>		<u>(623,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			1,736,385		1,721,592
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	14	291,346		202,227	
Restricted fixed asset funds	14	2,101,000		2,113,326	
		<u>2,392,346</u>		<u>2,315,553</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(685,000)</u>		<u>(623,000)</u>	
Total restricted funds			1,707,346		1,692,553
Unrestricted funds	14		<u>29,039</u>		<u>29,039</u>
TOTAL FUNDS			1,736,385		1,721,592

The financial statements were approved by the Governors, and authorised for issue, on 15 December 2015 and are signed on their behalf, by:

S Bentley
Chair of Governors

The notes on pages 22 to 40 form part of these financial statements.

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	16	152,779	47,321
Returns on investments and servicing of finance	17	352	297
Capital expenditure and financial investment	17	3,662	7,330
INCREASE IN CASH IN THE YEAR		156,793	54,948

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

	2015 £	2014 £
Increase in cash in the year	156,793	54,948
MOVEMENT IN NET FUNDS IN THE YEAR	156,793	54,948
Net funds at 1 September 2014	271,086	216,138
NET FUNDS AT 31 AUGUST 2015	427,879	271,086

The notes on pages 22 to 40 form part of these financial statements.

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

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 Governors.

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 Education Funding Agency.

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.

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.

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

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

1. ACCOUNTING POLICIES (continued)

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 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 quinquennial valuations using a prospective benefit method. As stated in note 19, 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 settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total 2015 £	<i>Total 2014 £</i>
Lettings income	1,694	-	1,694	2,502
	1,694	-	1,694	2,502

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

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

3. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total 2015 £	<i>Total 2014 £</i>
Bank interest received	352	-	352	297
	<u>352</u>	<u>-</u>	<u>352</u>	<u>297</u>

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total 2015 £	<i>Total 2014 £</i>
General Annual Grant (GAG)	-	1,036,700	1,036,700	1,070,959
Other EFA Grants	-	120,484	120,484	81,486
EFA Capital Grants	-	7,262	7,262	7,330
	<u>-</u>	<u>1,164,446</u>	<u>1,164,446</u>	<u>1,159,775</u>
Other government grants				
Local Authority Income	-	173,014	173,014	101,058
	<u>-</u>	<u>173,014</u>	<u>173,014</u>	<u>101,058</u>
Other funding				
Other Income	46,465	52,644	99,109	106,295
	<u>46,465</u>	<u>52,644</u>	<u>99,109</u>	<u>106,295</u>
	<u>46,465</u>	<u>1,390,104</u>	<u>1,436,569</u>	<u>1,367,128</u>

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

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

5. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	<i>Total</i>
	2015	Premises	Other costs	2015	<i>2014</i>
	£	2015	2015	£	£
Direct costs	864,244	-	84,793	949,037	932,623
Support costs	166,609	154,246	104,509	425,364	373,235
Charitable activities	1,030,853	154,246	189,302	1,374,401	<i>1,305,858</i>
Governance	-	-	24,421	24,421	<i>29,317</i>
	1,030,853	154,246	213,723	1,398,822	<i>1,335,175</i>

Included within total costs is £1,507 (2014 - £377) relating to operating leases.

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

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

6. CHARITABLE ACTIVITIES

	Total 2015 £	<i>Total 2014 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teachers and educational support staff salaries	697,183	695,078
Teachers and educational support staff national insurance	43,821	44,914
Teachers and educational support staff pension	112,007	110,712
Depreciation	15,926	(249)
Educational supplies	28,318	22,710
Technology costs	5,299	2,440
Staff development	2,064	6,861
Educational consultancy	4,700	2,066
Other direct costs	13,082	15,780
Educational visits	26,637	32,311
	949,037	932,623
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff salaries	122,247	133,960
Support staff national insurance	4,204	4,731
Support staff pension	29,658	29,747
Pension finance cost	14,000	16,000
Technology costs	14,710	8,712
Maintenance	102,477	79,723
Cleaning	4,830	2,013
Rates	6,424	9,867
Energy costs	17,939	15,614
Insurance	22,576	22,683
Office costs	12,147	14,677
Catering	54,889	31,148
Other support	19,263	4,360
	425,364	373,235
	1,374,401	1,305,858

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

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

7. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total 2015 £	Total 2014 £
Auditors' remuneration	-	3,250	3,250	3,250
Auditors' non audit costs	-	1,460	1,460	1,650
Legal and professional fees	-	19,711	19,711	24,417
	<u>-</u>	<u>24,421</u>	<u>24,421</u>	<u>29,317</u>

8. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	819,430	829,038
Social security costs	48,025	49,645
Other pension costs (Note 19)	141,665	140,459
	<u>1,009,120</u>	<u>1,019,142</u>
Supply teacher costs	11,233	13,543
Staff severance payments	10,500	-
	<u>1,030,853</u>	<u>1,032,685</u>

b. Staff severance payments

During the year, one non-contractual severance payment was made for £10,500.

c. Staff numbers

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

	2015 No.	2014 No.
Management	1	1
Teaching	14	15
Administration and support	19	18
	<u>34</u>	<u>34</u>

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

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

8. STAFF (continued)

d. Higher paid staff

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

	2015	<i>2014</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	0	<i>1</i>
In the band £70,001 - £80,000	1	<i>0</i>

The employee above participated in the Teachers' Pension Scheme.

9. GOVERNORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 4 Governors (2014 - 5) in respect of defined benefit pension schemes.

C Buckley	£5,000 - £10,000 (2014 - £5,000 - £10,000)
P Fry	£nil (£0 - £5,000)
J Bingwa	£5,000 - £10,000 (2014 - £5,000 - £10,000)
L Suffield, Head Teacher	£5,000 - £10,000 (2014 - £5,000 - £10,000)
S Rodgers	£0 - £5,000 (2014 - £0 - £5,000)

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:

	2015	<i>2014</i>
	£	<i>£</i>
C Buckley	35,000-40,000	<i>35,000-40,000</i>
P Fry		<i>5,000-10,000</i>
J Bingwa	35,000-40,000	<i>35,000-40,000</i>
L Suffield, Head Teacher	65,000-70,000	<i>60,000-65,000</i>
S Rodgers	25,000-30,000	<i>5,000-10,000</i>

During the year, no Governors received any benefits in kind (2014 - £NIL).

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

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

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

10. 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £534 (2014 - £534). The cost of this insurance is included in the total insurance cost.

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Computer equipment £	Total £
Cost			
At 1 September 2014	2,098,000	45,978	2,143,978
Additions	-	3,600	3,600
At 31 August 2015	<u>2,098,000</u>	<u>49,578</u>	<u>2,147,578</u>
Depreciation			
At 1 September 2014	-	30,652	30,652
Charge for the year	-	15,926	15,926
At 31 August 2015	<u>-</u>	<u>46,578</u>	<u>46,578</u>
Net book value			
At 31 August 2015	<u>2,098,000</u>	<u>3,000</u>	<u>2,101,000</u>
<i>At 31 August 2014</i>	<u>2,098,000</u>	<u>15,326</u>	<u>2,113,326</u>

Land and buildings are stated at the valuation provided to the academy by the EFA on conversion.

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

12. DEBTORS

	2015 £	2014 £
Trade debtors	967	998
Other debtors	27,885	57,555
Prepayments and accrued income	28,961	25,136
	<u>57,813</u>	<u>83,689</u>

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

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

13. CREDITORS:

Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	118,552	27,743
Other taxation and social security	11,211	34,165
Other creditors	1,830	33,706
Accruals and deferred income	33,714	27,895
	<hr/> 165,307 <hr/>	<hr/> 123,509 <hr/>
		£
Deferred income		
Deferred income at 1 September 2014		18,852
Resources deferred during the year		20,011
Amounts released from previous years		(18,852)
		<hr/> 20,011 <hr/>

At the year-end the Academy has received funding in advance in relation to UIFSM.

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

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

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	-	48,511	(48,097)	(414)	-	-
Surplus on Conversion	29,039	-	-	-	-	29,039
	<u>29,039</u>	<u>48,511</u>	<u>(48,097)</u>	<u>(414)</u>	<u>-</u>	<u>29,039</u>
Restricted funds						
General Annual Grant (GAG)	135,816	1,036,700	(936,515)	(3,186)	-	232,815
Other EFA Grants	11,500	120,484	(117,394)	-	-	14,590
Government Grants	54,911	173,014	(183,984)	-	-	43,941
Other Income	-	52,644	(52,644)	-	-	-
Pension Reserve	(623,000)	-	(37,000)	-	(25,000)	(685,000)
	<u>(420,773)</u>	<u>1,382,842</u>	<u>(1,327,537)</u>	<u>(3,186)</u>	<u>(25,000)</u>	<u>(393,654)</u>
Restricted fixed asset funds						
EFA Capital Grants	-	7,262	(7,262)	-	-	-
Capital Expenditure from GAG	15,326	-	(15,926)	3,600	-	3,000
Assets Transferred on Conversion	2,098,000	-	-	-	-	2,098,000
	<u>2,113,326</u>	<u>7,262</u>	<u>(23,188)</u>	<u>3,600</u>	<u>-</u>	<u>2,101,000</u>
Total restricted funds	<u>1,692,553</u>	<u>1,390,104</u>	<u>(1,350,725)</u>	<u>414</u>	<u>(25,000)</u>	<u>1,707,346</u>
Total of funds	<u><u>1,721,592</u></u>	<u><u>1,438,615</u></u>	<u><u>(1,398,822)</u></u>	<u><u>-</u></u>	<u><u>(25,000)</u></u>	<u><u>1,736,385</u></u>

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14. STATEMENT OF FUNDS (continued)

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.

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.

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.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	29,039	48,511	(48,097)	(414)	-	29,039
Restricted funds	(420,773)	1,382,842	(1,327,537)	(3,186)	(25,000)	(393,654)
Restricted fixed asset funds	2,113,326	7,262	(23,188)	3,600	-	2,101,000
	<u>1,721,592</u>	<u>1,438,615</u>	<u>(1,398,822)</u>	<u>-</u>	<u>(25,000)</u>	<u>1,736,385</u>

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15. 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	-	-	2,101,000	2,101,000	2,113,326
Current assets	29,039	456,653	-	485,692	354,775
Creditors due within one year	-	(165,307)	-	(165,307)	(123,509)
Provisions for liabilities and charges	-	(685,000)	-	(685,000)	(623,000)
	<u>29,039</u>	<u>(393,654)</u>	<u>2,101,000</u>	<u>1,736,385</u>	<u>1,721,592</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	39,793	34,752
Returns on investments and servicing of finance	(352)	(297)
Depreciation of tangible fixed assets	15,926	-
Capital grants from EFA	(7,262)	(7,330)
(Increase) / decrease in debtors	25,876	(50,546)
Increase in creditors	41,798	38,742
FRS 17 adjustments	37,000	32,000
Net cash inflow from operations	<u>152,779</u>	<u>47,321</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	352	297
	<u>352</u>	<u>297</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(3,600)	-
Capital grants from EFA	7,262	7,330
Net cash inflow capital expenditure	<u>3,662</u>	<u>7,330</u>

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18. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	271,086	156,793	-	427,879
Net funds	271,086	156,793	-	427,879

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 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 £1,818 were payable to the scheme at 31 August 2015 (2014 - 33,706) 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%);

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19. PENSION COMMITMENTS (continued)

- 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 £68,000 (2014 - £74,000).

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 £66,000, of which employer's contributions totalled £51,000 and employees' contributions totalled £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.

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19. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	<i>Expected return at 31 August 2014 %</i>	<i>Fair value at 31 August 2014 £</i>
Equities	3.70	369,000	<i>6.30</i>	<i>342,000</i>
Bonds	3.70	64,000	<i>3.60</i>	<i>58,000</i>
Property	3.70	59,000	<i>4.50</i>	<i>49,000</i>
Cash	3.70	-	<i>3.30</i>	<i>-</i>
Total market value of assets		492,000		<i>449,000</i>
Present value of scheme liabilities		(1,177,000)		<i>(1,072,000)</i>
Deficit in the scheme		(685,000)		<i>(623,000)</i>

The amounts recognised in the Balance sheet are as follows:

	2015 £	<i>2014 £</i>
Present value of funded obligations	(1,177,000)	<i>(1,072,000)</i>
Fair value of scheme assets	492,000	<i>449,000</i>
Net liability	(685,000)	<i>(623,000)</i>

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

	2015 £	<i>2014 £</i>
Current service cost	(74,000)	<i>(67,000)</i>
Interest on obligation	(41,000)	<i>(38,000)</i>
Expected return on scheme assets	27,000	<i>22,000</i>
Total	(88,000)	<i>(83,000)</i>
Actual return on scheme assets	11,000	<i>43,000</i>

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19. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	1,072,000	793,000
Current service cost	74,000	67,000
Interest cost	41,000	38,000
Contributions by scheme participants	15,000	16,000
Actuarial Losses	9,000	179,000
Estimated benefits paid	(34,000)	(21,000)
Transferred on conversion	-	-
	<u>1,177,000</u>	<u>1,072,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	449,000	337,000
Expected return on assets	27,000	22,000
Actuarial gains and (losses)	(16,000)	44,000
Contributions by employer	51,000	51,000
Contributions by employees	15,000	16,000
Estimated benefits paid	(34,000)	(21,000)
	<u>492,000</u>	<u>449,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £216,000 (2014 - £191,000).

The Academy expects to contribute £46,000 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	75.00 %	76.00 %
Bonds	13.00 %	13.00 %
Property	12.00 %	11.00 %

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

	2015	2014
Pension Increase Rate	2.60 %	2.60 %
Salary Increase Rate	4.00 %	3.90 %
Expected Return on Assets	3.70 %	5.80 %
Discount Rate	3.70 %	3.70 %

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19. PENSION COMMITMENTS (continued)

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 (in years)		
Males	22.2	22.2
Females	24.4	24.4
Retiring in 20 years (in years)		
Males	24.5	24.5
Females	26.8	26.8

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

Defined benefit pension schemes

	2015	2014	2013
	£	£	£
Defined benefit obligation	(1,177,000)	(1,072,000)	(793,000)
Scheme assets	492,000	449,000	337,000
Deficit	(685,000)	(623,000)	(456,000)
Experience adjustments on scheme liabilities	(9,000)	(179,000)	(82,000)
Experience adjustments on scheme assets	(16,000)	44,000	26,000

20. OPERATING LEASE COMMITMENTS

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

	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	1,507	1,507

21. CONTINGENT LIABILITIES

In the event of Ruskington Chestnut Street Church of England Academy ceasing to operate as an academy, provisions are included in the funding agreement relating to the clawback of assets and monies paid to the Academy.

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22. 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 a governor 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. The employees were fairly recruited and their performance has been managed in the normal way.

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 of the company. The Governors are fully aware of the directorship. Whilst the company does not meet the definition of a related party under Financial Reporting Standard 8, 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 £51,401 (2014 - £29,493). There was no balance due to the company at the year-end.