

REGISTERED COMPANY NUMBER: 07664284 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015
FOR**

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

four fifty partnership limited
Chartered Accountants
& Registered Auditors
34 Boulevard
Weston-super-Mare
Somerset
BS23 1NF

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 10
Governance Statement	11 to 13
Statement on Regularity, Propriety and Compliance	14
Statement of Trustees Responsibilities	15
Report of the Independent Auditors	16 to 17
Independent Accountant's Report on Regularity	18 to 19
Statement of Financial Activities	20 to 21
Balance Sheet	22 to 23
Cash Flow Statement	24
Notes to the Cash Flow Statement	25
Notes to the Financial Statements	26 to 43
Detailed Statement of Financial Activities	44 to 45

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015**

MEMBERS

A N Reeson
P N Benjamin
Ms J Hipwell
M G Johnson

TRUSTEES

P N Benjamin *
P B D Bird
G M Cardale (resigned 20.5.15)
D R Eames
Mrs M J Ellis
Mrs S H Ham *
Ms J Hipwell *
Mrs V A Jones *
D G Logan *
T R Moreman
L E W Olliff (resigned 21.4.15)
Mrs S H Rant
Mrs T Raynes *
A N Reeson *
Mrs S Thomas (resigned 1.10.15)
Miss S Flawn (appointed 1.9.14) (resigned 1.9.15)
Mrs S J James
Ms H P Neal
S Willis

* members of the finance and premises committee

REGISTERED OFFICE

Wedmore First School Academy
Blackford Road
Wedmore
Somerset
BS28 4BS

REGISTERED COMPANY NUMBER

07664284 (England and Wales)

INDEPENDENT AUDITORS

four fifty partnership limited
Chartered Accountants
& Registered Auditors
34 Boulevard
Weston-super-Mare
Somerset
BS23 1NF

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015**

BANKERS

Lloyds TSB Bank PLC
Bath Street
Cheddar
Somerset
BS27 3AB

SOLICITORS

Veale Wasbrough Visards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

SENIOR MANAGEMENT TEAM

Head Teacher - Mrs J Hipwell
Deputy Head Teacher - Mrs S H Ham
Assistant Head Teacher - Mrs M J Ellis
Director of Finance and Administration - Mrs V A Jones

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The governors act as the trustees for the charitable activities of Wedmore First School Academy and Nursery and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Wedmore First School Academy and Nursery or by the abbreviation WFSAN.

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

Members' liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, the insurance provides cover up to £1,000,000 on any one claim.

Principal activities

The Academy's main activity is encompassed by its vision and mission statements.

Vision

'An innovative learning community where all are valued, cared for and encouraged to achieve in every way.'

Mission

At Wedmore First School we are committed to working together, valuing each child as a whole and developing our children's curiosity and enthusiasm for learning through an exciting and innovative curriculum. We strive to encourage every pupil to develop their confidence and potential. Our wish is for children to take with them happy memories of their early years with us, giving them a firm foundation in preparation for life's challenges.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal activities

In support of our vision and mission the principal activities of the academy are:

- To comply with all appropriate statutory and curriculum requirements
- To provide training opportunities for the staff of the Academy
- To raise the standard of achievement of all pupils
- To use the financial resources in an efficient and effective way for all pupils and the wider community
- To improve educational facilities and services to pupils of all ages
- To promote for the benefit of local inhabitants and with the intention of improving their health and fitness, opportunities for recreational activities
- To maintain and continue to develop a school offering a broad and balanced curriculum
- To ensure the school is at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community

Recruitment and appointment of new trustees

The members of the Academy Trust are:

- The Chair of Governors
- One person appointed by the Secretary of State if there is a need
- The three signatories to the memorandum
- Any person appointed under Article 16

The members may agree unanimously in writing to appoint additional members. Any member may resign provided that there are always three members.

The number of governors is specified in the Articles of Association of Wedmore First School Academy in Articles 45 - 49. Future governors should be appointed or elected under the terms of the articles. In summary:

- The number of governors should not be less than three but can be any number greater than three
- The members have agreed that staff governors are appointed by secret ballot
- The members may appoint up to seven governors
- Parent governors are elected, by secret ballot, by parents of registered pupils at the academy
- Parents who wish to become a governor are self nominated but have a named seconder, they prepare an election statement which is circulated to all parents prior to the election
- The person appointed should be a parent of a registered child at the Academy or the parent of a child of compulsory school age. The governing body can appoint a parent governor, in the situation where insufficient parents stand for election
- The governing body can appoint up to three co-opted governors
- Governors serve for a period of four years, any governor may be re-appointed or re-elected. This time limit does not apply to the head teacher
- The governing body have a succession plan which determines the skills needed when they are appointing a governor

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Governors have access to training provided by Somerset Governors' Services and held in neighbouring schools. New governors attend approved induction courses which provides initial training on roles and responsibilities. Other training depends upon the governor's existing experience. All new governors are given a tour of the Academy, introduced to staff and meet with pupils.

All governors are provided with copies of necessary documents that they will need to undertake their role. All new governors have an experienced governor as a mentor during their induction period.

As a benefit to subscribing to Somerset Governor Services, we receive a quarterly magazine which details all relevant courses and further useful information and support.

Organisational structure

The governing body are responsible for setting general policy and the budget. They control the activities of the Academy through the use of budgets and controlling capital expenditure. The sub committees hold delegated responsibilities (as in the structure diagram below) and make decisions which are then reported to the main Board of Governors. Members of the School Leadership Team (SLT) serve on the sub committees and are the link between the governors and the staff, ensuring that the agreed policies and actions are carried out. The SLT also report back to the governors' sub committees. The head teacher and school business manager have limited spending control to £2,000 on general purchases and no limit on wage costs. For expenditure above this limit, approval has to be sought from the finance sub committee.

The SLT includes the head teacher, deputy head teacher, assistant head teacher and as appropriate the staff who hold Teaching and Learning Responsibility (TLR) posts. These staff members are responsible for the day to day operation of the school, organising the teaching and support staff, the curriculum content, analysis of data and pupil progress and work with the parents, the local and wider community.

Day to day management and administration of the school is delegated to Jackie Hipwell and Val Jones.

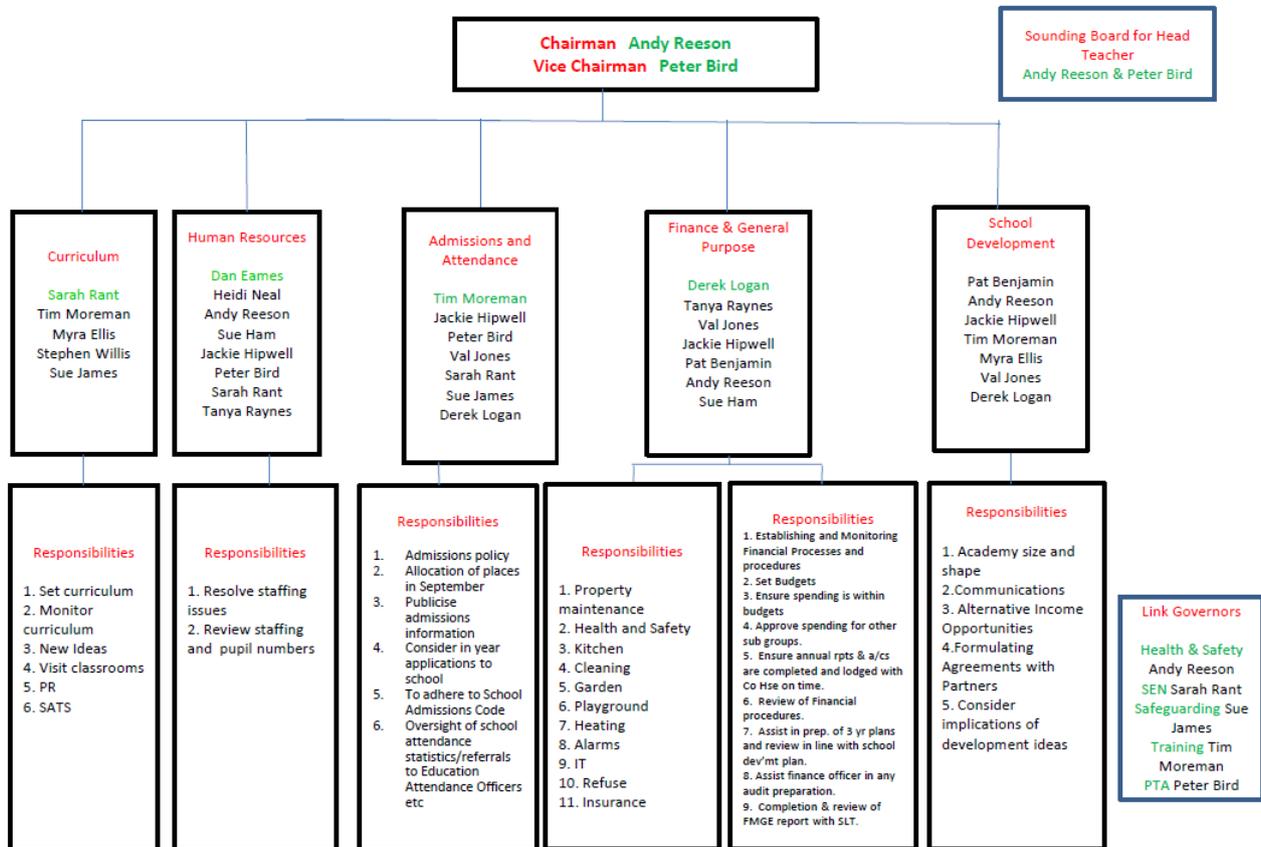
WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

September 2015

Wedmore First School Academy & Nursery Governors



Related parties

The Wedmore First School Academy has links with the twelve schools who make up the Cheddar Valley Learning Partnership. The schools work closely together to ensure that all students in the Cheddar Valley achieve their potential. In core curriculum areas the twelve schools review pupil progress across the phases and how they can ensure that pupils make maximum progress.

The Academy is supported by the Friends of Wedmore First School (now known as Wedmore PTA) who are responsible for fund raising and supporting school development projects. The school also has a link to the Blackford Educational Trust, set up to help with educational needs for the student residents of Blackford, a nearby small village. The head teacher is a trustee and holds responsibilities to ensure that the charity supports needy students.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The current governing body have assessed the major risks to which the Academy is exposed. In particular those relating to teaching provision, provision of facilities and other operational areas of the Academy together with the financial systems. The governors have implemented a number of systems to assess risks that the school faces, in particular to teaching, health and safety, bullying and school visits as examples. All internal policies are reviewed on a regular basis.

As a governing body we have assessed the risks to pupils, staff and to the successful management of the business and finance. We engage with a firm of Chartered Accountants providing us with advice on managing these risks and also by appointing a qualified Responsible Officer ('RO'). The RO will visit on a quarterly basis and will provide feedback on internal financial systems directly to the financial committee.

As a governing body we are aware that we are responsible for keeping accurate accounting records which record the past, current and future projections of the school which links to the School Development Plan. The finance committee meets regularly to review financial performance and monitor cash flow whilst financial summaries are also discussed at regular full governing body meetings.

The review of pupil numbers is ongoing in a bid to allow us to operate in the most efficient manner.

Our system of internal control sets out the guidelines to manage the risks of teaching, employees and pupils.

Sufficient insurance cover has been purchased to cover buildings and contents, and further cover for employee sickness.

We have also engaged with a HR professional to ensure that the Academy Trust meets its legal requirements.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Articles of Association of Wedmore First School Academy Trust state that the objects and aims are:

- To manage and develop the school to provide a broad and balanced curriculum
- To promote for the benefit of all the inhabitants of Wedmore facilities for recreational activities
- To manage the finances of the Academy, to raise funds, conform to relevant statutory regulations and employ the necessary staff
- To carry out research into the development and application of new techniques in education
- To establish subsidiary companies to carry on any trade or business for the purpose of raising funds for the academy trust

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

OBJECTIVES AND ACTIVITIES

Significant activities

The main objectives for the year were:

- To improve the quality of teaching to outstanding levels by developing teacher's ability to provide the right level of challenge for different groups of pupils throughout lessons
- For staff to develop a greater understanding of the criteria for outstanding teaching and learning and keeping abreast of the changing Ofsted requirements
- To develop a bank of resources in core curriculum areas to challenge and extend learning of all pupils
- To ensure that all teaching includes appropriate independent activities for all ability levels and challenging tasks to extend learning
- To increase the effectiveness of leadership and management by making sure that middle leaders evaluate the teaching in terms of its impact on the attainment and progress of different groups of pupils
- For the impact of teaching and learning to be considered by middle leaders and raising attainment plan amended as required, with particular focus on staff training

The Wedmore First School PTA held a number of fund raising events: winter supper; golf day; Autumn Bash; Christmas Fair; triathlon and raised significant amounts which have supported the school in providing language teaching in KS1, annual membership of Resources for Learning, specialist sport coaching and music tuition for the pupils of the Academy.

Public benefit

As a governing body we commit to ensuring the highest standard of education and learning is achieved for local families in the catchment area and surrounding areas, ensuring the Academy is inclusive to all. We engage regularly with the local community at local events and feel very much part of the local community. We welcome local groups to utilise the facilities at convenient times. The Trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in exercising their powers and duties with regards to public benefit.

The school has developed an on site power plant utilising solar technology. From the installation of such equipment the school can enjoy the benefits of generating its own power and therefore reducing the draw of power from the National Grid. This also reduces the carbon footprint of the school. From this initiative we are able to reallocate the funds ear marked for electricity payments directly into the pupils' education.

STRATEGIC REPORT

Achievement and performance

Charitable activities

The academy is a popular local school, serving the needs of its pupils and the local community. The school's NOR exceeded 210 (the admissions number determined by the local authority) in the year to 31 August 2015. 84% (national 77%) of the year 1 children reached the expected level in the phonic screening test. The performance of children at the end of Key Stage 1 continues to be above national expectations, a trend that has been maintained for six years. At Key Stage 1 the average point score (APS) in July 2015 for all subjects was 16.6 (national APS 16.1); for reading 17.2 (national 16.6); for writing 16.1 (national 15.3); maths 16.6 (national 16.4). Most children achieve the expected level (Level 2b) at the end of key stage 1: for reading 84% L2b+ / 37% L3 (national 82%/32%); writing 79% L2b+ / 29% L3 (national 72% / 18%); maths 89% L2b+ / 26% L3 (national 82% / 26%). These are significant levels of achievement when the cohort has 11% of pupils on free school meals and 13% defined as having special needs.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

STRATEGIC REPORT

Achievement and performance

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy Trust 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 Statement of Accounting Policies.

In the event of any exceptional matter arising, professional advice would be sought.

Key financial performance indicators

Monthly cash flow forecasts are prepared by the business manager and discussed at finance committee meetings. Any issues can be addressed at the earliest possible time to ensure we are following our projections and are able to meet our obligations. In our second year as an academy we have chosen to be prudent to ensure we have sufficient funds to meet our obligations. Subsequent surplus funds have been ear marked for future projects closely linked to the School Development Plan (SDP). The staffing and pupil levels are monitored closely with the Staffing Committee, Finance Committee and Admissions Committee.

Financial review

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors have determined that the appropriate level of free cash reserves should be equivalent to one months expenditure, approximately £82,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in the fixed asset fund and the pension reserve) is £150,967 (2014 - £145,193) which is more than is required.

Principal funding sources

Most of the Academy's income is obtained from the DfES in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfES during the year ended 31 August 2014 and the associated expenditure is shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the DfES. Such grants are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2015, total expenditure of £1,123,676 (2014 - £1,034,396) was more than the recurrent grant funding from the DfES together with other incoming resources and this shortfall was covered by brought forward reserves. The excess of expenditure over income for the year (excluding restricted fixed asset funds and pension reserves) were £26,226 (2014 - £34,499). At 31 August 2015 the net book value of fixed assets was £2,139,890 (2014 - £2,238,013) and movements in tangible fixed assets are shown in note 13 to the financial statements.

Investment policy and objectives

The Academy currently does not have an investment portfolio and all income is held in standard bank accounts.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

STRATEGIC REPORT

Principal risks and uncertainties

The governing body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the opinion that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2013 and up to the date of approval of the annual report and financial statements. This is regularly reviewed by the governing body.

Wedmore First School Academy has had a successful year, embracing and enjoying the challenges of being an academy. The team, under the steerage of the Head teacher, Jackie Hipwell, have performed well during the year producing good results. The strategic plan, actively supported by the trustees and staff, encompasses development in curriculum and learning and in the facilities offered to ensure we have everything in place to offer education and learning for the future, providing for growth and development of the academy.

Financial and risk management objectives and policies

As we are deemed a small company there is limited information for this section, however when the school converted to academy status the responsibility of the pension deficit was passed over to the Academy. We are taking advice on the best way to manage this and keep this under regular review.

Future developments

The Academy has three key priorities:

- To ensure that all children are making expected progress and that 20% are making more than expected progress (in reading, writing and maths)
- To ensure those children not making progress are targeted swiftly through intervention programmes to improve their rate of progress
- To ensure that 90% of all teaching is judged "good" or better according to OFSTED criteria

The School Development Plan for 2013-2014 has actions which will support the achievement of the key priorities above.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on and signed on the board's behalf by:

.....
A N Reeson - Trustee

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Wedmore First School Academy and Nursery 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 of loss.

The Board of Trustees 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 Wedmore First School Academy and Nursery and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The Board of Trustees has formally met 7 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Derek Logan	5	7
Tanya Raynes	5	7
George Cardale	1	5
Andy Reeson	6	7
Susan Flawn	5	7
Pat Benjamin	3	7
Sue Ham	6	7
Jackie Hipwell	7	7
Val Jones	6	7
Peter Bird	5	7
Liam Oliff	1	4
Sue Thomas	2	7
Tim Moreman	6	7
Dan Eames	4	7
Sarah Rant	5	7
Myra Ellis	7	7
Stephen Willis	5	7
Sue James	5	7
Heidi Neal	4	7

The Finance and General Purposes Committee is a sub-committee of the main governing body. Its purposes is to control the finance function of the academy and to report to the full Board of Trustees as required. The finance committee drafts budgets and reports to the Department of Education as and when necessary. The Finance and General Purposes Committee has formally met 4 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Jackie Hipwell	4	4
Val Jones	4	4
Derek Logan	4	4
Tanya Raynes	4	4

**WEDMORE FIRST SCHOOL ACADEMY AND NURSERY
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

Review of Value for Money

Jackie Hipwell accepts that as accounting officer of Wedmore First School Academy and Nursery she is responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. She is aware of the guide to academy value for money statements published by the Education Funding Agency and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

She has set out below how she has ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The governing body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plans. Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services.

The accounting officer for the academy has delivered improved value for money during the year by:

Use of Premises

Governors and school managers will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources, e.g. the library. The governors are actively seeking funding to build permanent classrooms to improve the environment in which learning is taking place. The outdoor swimming pool is available for use by the local community during the summer months (during the evening, at the weekend and throughout the holiday); for private hire; swimming lessons and recreational use by families within the village.

Teaching

Governors and school managers will review the quality of curriculum provision and quality of teaching, to provide parents and pupils with:

- A curriculum which meets the requirements of the 2014 National Curriculum, the LA agreed RE syllabus and the needs of pupils
- Teaching which builds on previous learning and has high expectations of children's achievement.
- A robust assessment system which replaces the national curriculum levels
- Collaboration with local schools on a project to improve the transition arrangements between year 4 and year 5

Learning

Governors and school managers will review the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve nationally expected progress against age related expectations, e.g. setting of annual pupil achievement targets and striving to improve on or maintain previous years SAT results in KS1 and attendance.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Wedmore First School Academy and Nursery for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**WEDMORE FIRST SCHOOL ACADEMY AND NURSERY
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Charitable Company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Charitable Company's significant risks that has been in place for the period 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 Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body
- Regular reviews by the Finance and General Purposes 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 not to appoint an internal auditor. However, the governors have appointed D G Logan, a trustee, to carry out a programme of internal checks on the Academy Trust's financial systems. The reviewer 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, Ms J Hipwell has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 Board of Trustees on and signed on its behalf by:

.....
A N Reeson - Trustee

.....
Ms J Hipwell - Accounting Officer

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015**

As accounting officer of Wedmore First School Academy and Nursery I have considered my responsibility to notify the charitable company board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company 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.

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

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

.....
Ms J Hipwell - Accounting Officer

Date:

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

The Trustees (who act as governors of Wedmore First School Academy and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity SORP
- Make judgements and 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditors are unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Approved by order of the board of trustees on and signed on it's behalf by:

.....
A N Reeson - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

We have audited the financial statements of Wedmore First School Academy and Nursery 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 Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 charitable company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEDMORE FIRST SCHOOL ACADEMY AND NURSERY**

Matters on which we are required to report by exception

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

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

Joy Boswell FCCA ACA (Senior Statutory Auditor)
for and on behalf of four fifty partnership limited
Chartered Accountants
& Registered Auditors
34 Boulevard
Weston-super-Mare
Somerset
BS23 1NF

Date:

Note:

The maintenance and integrity of the Wedmore First School Academy and Nursery website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
WEDMORE FIRST SCHOOL ACADEMY AND NURSERY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 11 July 2012 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wedmore First School Academy and Nursery during the period 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 Wedmore First School Academy and Nursery and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Wedmore First School Academy and Nursery 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 Wedmore First School Academy and Nursery and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Wedmore First School Academy and Nursery's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Wedmore First School Academy and Nursery'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 period 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 2013 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 matter 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 Charitable Company's income and expenditure.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
WEDMORE FIRST SCHOOL ACADEMY AND NURSERY AND THE EDUCATION FUNDING AGENCY**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

four fifty partnership
Chartered Accountants
34 Boulevard
Weston-super-Mare
Somerset
BS23 1NF

Date:

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2015**

					2015	2014
		Unrestricted	Restricted	Restricted	Total	Total
	Notes	funds	funds	Fixed Asset	funds	funds
		£	£	Fund	£	£
				£		
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	24,040	32,819	-	56,859	29,428
Activities for generating funds	3	112,368	79,344	-	191,712	114,695
Investment income	4	65	120	-	185	286
Incoming resources from charitable activities						
Educational operations	5	-	833,896	-	833,896	799,690
Total incoming resources		136,473	946,179	-	1,082,652	944,099
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading: cost of goods sold and other costs	7	79,457	65,188	-	144,645	62,377
Charitable activities						
Educational operations	8	13,166	854,828	14,798	882,792	875,229
Governance costs	9	12,000	63,477	-	75,477	84,444
Other resources expended		18,570	2,192	-	20,762	12,346
Total resources expended	6	123,193	985,685	14,798	1,123,676	1,034,396
NET INCOME/(EXPENDITURE) FOR THE YEAR						
		13,280	(39,506)	(14,798)	(41,024)	(90,297)
Actuarial gains/losses on defined benefit schemes		-	7,000	-	7,000	36,000
Net movement in funds		13,280	(32,506)	(14,798)	(34,024)	(54,297)

The notes form part of these financial statements

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2015**

					2015		2014
		Unrestricted	Restricted	Restricted	Total	funds	Total
	Notes	funds	funds	Fixed Asset			funds
		£	£	Fund		£	£
				£			
RECONCILIATION OF FUNDS							
Total funds brought forward		81,406	(294,213)	2,154,688	1,941,881		1,996,178
		<hr/>	<hr/>	<hr/>	<hr/>		<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>94,686</u>	<u>(326,719)</u>	<u>2,139,890</u>	<u>1,907,857</u>		<u>1,941,881</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**BALANCE SHEET
AT 31 AUGUST 2015**

					2015	2014
		Unrestricted funds	Restricted funds	Restricted Fixed Asset Fund	Total funds	Total funds
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	13	17,396	69,171	2,139,890	2,226,457	2,238,013
CURRENT ASSETS						
Stocks	14	300	1,931	-	2,231	1,896
Debtors	15	7,853	17,342	-	25,195	37,384
Cash at bank and in hand		<u>70,185</u>	<u>50,957</u>	<u>-</u>	<u>121,142</u>	<u>135,106</u>
		78,338	70,230	-	148,568	174,386
CREDITORS						
Amounts falling due within one year	16	<u>(1,047)</u>	<u>(83,121)</u>	<u>-</u>	<u>(84,168)</u>	<u>(112,518)</u>
NET CURRENT ASSETS/(LIABILITIES)						
		<u>77,291</u>	<u>(12,891)</u>	<u>-</u>	<u>64,400</u>	<u>61,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		94,687	56,280	2,139,890	2,290,857	2,299,881
PENSION LIABILITY						
	20	-	(383,000)	-	(383,000)	(358,000)
NET ASSETS						
		<u>94,687</u>	<u>(326,720)</u>	<u>2,139,890</u>	<u>1,907,857</u>	<u>1,941,881</u>

The notes form part of these financial statements

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**BALANCE SHEET - CONTINUED
AT 31 AUGUST 2015**

	Notes	2015	2014
		£	£
FUNDS	19		
Unrestricted funds:			
Unofficial Funds		94,687	81,406
Restricted funds:			
Restricted General Funds		44,813	45,153
Fixed Asset Fund		2,139,890	2,154,688
Pension reserve		(383,000)	(358,000)
Nursery		10,867	18,634
Big Lottery Funding		600	-
		<u>1,813,170</u>	<u>1,860,475</u>
TOTAL FUNDS		<u><u>1,907,857</u></u>	<u><u>1,941,881</u></u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
A N Reeson -Trustee

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

	Notes	2015 £	2014 £
Net cash inflow from operating activities	1	10,722	48,423
Returns on investments and servicing of finance	2	133	229
Capital expenditure and financial investment	2	(24,819)	(21,826)
		<hr/>	<hr/>
(Decrease)/increase in cash in the period		<u>(13,964)</u>	<u>26,826</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
(Decrease)/increase in cash in the period		<u>(13,964)</u>	<u>26,826</u>
Change in net debt resulting from cash flows		<u>(13,964)</u>	<u>26,826</u>
Movement in net debt in the period		(13,964)	26,826
Net debt at 1 September		<u>135,106</u>	<u>108,280</u>
Net debt at 31 August		<u>121,142</u>	<u>135,106</u>

The notes form part of these financial statements

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

1. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Net outgoing resources	(41,024)	(90,297)
Depreciation charges	36,375	30,776
Interest received	(185)	(286)
Interest paid	52	57
Increase in stocks	(335)	(606)
Decrease/(increase) in debtors	12,189	(754)
(Decrease)/increase in creditors	(28,350)	68,533
Difference between pension charge and cash contributions	<u>32,000</u>	<u>41,000</u>
Net cash inflow from operating activities	<u><u>10,722</u></u>	<u><u>48,423</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	185	286
Interest paid	<u>(52)</u>	<u>(57)</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>133</u></u>	<u><u>229</u></u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(24,819)</u>	<u>(21,826)</u>
Net cash outflow for capital expenditure and financial investment	<u><u>(24,819)</u></u>	<u><u>(21,826)</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.14	Cash flow	At 31.8.15
	£	£	£
Net cash:			
Cash at bank and in hand	135,106	(13,964)	121,142
	_____	_____	_____
Total	<u><u>135,106</u></u>	<u><u>(13,964)</u></u>	<u><u>121,142</u></u>

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Going concern

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

Incoming resources

All income resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued. General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund.

- **Donations**

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

- **Other income**

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

- **Donated services and gifts in kind**

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

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

1. ACCOUNTING POLICIES - continued

Resources expended

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

- **Cost of generating funds**

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

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

- **Governance costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets costing £300 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Long leasehold buildings	Over 125 years
Fixtures, fittings and equipment	20% reducing balance
ICT equipment	20% on cost

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Leased assets

Rental under operating leases are charged on a straight line basis over the lease term.

Stocks

Catering and curriculum resources stocks are valued at the lower of cost or net realisable value.

Taxation

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

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted income fund represents those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the governors.

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

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

There are no restrictions on the amount of General Annual Grant (GAG) that can be carried forward from one year to the next.

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension costs 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 20, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 a fair value and liabilities are measured in 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.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

2. VOLUNTARY INCOME

	2015	2014
	£	£
Donations	55,014	29,428
Grants	<u>1,845</u>	<u>-</u>
	<u>56,859</u>	<u>29,428</u>

Grants received, included in the above, are as follows:

	2015	2014
	£	£
Big Lottery Fund	<u>1,845</u>	<u>-</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2015	2014
	£	£
Fundraising events	-	886
Hire of facilities	3,349	1,129
Catering income	111,697	50,954
FIT - electric income	3,807	4,526
Insurance claims	5,011	-
Nursery activities	<u>67,848</u>	<u>57,200</u>
	<u>191,712</u>	<u>114,695</u>

4. INVESTMENT INCOME

	2015	2014
	£	£
Deposit account interest	<u>185</u>	<u>286</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

		2015	2014
	Activity	£	£
General Annual Grant	Educational operations	766,504	730,225
Other DfE/EFA grants	Educational operations	67,392	69,231
Big Lottery Funding	Educational operations	<u>-</u>	<u>234</u>
		<u>833,896</u>	<u>799,690</u>

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

6. RESOURCES EXPENDED

				2015	2014
	Staff costs	Non-pay expenditure		Total	Total
	£	Premises	Other costs	£	£
		£	£		
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	106,298	-	38,347	144,645	62,377
Governance costs including allocated support costs	<u>61,906</u>	<u>-</u>	<u>13,571</u>	<u>75,477</u>	<u>84,444</u>
	<u>168,204</u>	<u>-</u>	<u>51,918</u>	<u>220,122</u>	<u>146,821</u>

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration	4,695	4,660
Auditors' remuneration for non-audit work	4,889	9,931
Depreciation - owned assets	<u>36,375</u>	<u>30,777</u>

Included within expenditure is an ex-gratia payment of £11,694 for an employment settlement.

The legal authority sought to make ex-gratia payments was in compliance with the Academies Financial Handbook, being delegated authority from the Education Funding Agency.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

7. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	2015	2014
	£	£
Purchases	38,347	20,377
Staff costs	<u>106,298</u>	<u>42,000</u>
	<u>144,645</u>	<u>62,377</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Educational operations	<u>882,792</u>	<u>882,792</u>

9. GOVERNANCE COSTS

	2015	2014
	£	£
Staff costs	61,906	60,265
Auditors' remuneration	4,695	4,660
Auditors' remuneration for non-audit work	4,889	9,931
Legal fees	<u>3,987</u>	<u>9,588</u>
	<u>75,477</u>	<u>84,444</u>

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

10. TRUSTEES' REMUNERATION AND BENEFITS

The staff governors only receive remuneration in respect of services they provide undertaking the roles of the head teacher and staff and not in respect of their services as governors. Other governors did not receive any payments from the Academy in respect of their role as governors. The value of governors' remuneration was as follows:

Employee	2015 £	2014 £
Ms J Hipwell (head teacher)	£55,001 - £60,000	£60,001 - £65,000
Mrs S Ham	£35,001 - £40,000	£35,001 - £40,000
Mrs V Jones	£30,001 - £35,000	£30,001 - £35,000
Mrs S Thomas	£5,001 - £10,000	£5,001 - £10,000
Mrs M Ellis	£40,001 - £45,000	£40,001 - £45,000

Trustees' expenses

During the period ended 31 August 2015, no expenses were reimbursed to governors.

Other related party transactions involving the trustees are set out in note 21.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

11. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	781,314	744,326
Social security costs	63,304	22,831
Other pension costs	<u>23,000</u>	<u>26,000</u>
	867,618	793,157
Supply teacher costs	8,190	2,858
Staff recruitment costs	<u>1,872</u>	<u>624</u>
	<u><u>877,680</u></u>	<u><u>796,639</u></u>

Included in staff costs is a non-contractual severance payment to one employee of £11,694 (2014 - £Nil).

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

	2015	2014
Teachers	14	12
Administration and support	21	15
Management	<u>1</u>	<u>1</u>
	<u><u>36</u></u>	<u><u>28</u></u>

There are no employees with emoluments (excluding the academy trust's own pension costs) above £60,000 in the year ended 31 August 2015 (2014 - £Nil).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust 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 period ended 31 August 2015 was £709 (2014 - £801).

The cost of this insurance is included in the total insurance cost.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

13. TANGIBLE FIXED ASSETS

	Long leasehold land and buildings £	Improve- ments to property £	Furniture and equipment £	Computer equipment £	Totals £
COST					
At 1 September 2014	2,201,548	19,609	51,502	51,490	2,324,149
Additions	<u>-</u>	<u>3,560</u>	<u>17,729</u>	<u>3,530</u>	<u>24,819</u>
At 31 August 2015	<u>2,201,548</u>	<u>23,169</u>	<u>69,231</u>	<u>55,020</u>	<u>2,348,968</u>
 DEPRECIATION					
At 1 September 2014	46,860	275	17,300	21,701	86,136
Charge for year	<u>14,798</u>	<u>188</u>	<u>10,385</u>	<u>11,004</u>	<u>36,375</u>
At 31 August 2015	<u>61,658</u>	<u>463</u>	<u>27,685</u>	<u>32,705</u>	<u>122,511</u>
 NET BOOK VALUE					
At 31 August 2015	<u>2,139,890</u>	<u>22,706</u>	<u>41,546</u>	<u>22,315</u>	<u>2,226,457</u>
At 31 August 2014	<u>2,154,688</u>	<u>19,334</u>	<u>34,202</u>	<u>29,789</u>	<u>2,238,013</u>

Included in long leasehold property is £351,809 (2012 - £351,809) of land that is not depreciated.

14. STOCKS

	2015 £	2014 £
Stocks	<u>2,231</u>	<u>1,896</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	9,140	10,200
Bad debt provision	-	(2,550)
Other debtors	8,918	8,492
Prepayments and accrued income	<u>7,137</u>	<u>21,242</u>
	<u>25,195</u>	<u>37,384</u>

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	12,385	44,315
Social security and other taxes	9,976	10,452
Other creditors	8,920	8,731
Pensions creditor	10,032	11,635
Accruals and deferred income	<u>42,855</u>	<u>37,385</u>
	<u><u>84,168</u></u>	<u><u>112,518</u></u>

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2015	2014
	£	£
Expiring:		
Within one year	<u><u>-</u></u>	<u><u>460</u></u>

18. 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.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

19. MOVEMENT IN FUNDS

	At 1.9.14 £	Net movement in funds £	At 31.8.15 £
Unrestricted funds			
Unofficial Funds	81,406	13,281	94,687
Restricted funds			
Restricted General Funds	45,153	(340)	44,813
Fixed Asset Fund	2,154,688	(14,798)	2,139,890
Pension reserve	(358,000)	(25,000)	(383,000)
Nursery	18,634	(7,767)	10,867
Big Lottery Funding	-	600	600
	<u>1,860,475</u>	<u>(47,305)</u>	<u>1,813,170</u>
TOTAL FUNDS	<u><u>1,941,881</u></u>	<u><u>(34,024)</u></u>	<u><u>1,907,857</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unofficial Funds	136,473	(123,192)	-	13,281
Restricted funds				
Restricted General Funds	863,957	(864,297)	-	(340)
Nursery	80,377	(88,144)	-	(7,767)
Big Lottery Funding	1,845	(1,245)	-	600
Fixed Asset Fund	-	(14,798)	-	(14,798)
Pension reserve	-	(32,000)	7,000	(25,000)
	<u>946,179</u>	<u>(1,000,484)</u>	<u>7,000</u>	<u>(47,305)</u>
TOTAL FUNDS	<u><u>1,082,652</u></u>	<u><u>(1,123,676)</u></u>	<u><u>7,000</u></u>	<u><u>(34,024)</u></u>

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

19. MOVEMENT IN FUNDS - continued

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

Fund balances at 31 August 2015 are represented by:

	Unrestricted funds £	Restricted direct government funding £	Restricted Fixed asset funds £	Total funds £
Tangible fixed assets	17,396	69,171	2,139,890	2,226,457
Current assets	46,623	101,945	-	148,568
Current liabilities	(1,047)	(83,121)	-	(84,168)
Pension scheme liability	-	(383,000)	-	(383,000)
	<u>62,972</u>	<u>(295,005)</u>	<u>2,139,890</u>	<u>1,907,857</u>

20. PENSION AND SIMILAR OBLIGATIONS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Somerset County Council using 12 sub-funds. 3 of these sub-funds are under the direct control of the Director of Finance and Performance and the other 9 sub-funds are invested with financial institutions. 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.

As at the balance sheet date, contributions amounting to £10,032 (2014 - £11,635) were outstanding to the pension schemes. This has been included under creditors due within one year.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

20. PENSION AND SIMILAR OBLIGATIONS

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 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 £53,294 (2014 - £50,454).

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 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.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

20. PENSION AND SIMILAR OBLIGATIONS

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £52,000, of which employer's contributions totalled £39,000 and employees' contributions totalled £12,000. The agreed contribution rates for future years are 18.1% for employers and between 5.5% and 7.4% for employees, dependent on salary levels.

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

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Present value of funded obligations	(680,000)	(601,000)
Fair value of plan assets	<u>297,000</u>	<u>243,000</u>
	<u>(383,000)</u>	<u>(358,000)</u>
Deficit	<u>(383,000)</u>	<u>(358,000)</u>
Liability	<u>(383,000)</u>	<u>(358,000)</u>

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

	Defined benefit pension plans	
	2015	2014
	£	£
Current service cost	62,000	60,000
Interest cost	25,000	27,000
Expected return	<u>(16,000)</u>	<u>(12,000)</u>
	<u>71,000</u>	<u>75,000</u>
Actual return on plan assets	<u>9,000</u>	<u>25,000</u>

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

20. PENSION AND SIMILAR OBLIGATIONS

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Defined benefit obligation	(601,000)	(545,000)
Current service cost	(62,000)	(60,000)
Contributions by scheme participants	(12,000)	(13,000)
Interest cost	(25,000)	(27,000)
Actuarial losses/(gains)	14,000	37,000
Benefits paid	<u>6,000</u>	<u>7,000</u>
	<u>(680,000)</u>	<u>(601,000)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Fair value of scheme assets	243,000	192,000
Contributions by employer	39,000	34,000
Contributions by scheme participants	12,000	13,000
Expected return	16,000	12,000
Actuarial gains/(losses)	(7,000)	(1,000)
Benefits paid	<u>(6,000)</u>	<u>(7,000)</u>
	<u>297,000</u>	<u>243,000</u>

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

	Defined benefit pension plans	
	2015	2014
Equities	71%	70%
Gilts	7%	6%
Equities	10%	12%
Property	10%	10%
Cash	2%	2%

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

20. PENSION AND SIMILAR OBLIGATIONS

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

	2015	2014
Rate of increase in salaries	4.4%	4.4%
Rate of increase for pensions in payment	2.6%	2.6%
Discount rate for schemes liability	4%	3.9%
Inflation assumption (CPI)	2.6%	2.6%
Commutation of pensions to lump sums	50%	50%

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

	2015	2014	2013
	£	£	£
Defined benefit pension plans			
Defined benefit obligation	(680,000)	(601,000)	(545,000)
Fair value of scheme assets	297,000	243,000	192,000
Deficit	(383,000)	(358,000)	(353,000)
Experience adjustments on scheme liabilities	-	76,000	-
Experience adjustments on scheme assets	(7,000)	(1,000)	13,000

Sensitivity analysis

Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	£666,000	£680,000	£694,000
Projected service cost	£61,000	£62,000	£63,000
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	£682,000	£680,000	£678,000
Projected service cost	£62,000	£62,000	£62,000
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	£692,000	£680,000	£668,000
Projected service cost	£63,000	£62,000	£61,000
Adjustment to life expectancy assumptions	+ 1 Year	None	- 1 Year
Present value of total obligation	£699,000	£680,000	£662,000
Projected service cost	£64,000	£62,000	£60,000

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

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

21. RELATED PARTY DISCLOSURES

Owing to the nature of the Academy's operation and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have 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 period under review the charity paid £2,310 (2014 - £Nil) to Benjamin & Beauchamp Architects Ltd, a company in which the governor P Benjamin is a director. This was paid for assistance with a planning application for new classrooms.

WEDMORE FIRST SCHOOL ACADEMY AND NURSERY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015	2014
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	55,014	29,428
Grants	<u>1,845</u>	<u>-</u>
	56,859	29,428
Activities for generating funds		
Fundraising events	-	886
Hire of facilities	3,349	1,129
Catering income	111,697	50,954
FIT - electric income	3,807	4,526
Insurance claims	5,011	-
Nursery activities	<u>67,848</u>	<u>57,200</u>
	191,712	114,695
Investment income		
Deposit account interest	185	286
Incoming resources from charitable activities		
General Annual Grant	766,504	730,225
Other DfE/EFA grants	67,392	69,231
Big Lottery Funding	<u>-</u>	<u>234</u>
	<u>833,896</u>	<u>799,690</u>
Total incoming resources	1,082,652	944,099
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Nursery supplies	1,739	299
Catering supplies	36,608	20,078
Catering wages	42,994	19,169
Nursery wages	<u>63,304</u>	<u>22,831</u>
	144,645	62,377

This page does not form part of the statutory financial statements

