

REDMOOR ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members

A Boak¹
J Hudson, Chair¹
H Earp¹

Trustees

C Bright (resigned 16 October 2013)²
J Kaye²
P Bailey¹
S Warr²
I Thornton²
L Barnes, Staff Trustee²
A Fortune, Staff Trustee¹
C Sanders (resigned 14 May 2014)²
C Chinnock (resigned 14 May 2014)¹
J Shilladay¹
A Coombs, Principal and Accounting Officer¹
J Wheeler (resigned 12 July 2014)¹

¹ Finance and General Purposes Committee

² School Standards Committee

Company registration number

07992372

Principal and registered office

Wykin Road
Hinckley
Leicestershire
LE10 OEP

Company secretary

S Wilson

Senior leadership team

A Coombs, Principal
A Wright, Vice Principal
P Avent, Vice Principal
A Fortune, Assistant Vice Principal
S Wilson, Business Manager

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Administrative details (continued)

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
11 Mersus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Royal Bank of Scotland Plc
5 Market Street
Leicester
LE1 6DN

Solicitors

Brethertons Solicitors LLP
Strathmore House
Waterperry Court
Middleton Road
Banbury
OX16 4QD

REDMOOR ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of Redmoor Academy Trust Limited (the Academy) for the year ended 31 August 2014. The Trustees 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 Trust operates an Academy for pupils aged 11 to 14 serving a catchment area in Hinckley, Leicestershire. It has a pupil capacity of 570 and had a roll of 542 in the school census on 2 October 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Redmoor Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Redmoor Academy.

Details of the Trustees who served throughout the year except as noted 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

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,243.

Method of recruitment and appointment or election of Trustees

Recruitment of Trustees is outlined in the Memorandum of Articles. The Members may appoint up to 4 (four) Trustees. The Trustees may co-opt up to 4 (four) Trustees. The appointment of staff Trustees 3 (three) is via a process of a staff ballot. Appointment of Parent Trustees 5 (five) is made via parent ballot. The Academy's Principal is a Trustee by right.

Policies and procedures adopted for the induction and training of Trustees

Trustee training is through a menu of extensive specialised training available via the Leicestershire County Council's 'Governor Development Services' which the Trust buy into on an annual basis. They include training courses tailored specifically for new Trustees. The Academy has also produced a comprehensive 'Trustees' Induction Handbook'. Meetings with the Chair of Trustees, the Principal, and the Business Manager are on offer to all new Trustees.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Organisational structure

The Trust has at present 3 Members who are responsible for the overall running of the Trust. They also have the strategic role monitoring the current and future direction of the Academy. They are in turn responsible to the Full Governing Body. They have a responsibility to produce an annual report to the Auditor and to recommend to the Full Governing Body the allocation of the annual budget received from the Education Funding Agency. The structure is made up of:

1. Three Trust Members who are also members of the Full Governing Body
2. The Full Governing Body
3. A committee structure consisting of :-

3a Finance and General Purposes Committee

- Remit includes Finance and Personnel
- Membership is comprised of self-selecting Trustees
- The committee meets six times per year or, more frequently as required

3b School Standard Committees

- Remit includes Attainment, Behaviour & Safety and Teaching and Learning
- Membership comprised of self-selecting Trustees
- The committee meets six times per year or, more frequently as required

3c Health and Safety Standing Committee

- Membership comprised of Chair of Governor, Principal, and Site Manager
- Report to appropriate committee and/or Full Governing Body

3d Principal's Annual Performance Review Panel

- Membership comprised of three Trustees selected by Trust Members
- Recommendations made to Finance and General Purposes Committee

3e Pay and Conditions Committee

- Membership comprised of three Trustees selected by Trust Members
- Meets when required to consider recommendations regarding Pay and Conditions

Other standing committees

3f Staff Dismissal, Staff Dismissal Appeals, Exclusions, Exclusion Appeals, Complaints, Staff Appointment, Pupil Discipline Panel

- Membership comprised of Trustees but not staff Trustees and Trustees previously involved with the individual case
- Meet as required

Other identified Roles for Trustees

- SEND Governor;
- Link Governor;
- Safeguarding governor; and
- Healthy Choices - Sex and Drugs Governor.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Where applicable all the committees are subject to annually agreed 'Terms of Reference' or relevant policy/procedure documents.

The Trustees' role is to robustly hold senior leaders to account for all aspects of the school's performance.

The Principal and the senior leadership team are responsible for providing effective leadership and efficient & effective management of the school. To work within budget having regard to the Academy Development Plan.

Any expenditure over £5,000 has to be signed off by a Trustee Member.

The Trust's Accounting Officer is Mr Andrew Coombs – Principal.

Connected organisations, including related party transactions

The Academy works closely with the local family of schools including Primary and Secondary schools. Literacy groups have been set up and there is a thriving Business Managers group. The Academy is also in talks with one of our primary feeder schools to explore the merits of becoming a Multi Academy Trust. The Academy is also working closely with local Secondary schools with the intention of submitting an application for an age range change from the present status as a KS3 school to a KS3 and KS4 school.

Objectives and aims

Redmoor Academy promotes high achievement and learning for life.

We want all pupils in the school to:

- realise their full potential in all areas of the curriculum;
- gain advanced technological skills;
- be self-disciplined and take responsibility for their own learning and actions;
- be adaptable for the modern world;
- become highly motivated lifelong learners; and
- have high self-esteem – respecting themselves, others and the environment.

Objectives, strategies and activities

- Assessment for learning / tracking pupil progress;
- Focus on Literacy;
- Curriculum Development;
- Academy Status;
- Developing an 11 to 16 school;
- Focus on Numeracy;
- Intervention – small group support; and
- Focus on Teaching.

Public benefit

In setting objectives the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary public benefit guidance on advancing education.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Strategic Report

Achievements and performance

The Academy Trust is responsible for the achievements and performance of Redmoor Academy. With the senior leadership team, they determine the strategic vision and ethos of the school. They hold the school to account – challenging and monitoring performance particularly the achievement of pupils, the quality of teaching, behaviour and safety, quality of leadership and management and ensuring financial probity and acting as a responsible employer.

Redmoor is a very high performing Academy. Attainment is significantly above national average and progress by individuals and groups of individuals is exceptional. Pupil attendance is very high with little or no variation between groups of individuals. The quality of teaching is exceptional with all lessons judged to be at least good and many outstanding. As a result progress is rapid. Behaviour remains exceptional and the Academy continue to support other schools with behaviour management difficulties. The school was subject to a successful Ofsted inspection during last year. The work of the Academy Trust was judged to be good.

Key performance indicators

Financial reports and budget updates and projections presented to the Finance Committee have shown that the Academy has continued to stay well within its budget and a healthy carried forward figure was achieved. An Environmental Review took place and a successful application for funding resulted in inefficient windows being replaced with energy efficient double glazing. Part of the roofing was also replaced with energy cost saving material.

Lesson observations coupled with the staff annual performance reviews and constant professional development has ensured that the high standard of teaching has been maintained. The teaching standards were judged to be Good or Outstanding. Attainment has improved year- on- year.

Going concern

After making appropriate enquires, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

Financial review

Policies adopted this year Finance Policy, Maternity Policy and Flexible Working policy

Reserves policy

The policy of the Academy is to carry forward where possible a prudent level of resources designed to meet the long term cyclical needs of renewal and any other foreseen circumstances, subject to the constraint that the level of resources does not exceed the level permitted by the Education Funding Agency. The Academy believes that it should aim to establish a prudent level of free reserves of around 5% of it's normal annual income. For the year 2014/15 this may not be possible due to the way the funding from the EFA is calculated, we are educating 545 pupils on a budget for 509.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

At 31 August 2014 the total funds comprised:

	£'000
Unrestricted	129
Restricted:	
Fixed asset funds	6,832
GAG	121
Pension reserve	(971)
	6,111

The deficit on the pension reserve relates to the local government staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees, and represent 12 month's worth of Academy expenditure. The aim of the Trustees is to increase this reserve to meet future working capital requirements.

Investment policy

To mitigate against the uncertainties that conversion to Academy Status could bring the Trustees have adopted a policy that the Academy would not consider Investment at this stage but retain a generous level of contingency to take us through uncharted waters.

Principal risks and uncertainties

The principal risks facing the Academy are addressed in the Business Continuity Plan and include:

- Strategic and Reputational risks;
- Operational risks;
- Compliance risks; and
- Financial risks.

Control measures are in place to manage and identify risks, the key risks being that of reduced pupil numbers, that would affect the level of EFA funding on future Government cuts. Active promotion of the Academy is robustly maintained and through regular reports to the Finance Committee the budget is monitored carefully over a 3 year projected period to manage any reduction in funding.

The principal risks facing the Academy are:

- Reputational risk;
- Performance risk;
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs; and
- Risks associated with personnel

The Academy Trust practices through its Board, namely the Governing Body and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

Plans for future periods

The Academy is actively pursuing, in collaboration with our local Secondary schools, conversion from a Year 7 to Year 9 Academy to a Year 7 to Year 11 Academy. While ensuring we continue to provide the high standard of education enjoyed by our current pupils. We continue to forge closer links with our local family of schools including Primary and Secondary schools and are exploring with one of our feeder Primary schools the mutual benefits of becoming a Multi-Academy Trust.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

This report, incorporating the Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 17 December 2014 and signed on the board's behalf by:

.....
J Hudson
Chair of Trustees

.....
A Coombs
Accounting Officer

REDMOOR ACADEMY
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Redmoor 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 Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Redmoor Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Boak	6	6
J Hudson, Chair	3	6
H Earp	6	6
C Bright	0	2
J Kaye	4	6
S Warr	6	6
I Thornton	5	6
L Barnes, Staff Trustee	4	6
A Fortune, Staff Trustee	6	6
C Sanders	0	4
C Chinnock	4	4
J Shilladay	3	6
A Coombs, Principal and Accounting Officer	6	6
J Wheeler	6	6

There have been four resignations from the Board during 2013/14, Mrs Wheeler 12/7/2014, Miss Sanders 14/5/2014, Mrs Bright 16/10/2013 & Mr Chinnock 14/5/2014.

Governance reviews:

The Trustees use Governor Development services to ensure that all training requirements for Trustees is met. Each Trustee has a Governor Training Record. Each term our Link Governor issues a newsletter, "Governing Body Training Focus", this highlights current issues and offers the relevant training.

External evaluation is carried out as part of the reviews of leadership at Redmoor Academy.

As a result of new legislation and evaluations a Pay Committee has been formed.

The Trustees meet on a termly basis and report their findings to the Governing body; the most recent meeting was on 7 November 2014. The next meeting will be Spring term 2015.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist in the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
A Boak	4	5
C Chinnock	2	5
J Shilladay	4	5
H Earp	5	5
J Hudson	3	5
P Bailey	5	5
J Wheeler	4	4

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 Redmoor Academy for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees 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 Board of Trustees 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 2013 to 31 August 2014 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and 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; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council 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. On an annual basis, the internal auditor reports to the Board of Trustees on the

GOVERNANCE STATEMENT (continued)

operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

For the year 2013/14 the internal auditor has delivered the schedule of work as planned. The points raised are available on request from the Academy.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal 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 auditor;
- the financial management and governance self-assessment process;
- 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 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 17 December 2014 and signed on its behalf, by:

.....
J Hudson
Chair of Trustees

.....
A Coombs
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Redmoor Academy I have considered my responsibility to notify the Academy Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

.....
A Coombs
Accounting Officer

Date: 17 December 2014

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who act as governors of Redmoor Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2014 and signed on its behalf by:

.....
J Hudson
Chair of Trustees

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF REDMOOR ACADEMY

We have audited the financial statements of Redmoor Academy for the year ended 31 August 2014 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 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Academy's Board of Trustees, 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy's Board of Trustees for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF REDMOOR 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Robert Nelson BA FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Mersus Court
Meridian Business Park
Leicester
LE19 1RJ
17 December 2014

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

In accordance with the terms of our engagement letter dated 2 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Redmoor Academy during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Redmoor Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Redmoor 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 Redmoor Academy and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF REDMOOR ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

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

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 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.

The work undertaken to draw our conclusions includes:

- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy.
- testing of a sample of grants received and other income streams.
- testing of a sample of payments to suppliers and other third parties.
- testing of a sample of payroll payments to staff.
- evaluating the internal control procedures and reporting lines, and testing as appropriate.

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDMOOR ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.

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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Mersus Court
Meridian Business Park
Leicester
LE19 1RJ

17 December 2014

REDMOOR 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 2014

	Note	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfers on conversion	2	-	-	-	-	6,394
Voluntary income	2	2	-	-	2	4
Activities for generating funds	3	179	-	-	179	63
Investment income	4	1	-	-	1	1
Funding for the Academy's Educational Operations	5	7	2,908	105	3,020	3,796
TOTAL INCOMING RESOURCES		189	2,908	105	3,202	10,258
RESOURCES EXPENDED						
Costs of activities for generating funds						
Costs of activities for generating funds	6	161	48	-	209	21
Charitable activities	7	-	2,744	134	2,878	3,735
Governance costs	8	-	17	-	17	39
TOTAL RESOURCES EXPENDED	9	161	2,809	134	3,104	3,795
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS, CARRIED FORWARD		28	99	(29)	98	6,463

REDMOOR ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
NET INCOMING RESOURCES BEFORE TRANSFERS, BROUGHT FORWARD		28	99	(29)	98	6,463
Transfers between funds	19	(55)	(29)	84	-	-
NET INCOME FOR THE YEAR		(27)	70	55	98	6,463
Actuarial losses on defined benefit pension schemes		-	(341)	-	(341)	(109)
NET MOVEMENT IN FUNDS FOR THE YEAR		(27)	(271)	55	(243)	6,354
Total funds at 1 September 2013		156	(579)	6,777	6,354	-
TOTAL FUNDS AT 31 AUGUST 2014		129	(850)	6,832	6,111	6,354

All activities derive from continuing operations during the above two financial periods.

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

The notes on pages 22 to 42 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07992372

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£000	2014 £000	£000	2013 £000
FIXED ASSETS					
Tangible assets	15		6,832		6,777
CURRENT ASSETS					
Debtors	16	269		120	
Cash at bank		62		202	
			<u>331</u>	<u>322</u>	
CREDITORS: amounts falling due within one year	17	(51)		(125)	
NET CURRENT ASSETS			<u>280</u>		197
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,112</u>		6,974
CREDITORS: amounts falling due after more than one year	18		<u>(30)</u>		(25)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>7,082</u>		6,949
Defined benefit pension scheme liability	25		<u>(971)</u>		(595)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>6,111</u></u>		<u>6,354</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	121		16	
Restricted fixed asset funds	19	6,832		6,777	
			<u>6,953</u>	<u>6,793</u>	
Restricted funds excluding pension liability					
Pension reserve		(971)		(595)	
			<u>5,982</u>	<u>6,198</u>	
Total restricted funds			<u>5,982</u>		6,198
Unrestricted funds	19		<u>129</u>		156
TOTAL FUNDS			<u><u>6,111</u></u>		<u>6,354</u>

The financial statements were approved by the Trustees, and authorised for issue, on 17 December 2014 and are signed on their behalf, by:

.....
J Hudson
Chair of Trustees

.....
A Coombs
Accounting Officer

The notes on pages 22 to 42 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	2014 £000	2013 £000
Net cash flow from operating activities	21	(63)	101
Returns on investments	22	1	-
Capital expenditure and financial investment	22	(84)	(103)
Cash transferred on conversion to an Academy Trust		-	173
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(146)	171
Financing	22	6	(4)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(140)	167

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014

	2014 £000	2013 £000
(Decrease)/Increase in cash in the year	(140)	167
Cash outflow from decrease in debt and lease financing	(6)	4
MOVEMENT IN NET FUNDS IN THE YEAR	(146)	171
Net funds at 1 September 2013	171	-
NET FUNDS AT 31 AUGUST 2014	25	171

The notes on pages 22 to 42 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. 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 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Fund accounting

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

Long leasehold Property	-	2% Straight line
Property improvements	-	2% Straight line
Plant and machinery	-	20% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	25% Straight line

The value of land included in long leasehold property is not being depreciated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

1.8 Taxation

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

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 25, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
Local authority surplus transferred on conversion	-	-	-	208
Fixed assets transferred on conversion	-	-	-	6,693
Pension deficit transferred on conversion	-	-	-	(472)
Loan transferred on conversion	-	-	-	(35)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers on conversion	-	-	-	6,394
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Voluntary income	2	-	2	4
	<u>2</u>	<u>-</u>	<u>2</u>	<u>4</u>
Voluntary income	2	-	2	6,398
	<u>2</u>	<u>-</u>	<u>2</u>	<u>6,398</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
Minibus income	-	-	-	8
Extended school provision	-	-	-	9
Music services income	5	-	5	3
Other recoverable charges	-	-	-	27
Student teacher placement income	-	-	-	9
Other income	-	-	-	1
Hire of facilities	5	-	5	4
Catering income	159	-	159	2
Ipad income	10	-	10	-
	<u>179</u>	<u>-</u>	<u>179</u>	<u>63</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
Interest receivable	1	-	1	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	2,238	2,238	3,183
Pupil Premium	-	85	85	106
Capital grants	-	243	243	175
Start up grants	-	-	-	25
Other EFA/DfE grants	-	39	39	68
	-	2,605	2,605	3,557
Other government grants				
Local Authority income	-	59	59	18
	-	59	59	18
Other funding				
School trips and parental contributions	-	177	177	121
Other non government grants	-	29	29	42
National leader of education	-	11	11	34
Insurance claims and reimbursement	-	-	-	19
Leamis recharges	7	-	7	5
Newman University grant	-	132	132	-
	7	349	356	221
	7	3,013	3,020	3,796

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
Educational materials	-	-	-	4
Minibus costs	-	-	-	8
Music services costs	2	-	2	-
Premises staff	-	-	-	9
Catering costs	159	48	207	-
	161	48	209	21

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

7. CHARITABLE ACTIVITIES

	Total funds 2014 £000	17 month period ended 31 August 2013 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,414	1,809
National insurance	59	91
Pension cost	205	232
Depreciation	134	171
Educational supplies	13	14
Examination fees	-	1
Other direct costs	121	150
	<hr/> 1,946 <hr/>	<hr/> 2,468 <hr/>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	378	490
National insurance	19	27
Pension cost	69	82
Pension finance cost (note 15)	20	29
Travel and subsistence	5	18
Maintenance of premises and equipment	116	200
Cleaning	7	7
Rent and rates	13	27
Energy costs	36	54
Insurance	47	65
Catering	-	37
Legal and professional	60	69
Other support costs	162	162
	<hr/> 932 <hr/>	<hr/> 1,267 <hr/>
Total direct and support costs	<hr/> 2,878 <hr/>	<hr/> 3,735 <hr/>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

8. GOVERNANCE COSTS

	Total funds 2014 £000	17 month period ended 31 August 2013 £000
Auditors' remuneration - audit services	10	9
Auditors' remuneration - non-audit services	2	1
Legal and professional fees	5	29
	<u>17</u>	<u>39</u>

9. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	17 month period ended 31 August
	2014 £000	2014 £000	2014 £000	2014 £000	2013 £000
Costs of generating voluntary income	105	-	104	209	21
Costs of generating funds	<u>105</u>	<u>-</u>	<u>104</u>	<u>209</u>	<u>21</u>
Educational Operations	1,678	118	150	1,946	2,468
Support costs	486	205	241	932	1,267
Charitable activities	<u>2,164</u>	<u>323</u>	<u>391</u>	<u>2,878</u>	<u>3,735</u>
Governance	<u>-</u>	<u>-</u>	<u>17</u>	<u>17</u>	<u>39</u>
	<u>2,269</u>	<u>323</u>	<u>512</u>	<u>3,104</u>	<u>3,795</u>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000 Amount £	Reason
Ex-gratia/compensation payments	15,315	15,315	Staff severance payment (note 11)

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

10. NET INCOMING RESOURCES

This is stated after charging:

	2014	17 month period
	£000	ended 31 August
		2013
		£000
Depreciation of tangible fixed assets	134	171
Auditors' remuneration - audit services	10	9
Auditor's remuneration - non-audit services	2	1
	=====	=====

11. STAFF

a. Staff costs

Staff costs were as follows:

	2014	17 month period
	£000	ended 31 August
		2013
		£000
Wages and salaries	1,865	2,308
Social security costs	80	118
	289	314
	=====	=====
	2,234	2,740
Staff severance payment	15	-
Pension finance cost (note 14)	20	29
	=====	=====
	2,269	2,769

b. Staff severance payments

Included in wages and salaries is a non - contractual severance payment made by the Academy Trust during the year which amounted to £15,315.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

11. STAFF (continued)

c. Staff numbers

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

	2014	17 month period ended 31 August 2013
	No.	No.
Teaching staff	28	31
Support staff	28	31
Management	5	5
	<u>61</u>	<u>67</u>

d. Higher paid staff

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

	2014	17 month period ended 31 August 2013
	No.	No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, pension contributions for this staff member amounted to £11,712 (2013: £11,040).

12. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration (including employer's pension contributions) fell within the following bands:

	2014	17 month period ended 31 August 2013
	£000	£000
Andrew Coombs (Principal)	90-95	125-130
Staff Governor 1	40-45	65-70
Staff Governor 2	20-25	25-30

Other related party transactions involving the Trustees are set out in note 26.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,243 (2013 - £1,000). The cost of this insurance is included in the total insurance cost.

14. PENSION FINANCE COST

	2014	2013
	£000	£000
Expected return on pension scheme assets	38	34
Interest on pension scheme liabilities	(58)	(63)
	<u>(20)</u>	<u>(29)</u>

15. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Leasehold property improve- ments £000	Plant and machinery £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2013	6,632	234	21	18	43	6,948
Additions	-	134	12	5	38	189
At 31 August 2014	<u>6,632</u>	<u>368</u>	<u>33</u>	<u>23</u>	<u>81</u>	<u>7,137</u>
Depreciation						
At 1 September 2013	148	4	7	1	11	171
Charge for the year	105	5	6	2	16	134
At 31 August 2014	<u>253</u>	<u>9</u>	<u>13</u>	<u>3</u>	<u>27</u>	<u>305</u>
Net book value						
At 31 August 2014	<u>6,379</u>	<u>359</u>	<u>20</u>	<u>20</u>	<u>54</u>	<u>6,832</u>
At 31 August 2013	<u>6,484</u>	<u>230</u>	<u>14</u>	<u>17</u>	<u>32</u>	<u>6,777</u>

Included in long leasehold property is leasehold land at valuation of £1,402,400 (2013: £1,402,400) which is not depreciated.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

16. DEBTORS

	2014	2013
	£000	£000
Trade debtors	20	19
VAT recoverable	22	36
Other debtors	-	8
Prepayments and accrued income	227	57
	<u>269</u>	<u>120</u>
	<u><u>269</u></u>	<u><u>120</u></u>

17. CREDITORS:
Amounts falling due within one year

	2014	2013
	£000	£000
Other loans	7	6
Trade creditors	20	5
Other taxation and social security	6	-
Accruals and deferred income	18	114
	<u>51</u>	<u>125</u>
	<u><u>51</u></u>	<u><u>125</u></u>
		£000
Deferred income		
Deferred income at 1 September 2013		7
Amounts released from previous years		(7)
		<u>-</u>
Deferred income at 31 August 2014		<u><u>-</u></u>

At the balance sheet date the Academy Trust had no funds received in advance.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

18. CREDITORS:
Amounts falling due after more than one year

	2014	2013
	£000	£000
Other loans	30	25

Included within the above are amounts falling due as follows:

	2014	2013
	£000	£000
Between two and five years		
Other loans	28	20
Over five years		
Other loans	1	5

Creditors include amounts not wholly repayable within 5 years as follows:

	2014	2013
	£000	£000
Repayable by instalments	1	5

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REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

19. STATEMENT OF FUNDS

	Brought forward £000	Incoming resources £000	Resources expended £000	Transfers in/(out) £000	Gains/(losses) £000	Carried forward £000
Unrestricted funds						
General funds	156	189	(161)	(55)	-	129
Restricted funds						
General Annual Grant (GAG)	-	2,238	(2,209)	(29)	-	-
Other DfE/EFA grants	-	39	(39)	-	-	-
Pupil Premium	16	85	(101)	-	-	-
Capital grants	-	138	(17)	-	-	121
Other Local Authority income	-	59	(59)	-	-	-
Other income	-	349	(349)	-	-	-
Pension reserve	(595)	-	(35)	-	(341)	(971)
	(579)	2,908	(2,809)	(29)	(341)	(850)
Restricted fixed asset funds						
Restricted fixed asset fund	6,777	105	(134)	84	-	6,832
Total restricted funds	6,198	3,013	(2,943)	55	(341)	5,982
Total of funds	6,354	3,202	(3,104)	-	(341)	6,111

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

General Annual Grant (GAG)

Funds from the Education Funding Agency for the provision of education, in line with the funding agreement.

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 2014. Transfers of £84,000 from GAG funding to the restricted fixed asset fund represents contributions towards computer equipment, Ipads, kitchen equipment, furniture and property improvements.

Other DfE/EFA grants

Other funds provided by the DfE/EFA for particular purposes within the academy's educational operations.

Pupil premium

Additional funds from the Education Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

19. STATEMENT OF FUNDS (continued)

Capital grants

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Other income

These consist of restricted income from all other sources to be used primarily for the Academy's educational operations. Transfers of £20,000 from other income to the restricted fixed asset fund represent the funding from the Local Authority for the fire alarm system.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	17 month period ended 31 August 2013 £000
Tangible fixed assets	-	-	6,832	6,832	6,777
Current assets	129	202	-	331	322
Creditors due within one year	-	(51)	-	(51)	(150)
Creditors due in more than one year	-	(30)	-	(30)	-
Pension reserve	-	(971)	-	(971)	(595)
	<u>129</u>	<u>(850)</u>	<u>6,832</u>	<u>6,111</u>	<u>6,354</u>

REDMOOR ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014	2013
	£000	£000
Net incoming resources before revaluations	98	6,463
Returns on investments	(1)	-
Fixed assets transferred from Local Authority on conversion	-	(6,693)
Depreciation of tangible fixed assets	134	171
Capital grants from DfE	(105)	(151)
Cash transferred to an academy on conversion	-	(208)
Increase in debtors	(149)	(121)
(Decrease)/increase in creditors	(75)	119
Loan on conversion	-	35
Pension transferred on conversion	-	472
FRS 17 adjustments	35	14
	<u>(63)</u>	<u>101</u>

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

	2014	2013
	£000	£000
Returns on investments and servicing of finance		
Interest received	1	-
	<u>1</u>	<u>-</u>
Capital expenditure and financial investment		
Purchase of fixed assets	(189)	(254)
Capital grants from DfE	105	151
	<u>(84)</u>	<u>(103)</u>
Financing		
Other new loans	11	-
Repayment of other loans	(5)	(4)
	<u>6</u>	<u>(4)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £000	Cash flow £000	Other non-cash changes £000	31 August 2014 £000
Cash at bank and in hand	202	(140)	-	62
Debt:				
Finance leases	-	-	-	-
Debts due within one year	(6)	-	(1)	(7)
Debts falling due after more than one year	(25)	-	(5)	(30)
Net funds	171	(140)	(6)	25

24. CAPITAL COMMITMENTS

At 31 August 2014 the Academy had capital commitments as follows:

	2014 £000	2013 £000
Contracted for but not provided in these financial statements	130	47

25. 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 Leicestershire 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 2004 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

25. PENSION COMMITMENTS (continued)

(including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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

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

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

A copy of the valuation report and supporting documentation is on the Teachers Pension website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>)

Teachers' Pension Scheme Changes

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

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

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

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

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

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FOR THE YEAR ENDED 31 AUGUST 2014

25. PENSION COMMITMENTS (continued)

on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 2014 was £156,000, of which employer's contributions totalled £120,000 and employees' contributions totalled £36,000. The agreed contribution rates for future years are 18.2% for employers and 6.1% 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.

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £000
Equities	6.30	636	6.60	379
Bonds	3.30	155	3.80	154
Property	4.50	91	4.70	53
Cash	3.30	27	3.60	6
Total market value of assets		909		592
Present value of scheme liabilities		(1,880)		(1,187)
Deficit in the scheme		(971)		(595)

The amounts recognised in the Balance Sheet are as follows:

	2014 £000	2013 £000
Present value of funded obligations	(1,880)	(1,187)
Fair value of scheme assets	909	592
Net liability	(971)	(595)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

25. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2014	2013
	£000	£000
Interest on obligation	(58)	(63)
Expected return on scheme assets	38	34
Current service cost	-	-
Other item - user input	(135)	(115)
	<hr/>	<hr/>
Total	(155)	(144)
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	80	57
	<hr/> <hr/>	<hr/> <hr/>

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

	2014	2013
	£000	£000
Opening defined benefit obligation	1,187	838
Interest cost	58	63
Contributions by scheme participants	36	40
Actuarial Losses	469	131
Current service cost	135	115
Estimated benefits paid	(5)	-
	<hr/>	<hr/>
Closing defined benefit obligation	1,880	1,187
	<hr/> <hr/>	<hr/> <hr/>

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

	2014	2013
	£000	£000
Opening fair value of scheme assets	592	366
Expected return on assets	38	34
Actuarial gains and (losses)	128	22
Contributions by employer	120	130
Contributions by employees	36	40
Estimated benefits paid	(5)	-
	<hr/>	<hr/>
	909	592
	<hr/> <hr/>	<hr/> <hr/>

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £450,000 loss (2013 - £109,000 loss).

The academy expects to contribute £134,000 to its Defined Benefit Pension Scheme in 2015.

REDMOOR ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

25. PENSION COMMITMENTS (continued)

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

	2014	2013
Equities	70.00 %	64.00 %
Bonds	17.00 %	26.00 %
Property	10.00 %	9.00 %
Cash	3.00 %	1.00 %

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.50 %	5.70 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.80 %

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

	2014	2013
Retiring today		
Males	22.2	20.9
Females	24.3	23.3
Retiring in 20 years		
Males	24.2	23.3
Females	26.6	25.6

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014	2013
	£000	£000
Defined benefit obligation	(1,880)	(1,187)
Scheme assets	909	592
Deficit	(971)	(595)
Experience adjustments on scheme liabilities	(469)	(131)
Experience adjustments on scheme assets	128	22

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

26. OPERATING LEASE COMMITMENTS

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

	Land and buildings		2014	Other
	2014	2013		
	£000	£000	£000	£000
Expiry date:				
Between 2 and 5 years	-	-	5	7

27. RELATED PARTY TRANSACTIONS

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

The following related party transactions took place during the period:

During the year the Academy Trust purchased maintenance services at arms length from Beechwood home and gardens amounting to £395 (2013: £Nil). This business is owned and managed by M Wilson, the husband of S Wilson (Business Manager). There was no amount outstanding at the 31 August 2014.

28. CONTROLLING PARTY

The Academy is ultimately controlled by the Governing Body, which includes the Principal and Vice Principals.

29. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of 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.

30. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.