

Company Registration No. 09362801 (England and Wales)

ESHER CHURCH SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' STRATEGIC REPORT AND AUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2015

ESHER CHURCH SCHOOL

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 8
Governance statement	9 - 11
Statement on regularity, propriety and compliance	12
Statement of governors' responsibilities	13
Independent auditor's report on the accounts	14 - 15
Independent reporting accountant's report on regularity	16 - 17
Statement of financial activities	18
Balance sheet	19
Cash flow statement	20
Notes to the accounts	21 - 37

ESHER CHURCH SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

S Mohamed (Chair) (Appointed 19 December 2014) *
C Bell (Accounting officer) (Appointed 1 February 2015) *
Revd Dr S Collier (Appointed 1 February 2015)
A De La Touche (Appointed 1 February 2015) *
B Holmes (Appointed 1 February 2015)
S McMurray (Appointed 1 February 2015)
J Chapman (Appointed 1 February 2015)
C O'Brien (Appointed 19 December 2014)
C Skingle (Appointed 1 February 2015)
R Smith (Appointed 4 February 2015)
T Robinson Smith (Appointed 1 February 2015) *
P Stanfield (Appointed 19 December 2014) *
C Steeds (Appointed 1 February 2015)
H Vernon (Appointed 1 February 2015) *

* members of the finance and premises committee

Members

The Guildford Diocese Educational Trust
A De La Touche
The Incumbent of Esher, Christ Church
S Mohamed
C O'Brien

Senior leadership team

C Bell	- Head Teacher
M White	- Deputy Headteacher
Helen Vernon	- School Business Manager
Tracy Tomb	- Foundation Stage
Vic Cotter	- KS1
Elaine Brindley	- Lower KS2
Carol Skingle	- Upper KS2
Simon Botham	- Strategic Leader for Christian Distictiveness
Pam Bal	- SENCO

Company registration number

09362801 (England and Wales)

Registered office

Esher Church School
Milbourne Lane
Esher
Surrey
KT10 9DU
UK

Independent auditor

Wilkins Kennedy LLP
Greytown House
221-227 High Street
Orpington
BR6 ONZ

ESHER CHURCH SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

ESHER CHURCH SCHOOL

GOVERNORS' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2015

The governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 19 December 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 and is a Church of England school serving the local community and the four local parishes of Christ Church Esher, Holy Trinity Claygate, All Saints Weston Green and St Christopher's Hinchley Wood. It has a pupil capacity of 420 and had a roll of 407 in the school census on 1 October 2015.

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 are the trustees of Esher Church School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the period are included in the Reference and Administrative Details on page 1.

Esher Church School was incorporated on 19 December 2014 and obtained Academy status from 1 February 2015.

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.

Method of recruitment and appointment or election of governors

The members of the Academy Trust shall comprise the signatories to the Memorandum, the Chairman of the Governors, the vice-chairman of the Governors and any person appointed under Article 16.

The number of Governors shall be not less than 3 and not more than 16. The first Governors shall be those named in the initial Memorandum. The Academy Trust shall have the following Governors; no fewer than 7 and no more than 9 Governors appointed under Article 50, 2 Parent Governors appointed under Articles 53 to 58, 2 Staff Governors, appointed under Article 50A, and the Principal. The Academy may also have up to 2 Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Principal). The Academy Trust currently has two Co Vice-Chairmen.

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 periods, save that; this time limit shall not apply to the Principal or to the Incumbent; a Staff Governor shall only hold office for so long as he continues to be employed by the Academy Trust. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of governors

During the period under review the Governors held 3 full governor body meetings. Induction for new Governors takes place per the school's documented induction process for new governors and is tailored to their individual experience and roles as appropriate. There were two new governor appointments this period, who each received the support specified.

ESHER CHURCH SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Organisational structure

The structure of the school consists of three levels: the Governors, Leadership Team and Middle Leaders, who include subject leaders. The aim of the management structure is to devolve responsibility, maintain clear roles and processes and enable effective monitoring.

The Governors are responsible for setting and monitoring the strategic aims of the school and help to formulate and review the School Improvement Plan. The Governors agree the annual budget and monitor its implementation, are responsible for the recruitment and selection of senior staff and in addition look after the premises. The Governors also agree, maintain and communicate the framework of policies under which the school operates.

The Leadership Team encompasses the Headteacher, Deputy Headteacher, Business Manager, SENCo, Strategic Leader for Christian Distinctiveness and Key Stage Leaders. These leaders manage the day to day running of the school and implement the policies laid down by the Governors and report back to them. As a group, the Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, although the appointment of senior staff will involve Governors.

Related parties and other connected charities and organisations

Esher Church School is part of the Esher, Cobham and Molesey Cluster Group, a working group of local schools which shares training and expertise. The group comprises primary schools from these areas and Esher High School.

Objectives and activities

Objects and aims

Esher Church School is a mixed 4 to 11 primary school. Esher Church School provides a distinctly Christian environment in which each child is motivated to acquire skills for life, and to develop a moral code to foster a sense of opportunity for oneself and others. We ask all children, parents, carers and staff to respect this ethos and its importance to the whole school community. Whilst we are a Church of England school, we welcome children of other faiths and denominations, we aim to nurture children in their Christian faith, encourage those of other faiths and challenge those of no faith.

We are committed to working together with our children, parents, carers, local churches and other partners to improve the quality of learning and teaching and the breadth and depth of the curriculum we offer. The school's approach to teaching and learning is underpinned by our school's aims and values. Through effective teaching, the school achieves its aims of:

- Fostering a strong Christian ethos that guides all we do
- Enabling all our children to be the best they can be
- Being creative and innovative
- Being inclusive

ESHER CHURCH SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Objectives, strategies and activities

The main objective of the school is always to aim for the very best for the children and to offer them a stimulating and supportive learning environment where their talents and gifts are nurtured and developed within a strong Christian ethos.

The main priorities of the school during the period ended 31 August 2015, as set out in its School Improvement Plan were to:

- Maximise the benefits offered by academy status
- Raise the attainment in reading and spelling, punctuation and grammar
- Improve the progress of children in vulnerable groups
- Successfully implement a system of assessing without levels
- Improve the quality of teaching over time
- Improve the quality of PE provision
- Successfully embed the new primary curriculum in core subjects and the school's new curriculum
- Achieve the Anti Bullying Chartermark
- Improve the effectiveness of supervision and children's behaviour during break times
- Adopt SEND14 and update policies and practices accordingly
- Improve the learning environment at the school
- Further develop our partnerships with the local Christian community
- Continue to develop the PSHCE curriculum including high quality circle time provision

Public benefit

The Governors confirm that they have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

The Governing Body is responsible for determining the admission arrangements of the school and have agreed a Published Admission Number of 60 pupils per year group with the Local Authority. If the number of applications for admission into a year group exceeds 60, the Governors will apply the criteria, in the order set out in their Admissions Policy, which can be found together with the ecclesiastical parish boundary maps on the school's website.

ESHER CHURCH SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

In the summer of 2015 many of our children, once again, surpassed our expectations in terms of their academic progress and attainment.

Our Early Years Foundation Stage (EYFS) results exceeded the national average with 78% of children achieving a good level of development.

The percentage of Year 1 pupils that met the expected standard in phonics was again above the national figure, with 80% of children achieving the expected standard.

At Key Stage 1, the percentage of children who achieved the national expected level (level 2) exceeded the national average in all subjects. 98% of pupils achieved a level 2 or above in mathematics, 95% achieved a level 2 or above in reading and 88% achieved a level 2 or above in writing. Our level 3 results were particularly noteworthy with 63% of children gaining a level 3 in reading, 38% gaining a level 3 in mathematics and 25% gaining a level 3 in writing, which were significantly better than the national average results.

At Key Stage 2, the children attained highly across all subjects with the percentage of children achieving the national expected level (level 4) exceeding the national average in all subjects. Progress across all subjects was significant based on the national average. 95% of pupils achieved a level 4 or above in reading and in writing, 92% achieved a level 4 or above in mathematics and 81% gained a level 4 or above in Spelling, Punctuation and Grammar (SPAG). Our level 5 and 6 results were again impressive with 76% of pupils gaining a level 5 in reading, 68% gaining a level 5 in writing and 64% gaining a level 5 in mathematics and in SPAG. 32% of pupils gained a level 6 in mathematics and 8% gained a level 6 in writing.

In terms of our disadvantaged children, at Key Stage 1 not all gained a level 2 in reading and writing, however all gained a level 2 in mathematics. At Key Stage 2 all of our disadvantaged children achieved the national average. We will continue to aim to accelerate the progress of disadvantaged children and also of those with special educational needs.

Key performance indicators

The school uses the judgement areas set out in Ofsted's Common Inspection Framework to evaluate its performance:

- Effectiveness of leadership and management
- The quality of teaching, learning and assessment
- Personal development, behaviour and welfare
- Outcomes for children and learners
- Effectiveness of early years provision

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

ESHER CHURCH SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Financial review

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), 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 period ended 31 August 2015, total expenditure of £1,035k was met by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £65k.

At 31 August 2015 the net book value of fixed assets was £8,255k. Movements in tangible fixed assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Surrey County Council Pension Fund, in which the Academy participates, showed a deficit of £356k at 31 August 2015. Of this sum, £380k, was inherited by Esher Church School from the Surrey County Council Pension on 1 February 2015, the date the local authority's staff transferred to employment with the Academy.

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 reserves should be equivalent to four weeks' expenditure, approximately £140k.

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 of £67k (total funds less the amount held in fixed assets and restricted funds), the Governors are hoping to increase free reserves in the future.

Investment policy and powers

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Directors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial Position

The Academy held fund balances at 31 August 2015 of £7,966k comprising £7,899k of restricted funds and £67k of unrestricted general funds. Of the restricted funds, £8,255k is represented by tangible fixed assets.

The Pension reserve which is considered part of restricted funds was £356k in deficit.

Principal risks and uncertainties

The principal risks and uncertainties that Esher Church School faces are mitigated by the risk management process that the academy trust has in place.

Financial and risk management objectives and policies

The main financial risks which Esher Church School is exposed to, taking account of the mitigations in place, relate to the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £356k.

ESHER CHURCH SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Financial and risk management objectives and policies

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors are introducing systems, including operational procedures and internal financial controls in order to minimise risk. An Audit Committee, made up of Governors who are independent of the Finances and Premises Committee, has been set up whose role is to maintain oversight of the Academy Trust's governance, risk management, internal control and value for money framework. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 8.

Plans for future periods

The school has a good understanding of its strengths and areas for development based on the analysis of performance and financial data and the monitoring of its teaching and learning. The school also makes good use of external validation and moderation to secure its judgement on the quality of provision and subsequent outcomes.

Our priorities over the next year, as set out in our current School Improvement Plan are to:

- Raise attainment across the curriculum by introducing dyslexia friendly classrooms to support children with dyslexia and dyslexic tendencies
- Raise attainment in SPAG with a focus on improving the spelling of children throughout the school
- Accelerate progress of disadvantaged children and those with special educational needs
- Roll out the new system of assessing without levels
- Implement the new school curriculum, ensuring that the needs of all pupils are met primarily through Quality First Teaching
- Eliminate low level disruption in class
- Introduce positive play strategies
- Reduce staff absences by focusing on staff wellbeing
- Continue to raise the profile of the academy
- Develop leadership capacity within the school
- Continue to improve the learning environment
- Develop the role of the Strategic Leader for Christian Distinctiveness

Auditor

In so far as the governors are aware:

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

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 04 December 2015 and signed on its behalf by:

S Mohamed
Chair

ESHER CHURCH SCHOOL

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2015

Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Esher Church School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of governors 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 Esher Church School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 3 times during the period. Attendance during the period at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
S Mohamed (Chair) (Appointed 19 December 2014)	3	3
C Bell (Accounting officer) (Appointed 1 February 2015)	3	3
Revd Dr S Collier (Appointed 1 February 2015)	3	3
A De La Touche (Appointed 1 February 2015)	2	3
B Holmes (Appointed 1 February 2015)	3	3
S McMurray (Appointed 1 February 2015)	3	3
J Chapman (Appointed 1 February 2015)	1	3
C O'Brien (Appointed 19 December 2014)	3	3
C Skingle (Appointed 1 February 2015)	3	3
R Smith (Appointed 4 February 2015)	2	3
T Robinson Smith (Appointed 1 February 2015)	3	3
P Stanfield (Appointed 19 December 2014)	3	3
C Steeds (Appointed 1 February 2015)	3	3
H Vernon (Appointed 1 February 2015)	3	3

Governors conducted a self assessed skills audit of the governing body in February 2015 which will be used to inform future information and training needs, as well as appointments to the governing body. Governors also reviewed the effectiveness of the chair/ vice chair team, which was a valuable exercise in identifying areas of strength and opportunity. The next self evaluation of the effectiveness and efficiency of the full governing board is planned for Spring 2016.

ESHER CHURCH SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

The Finance and Premises Committee is a sub-committee of the main governing body. Its purpose is to monitor and agree budget and personnel issues, to put forward proposals to the full Governing Body based on information from the Business Manager and Headteacher and review the reports produced by the Internal Auditor and ensure all issue raised are addressed

Attendance at meetings in the period was as follows:

Governors	Meetings attended	Out of possible
S Mohamed (Chair) (Appointed 19 December 2014)	6	7
C Bell (Accounting officer) (Appointed 1 February 2015)	7	7
A De La Touche (Appointed 1 February 2015)	5	7
T Robinson Smith (Appointed 1 February 2015)	6	7
P Stanfield (Appointed 19 December 2014)	7	7
H Vernon (Appointed 1 February 2015)	7	7

Review of value for money

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

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

- Managing suppliers ensuring timely and accurate payment leading to better purchasing terms
- Delegating some spending to the senior leadership team or subject leaders ensuring that prudent purchasing decisions are made
- Obtaining three quotes on spends over the limits outlined in the Scheme of Delegation
- Managing accounts and VAT claims on a monthly basis, accompanied by monthly Financial Management reports to Governors
- Ensuring robust bi-annual audit checks are carried out.

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 academy trust 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 Esher Church School for the period 19 December 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors 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 board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 19 December 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

ESHER CHURCH SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

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 board of governors;
- regular reviews by the finance and premises 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 Wilkins Kennedy LLP, to complete the internal audit function. Wilkins Kennedy LLP's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

In particular the checks carried out in the current period include:

- Testing of control systems
- Testing of control account/ bank reconciliation
- Review of policies and procedures and adherence thereon
- Review of governance and training of Governors

On a quarterly basis, Wilkins Kennedy LLP reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The role is carried out by a separate office at Wilkins Kennedy LLP with no connection to the audit team, this is to ensure the reviews are carried out independently.

Wilkins Kennedy LLP has delivered their schedule of work as planned and no issues of significance were identified.

Review of effectiveness

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the period 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 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 premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 04 December 2015 and signed on its behalf by:

S Mohamed
Chair

C Bell
Accounting officer

ESHER CHURCH SCHOOL

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

As accounting officer of Esher Church School I have considered my responsibility to notify the academy trust board of governors 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 trust 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 academy trust's board of governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust'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 governors and EFA.

Approved on 04 December 2015 and signed by:

C Bell
Accounting Officer

ESHER CHURCH SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees for Esher Church School and are also the directors of Esher Church School for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts 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 accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of governors on 04 December 2015 and signed on its behalf by:

S Mohamed
Chair

ESHER CHURCH SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESHER CHURCH SCHOOL

We have audited the accounts of Esher Church School for the period ended 31 August 2015 set out on pages 18 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the 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 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 13, the governors, who are also the directors of Esher Church School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- 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 period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and 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 Governors' Report for the financial period for which the accounts are prepared is consistent with the accounts.

ESHER CHURCH SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ESHER CHURCH SCHOOL

Matters on which we are required to report by exception

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

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

Michelle Wilkes (Senior Statutory Auditor)

For and on behalf of Wilkins Kennedy LLP

Chartered Accountants

Statutory Auditor

Greytown House

221-227 High Street

Orpington

BR6 ONZ

Dated: 16 December 2015

ESHER CHURCH SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ESHER CHURCH SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 February 2015 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 Esher Church School during the period 19 December 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 Esher Church School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Esher Church School 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 the Esher Church School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Esher Church School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Esher Church School's funding agreement with the Secretary of State for Education dated 26 January 2015 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 19 December 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

ESHER CHURCH SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ESHER CHURCH SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 19 December 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.

Reporting Accountant

Wilkins Kennedy LLP
Greytown House
221-227 High Street
Orpington
BR6 ONZ

Dated: 16 December 2015

ESHER CHURCH SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2015

		Unrestricted funds	Restricted funds	Fixed Asset funds	Total 2015 8 months £'000
Incoming resources	Notes	£'000	£'000	£'000	£'000
<i>Resources from generated funds</i>					
- Voluntary income	2	78	27	-	105
- Inherited on conversion	23	(2)	(380)	8,290	7,908
- Activities for generating funds	3	68	-	-	68
<i>Resources from charitable activities</i>					
- Funding for educational operations	4	-	884	-	884
Total incoming resources		144	531	8,290	8,965
Resources expended					
<i>Costs of generating funds</i>					
<i>Charitable activities</i>					
- Educational operations	6	15	945	45	1,005
Governance costs	7	-	30	-	30
Total resources expended	5	15	975	45	1,035
Net incoming/(outgoing) resources before transfers		129	(444)	8,245	7,930
Gross transfers between funds		(62)	52	10	-
Net income/(expenditure) for the period		67	(392)	8,255	7,930
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension scheme	16	-	36	-	36
Net movement in funds		67	(356)	8,255	7,966
Fund balances at 19 December 2014		-	-	-	-
Fund balances at 31 August 2015		67	(356)	8,255	7,966

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the financial period above.

ESHER CHURCH SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £'000	£'000
Fixed assets			
Tangible assets	10		8,255
Current assets			
Debtors	11	48	
Cash at bank and in hand		214	
		<u>262</u>	
Current liabilities			
Creditors: amounts falling due within one year	12	(195)	
		<u>67</u>	
Net current assets			67
Net assets excluding pension liability			8,322
Defined benefit pension liability	16		(356)
			<u>7,966</u>
Net assets			<u>7,966</u>
Funds of the academy trust:			
Restricted funds	14		
- Fixed asset funds			8,255
- Pension reserve			(356)
			<u>7,899</u>
Total restricted funds			7,899
Unrestricted income funds	14		67
			<u>7,966</u>
Total funds			<u>7,966</u>

The accounts were approved by order of the board of governors and authorised for issue on 04 December 2015.

S Mohamed
Chair

Company Number 09362801

ESHER CHURCH SCHOOL

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2015

	Notes	31 August 2015 8 months £'000
Net cash inflow from operating activities	17	139
Cash funds transferred on conversion		85
		<hr/>
		224
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets		(10)
		<hr/>
Net cash flow from capital activities		(10)
Increase in cash	18	<hr/> 214 <hr/>

ESHER CHURCH SCHOOL

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

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006 (other than in respect of the disclosure of remunerations received by staff governors under employment contracts - see note 9 for details) . A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

These financial statements have been prepared for the period 19 December 2014 to 31 August 2015 which is a period of less than twelve months. Academy trusts are required by the EFA to report annually to 31 August and the academy trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 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 accounts.

1.3 Incoming resources

All incoming 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 period for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

Donations are recognised on a receivable basis where there is 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.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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 the academy trust's policies.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

1.4 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 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

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 governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £2,000 or group of the same assets amounting to £3,000 are written off in the year of acquisition. All other assets 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 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The property has been included at the valuation provided by the EFA when completing their desktop valuation.

The academy has a legal arrangement for the use of the land and buildings under a church supplemental agreement. This is a rolling agreement with a minimum two years written notice period for termination, no such notice has been given at the date of signing the accounts.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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

Land and buildings	buildings 2%, land no depreciation
Computer equipment	33.3%
Fixtures, fittings & equipment	25%

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.

1.6 Leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 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.

1.8 Pensions 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 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 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 16, 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 are recognised as they are paid each period.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies (Continued)

1.9 Fund accounting

Unrestricted income funds represent 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 the Education Funding Agency/Department for Education 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 Education Funding Agency/Department for Education.

2 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000
Other donations	78	27	105
	=====	=====	=====

3 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000
Hire of facilities	17	-	17
Other income	51	-	51
	-----	-----	-----
	68	-	68
	=====	=====	=====

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000
DfE / EFA grants			
General annual grant (GAG)	-	768	768
Start up grants	-	25	25
Other DfE / EFA grants	-	61	61
	-----	-----	-----
	-	854	854
	=====	=====	=====
Other government grants			
Local authority grants	-	30	30
	-----	-----	-----
Total funding	-	884	884
	=====	=====	=====

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

5 Resources expended	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2015 £'000
Academy's educational operations				
- Direct costs	665	36	123	824
- Allocated support costs	76	26	79	181
	<u>741</u>	<u>62</u>	<u>202</u>	<u>1,005</u>
Other expenditure				
Governance costs	-	-	30	30
	<u>-</u>	<u>-</u>	<u>30</u>	<u>30</u>
Total expenditure	<u>741</u>	<u>62</u>	<u>232</u>	<u>1,035</u>
Net income/(expenditure) for the period includes:				2015 £'000
Operating leases				
- Plant and machinery				3
Fees payable to auditor				
- Audit				6
- Other services				3
				<u>3</u>

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

6 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000
Direct costs			
Teaching and educational support staff costs	-	660	660
Depreciation	-	36	36
Technology costs	-	1	1
Educational supplies and services	-	23	23
Staff development	-	5	5
Educational consultancy	-	11	11
Other direct costs	-	88	88
	-	824	824
Allocated support costs			
Support staff costs	15	61	76
Depreciation	-	9	9
Maintenance of premises and equipment	-	17	17
Cleaning	-	16	16
Energy costs	-	13	13
Rent and rates	-	9	9
Insurance	-	6	6
Security and transport	-	2	2
Interest and finance costs	-	7	7
Other support costs	-	26	26
	15	166	181
Total costs	15	990	1,005

7 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000
Legal and professional fees	-	20	20
Auditor's remuneration			
- Audit of financial statements	-	6	6
- Other audit costs	-	3	3
Other governance costs	-	1	1
	-	30	30

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

8 Staff costs

	2015
	£'000
Wages and salaries	579
Social security costs	47
Other pension costs	110
	<hr/>
	736
Staff development and other staff costs	5
	<hr/>
Total staff costs	741
	<hr/> <hr/>

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

	2015
	Number
Teachers	15
Administration and support	12
Management	5
	<hr/>
	32
	<hr/> <hr/>

The number of employees whose annual remuneration was £60,000 or more was:

	2015
	Number
£60,000 - £70,000	1
	<hr/> <hr/>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015
Teachers' Pension Scheme	Numbers	1
	£'000	5,247
		<hr/> <hr/>
Local Government Pension Scheme	Numbers	-
	£'000	-
		<hr/> <hr/>

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

9 Governors' remuneration and expenses

One or more governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors.

The value of governors' remuneration and other benefits was as follows:

C Bell (principal):

- Remuneration £35,000 - £40,000
- Employer's pension contributions £5,000 - £10,000

C Skingle & Helen Vernon (staff):

- Remuneration £33,543
- Employer's pension contributions £8,176

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the period, no travel and subsistence payments were reimbursed or paid directly to governors.

Other related party transactions involving the governors are set out within the related parties note.

Governors' 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 trust business. The insurance provides unlimited cover and the cost for the period ended 31 August 2015 cannot be ascertained as it is included with all insurance.

10 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 19 December 2014	-	-	-	-
Additions	-	6	4	10
Transfers	8,227	12	51	8,290
	<u>8,227</u>	<u>12</u>	<u>51</u>	<u>8,290</u>
At 31 August 2015	8,227	18	55	8,300
	<u>8,227</u>	<u>18</u>	<u>55</u>	<u>8,300</u>
Depreciation				
At 19 December 2014	-	-	-	-
Charge for the period	36	3	6	45
	<u>36</u>	<u>3</u>	<u>6</u>	<u>45</u>
At 31 August 2015	36	3	6	45
	<u>36</u>	<u>3</u>	<u>6</u>	<u>45</u>
Net book value				
At 31 August 2015	8,191	15	49	8,255
	<u>8,191</u>	<u>15</u>	<u>49</u>	<u>8,255</u>

Included in land and buildings is land of £5,102,000 which is not depreciated.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

10	Tangible fixed assets	(Continued)
11	Debtors	2015 £'000
	VAT recoverable	22
	Prepayments and accrued income	26
		----- 48 =====
12	Creditors: amounts falling due within one year	2015 £'000
	Taxes and social security costs	19
	Other creditors	110
	Accruals	22
	Deferred income	44
		----- 195 =====
13	Deferred income	2015 £'000
	Deferred income is included within:	
	Creditors due within one year	44
		----- 44 =====
	Total deferred income at 19 December 2014	-
	Amounts credited to the Statement of Financial Activities	-
	Amounts deferred in the period	44
		----- 44 =====
	Total deferred income at 31 August 2015	44

At the balance sheet date, the Academy Trust was holding funds received in advance for Free School Meals in term one of the 2015/16 school year.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

14 Funds

	Balance at 19 December 2014 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2015 £'000
Restricted general funds					
General Annual Grant	-	768	(825)	52	(5)
Start up grants	-	25	(25)	-	-
Other DfE / EFA grants	-	61	(56)	-	5
Other government grants	-	30	(30)	-	-
Other restricted funds	-	27	(27)	-	-
	<u>-</u>	<u>911</u>	<u>(963)</u>	<u>52</u>	<u>-</u>
Funds excluding pensions	-	911	(963)	52	-
Pension reserve	-	(380)	(12)	36	(356)
	<u>-</u>	<u>531</u>	<u>(975)</u>	<u>88</u>	<u>(356)</u>
Restricted fixed asset funds					
Inherited fixed asset fund	-	8,290	-	(8,290)	-
General fixed asset fund	-	-	(45)	8,300	8,255
	<u>-</u>	<u>8,290</u>	<u>(45)</u>	<u>10</u>	<u>8,255</u>
Total restricted funds	<u>-</u>	<u>8,821</u>	<u>(1,020)</u>	<u>98</u>	<u>7,899</u>
Unrestricted funds					
General funds	-	144	(15)	(62)	67
	<u>-</u>	<u>144</u>	<u>(15)</u>	<u>(62)</u>	<u>67</u>
Total funds	<u>-</u>	<u>8,965</u>	<u>(1,035)</u>	<u>36</u>	<u>7,966</u>

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

General Annual Grant: Income received from the EFA to cover the normal running costs of the Academy. Under the amended funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other DFE/EFA grants: This includes the pupil premium, rates grant, sports grant, and the devolved formula capital grant.

Other government grants: This includes SEN funding and additional pupil premium received from the Local Authority.

Other restricted funds : This includes restricted donations from the Esher Church School Association for specific equipment.

The transfer of funds relate to the additions to fixed assets during the year and to cover the additional costs over and above those covered by GAG funding.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

15 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total funds £'000
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	8,255	8,255
Current assets	67	195	-	262
Creditors falling due within one year	-	(195)	-	(195)
Defined benefit pension liability	-	(356)	-	(356)
	<u>67</u>	<u>(356)</u>	<u>8,255</u>	<u>7,966</u>

16 Pensions and similar obligations

The academy trust'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 Surrey County Council. Both are multi-employer 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 that of the LGPS related to the period ended 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.

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.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

16 Pensions and similar obligations

(Continued)

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 the TPS in the period amounted to £55k.

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.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 32% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £89k.

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.

Contributions made	2015 £'000
Employer's contributions	48
Employees' contributions	9
	<hr/>
Total contributions	57
	<hr/> <hr/>
Principal actuarial assumptions	2015 %
Rate of increase in salaries	4.1
Rate of increase for pensions in payment	2.7
Discount rate for scheme liabilities	3.8
Inflation assumption (CPI)	3.0
	<hr/> <hr/>

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

16 Pensions and similar obligations

(Continued)

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

	2015 Years
Retiring today	
- Males	22.5
- Females	24.6
Retiring in 20 years	
- Males	24.5
- Females	26.9

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

	2015 Expected return %	2015 Fair value £'000
Equities	3.8	161
Bonds	3.8	37
Cash	3.8	4
Property	3.8	15
	<u>3.8</u>	<u>217</u>
Total market value of assets		217
Present value of scheme liabilities - funded		(573)
		<u>(356)</u>
Net pension asset / (liability)		<u>(356)</u>

The return on the fund (on a bid value to bid value basis) for the period to 31 August 2015 is estimated to be 3.5%. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on scheme assets was £6k.

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

16 Pensions and similar obligations	(Continued)
Amounts recognised in the statement of financial activities	
	2015
	£'000
Operating costs/(income)	
Current service cost (net of employee contributions)	53
Past service cost	-
	<hr/>
Total operating charge	53
	<hr/> <hr/>
Finance costs/(income)	
Expected return on pension scheme assets	(3)
Interest on pension liabilities	10
	<hr/>
Net finance costs/(income)	7
	<hr/> <hr/>
Total charge/(income)	60
	<hr/> <hr/>
Actuarial gains and losses recognised in the statement of financial activities	
	2015
	£'000
Actuarial (gains)/losses on assets: actual return less expected	6
Experience (gains)/losses on liabilities	(42)
(Gains)/losses arising from changes in assumptions	-
	<hr/>
Total (gains)/losses	(36)
	<hr/> <hr/>
Cumulative (gains)/losses to date	(36)
	<hr/> <hr/>
Movements in the present value of defined benefit obligations	
	2015
	£'000
Obligations acquired on conversion	(543)
Current service cost	(53)
Interest cost	(10)
Contributions by employees	(9)
Actuarial gains/(losses)	42
	<hr/>
At 31 August 2015	(573)
	<hr/> <hr/>

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2015

16 Pensions and similar obligations	(Continued)
Movements in the fair value of scheme assets	
	2015 £'000
Assets acquired on conversion	163
Expected return on assets	3
Actuarial gains/(losses)	(6)
Contributions by employers	48
Contributions by employees	9
	<hr/>
At 31 August 2015	217
	<hr/> <hr/>
History of experience gains and losses	
	2015 £'000
Present value of defined benefit obligations	(573)
Fair value of share of scheme assets	217
	<hr/>
Surplus / (deficit)	(356)
	<hr/> <hr/>
Experience adjustment on scheme assets	(6)
Experience adjustment on scheme liabilities	42
	<hr/> <hr/>
17 Reconciliation of net income to net cash inflow/(outflow) from operating activities	
	2015 £'000
Net income	7,930
Net deficit/(surplus) transferred on conversion	(7,908)
Defined benefit pension costs less contributions payable	5
Defined benefit pension finance costs/(income)	7
Depreciation of tangible fixed assets	45
(Increase)/decrease in debtors	(48)
Increase/(decrease) in creditors	195
Stocks, debtors and creditors transferred on conversion	(87)
	<hr/>
Net cash inflow/(outflow) from operating activities	139
	<hr/> <hr/>

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

18	Reconciliation of net cash flow to movement in net funds	2015
		£'000
	Increase/(decrease) in cash	214
	Net funds at 19 December 2014	-
		<hr/>
	Net funds at 31 August 2015	214
		<hr/> <hr/>

19	Analysis of net funds					
		At 19 December	Transferred	Cash flows	Non-cash	At 31 August
		2014	on		changes	2015
		£'000	conversion	£'000	£'000	£'000
		£'000	£'000	£'000	£'000	£'000
	Cash at bank and in hand	-	85	129	-	214
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

20 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

21 Commitments under operating leases

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

	2015
	£'000
Expiry date:	
- Between two and five years	3
	<hr/> <hr/>

ESHER CHURCH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

22 Related parties

Owing to the nature of the Academy's operations 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.

No related party transactions took place in the period of account.

23 Conversion to an academy

On 1 February 2015 the Esher CofE Aided Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Esher Church School from Surrey County Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Funds surplus/(deficit) transferred:	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total 2015 £'000
Fixed assets funds	-	-	8,290	8,290
LA budget funds	(2)	-	-	(2)
LGPS pension funds	-	(380)	-	(380)
	<u>(2)</u>	<u>(380)</u>	<u>8,290</u>	<u>7,908</u>
	<u><u>(2)</u></u>	<u><u>(380)</u></u>	<u><u>8,290</u></u>	<u><u>7,908</u></u>
Net assets transferred:				£'000
Freehold land and buildings				8,227
Tangible fixed assets apart from land and buildings				63
Cash				85
Borrowing obligations				(87)
Pension surplus/(deficit)				(380)
				<u>7,908</u>
				<u><u>7,908</u></u>

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