

Company Registration No. 08104080 (England and Wales)

RIVERSIDE PRIMARY ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

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

RIVERSIDE PRIMARY ACADEMY

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RIVERSIDE PRIMARY ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr W Pickard Mrs J Goodfellow Mrs J Earl
Governors	Mr W Pickard (Chair) Mrs J Goodfellow (Accounting Officer) Miss L Smith Mrs G Rutherford (Business Manager) Mrs J Earl Mr P Tomlinson Mr J McGowan Mrs P Dillon (Vice Chair) Miss T Rocks (Resigned 17 July 2015) Ms M Mitford (Resigned 16 September 2014)
Senior management team	
- Headteacher	Mrs J Goodfellow
- Deputy Headteacher	Miss L Smith
- Business Manager	Mrs G Rutherford
Company secretary	Mrs G Rutherford
Company registration number	08104080 (England and Wales)
Registered office	Colliery Road Dunston Gateshead Tyne & Wear NE11 9DX
Independent auditor	Evolution Business and Tax Advisors LLP Wynyard Park House Wynyard Avenue Wynyard TS22 5TB
Bankers	Lloyds Bank plc 44 Front Street Newcastle Upon Tyne NE16 4DS
Solicitors	Burnetts 6 Victoria Place Carlisle Cumbria CA1 1ES

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The governors' present their annual report together with the accounts and auditor's report of the charitable company for the period 1 September 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 pupil's age 3 to 11 serving a catchment area in Dunston, Gateshead. It has a pupil capacity of 270 and had a roll of 251 in the school census on May 2015.

Structure, governance and management

Constitution

The academy trust was incorporated and commenced operation on 1 July 2012 and is a company limited by guarantee and an exempt charity, 08104080. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The Articles of Association require the members of the charitable company to be responsible for the statutory and constitutional affairs of the charitable company and management of the academy. The governors of Riverside Primary Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Riverside Primary Academy.

Details of the governors who served throughout the period between 1 September 2014 and 31 August 2015, 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 £10.00 for the debts and liabilities contracted before they cease to be a member. This guarantee is outlined in the academy's Memorandum and Articles of Association confirming this liability.

Governors' indemnities

Subject to the provisions of the Companies Act 2006 every governor or other officer or auditor of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Method of recruitment and appointment or election of governors

Membership is determined in accordance with the composition set out in the Memorandum and Articles.

- The members may appoint up to 6 governors;
- The members may appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employees of the academy trust does not exceed one third of the total number of governors;
- The Principal shall be treated for all purposes as being an ex officio governor; and
- Subject to Article 57, the parent governors shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when he is elected.

Co-opted governors

The governors may appoint up to 3 co-opted governors. A 'co-opted governor' means a person who is appointed to be a governor by being co-opted by governors who have not themselves been so appointed. The governors may not co-opt an employee of the academy trust as a co-opted governor if thereby the number of governors who are employees of the academy trust would exceed one third of the total number of governors (including the Principal).

The term of office for any governor shall be 4 years, save that this time limit shall not apply to the Principal. 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

The training and induction of governors is dependent on their experiences and skills. All new governors are given a tour of the academy, and can speak at length with the Head Teacher and the Chair, and given access to all relevant policies and documents pertinent to their role as governors in order for them to be fully familiar with the needs of the academy and discharge their duties effectively.

Organisational structure

The governors have an overall responsibility for the financial management and risk management of the academy. They were also responsible for the initial appointment of the governing body.

The governors have responsibility for the day to day management and effectiveness of statutory and non-statutory policies and procedures in all areas of the school. Four teams of governors lead and manage the school:

- The Strategic Team is responsible for school strategic and financial decisions;
- The Curriculum Team manage the curriculum issues and developments;
- The Health and Safety Team manage the effectiveness of health and safety (including safeguarding); and
- The Academy Matters Team can be called upon for general day to day issues.

The Head Teacher and leadership team manages the day to day running of the school on behalf of the governing body, ensuring compliance with statutory guidance. They formulate policies and practices and report to the governing body on the effectiveness of their methods and procedures.

The Head Teacher is the Accounting Officer.

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Related parties and other connected charities and organisations

Riverside Primary Academy is a main partner for the federated Teaching School located in St. Aidan's C of E Primary School and St Mary & St Thomas Aquinas RC Voluntary Aided Primary School, Gateshead.

The Head Teacher works as a Local Leader of Education, supporting other schools and is a facilitator for the National College for Teaching and Leadership, delivering training on middle leadership.

The Head Teacher has trained with CfBT to become an Additional Ofsted Inspector.

Objectives and activities

Objects and aims

Our primary objective of Riverside Primary Academy is to be an outstanding school in which we aim to deliver a first class education to our children and a good level of support for our families and local community.

- It is an independent school;
- It has a broad curriculum satisfying the requirements of section 78 of the Education Act 2002 (balanced and broad curriculum);
- It provides education for pupils of different abilities;
- It provides education for the pupils who are wholly or mainly drawn from the area in which the school is situated; and
- It is not an alternative provision academy.

Objectives, strategies and activities

Having achieved our objective of being graded by Ofsted as an outstanding school, we aim to sustain the quality of our teaching and learning for every pupil and share our good practice with other schools within a system leadership approach.

Our school will support, wherever possible, and wherever achievable without any detriment to our own school or pupils, any other school who requests it.

We continue to work on standards of attainment to ensure children achieve the maximum potential in educational outcomes.

Public benefit

All activities undertaken to further Riverside Primary Academy's purposes for the public benefit can be found on the school website, in school newsletters and in minutes of meetings.

Riverside Primary Academy trustees have complied with our duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

This third year of academy status has seen a continued development of the first two successful years. The school's OFSTED inspection in March 2013 was reported to be 'Outstanding' in all areas and the governors; leadership and staff have striven to maintain these standards. The school this year has particularly focused on writing and channelled funds from pupil premium to enhance teaching and raising standards of pupils eligible for free school meals.

The Department of Education awarded the academy Targeted Basic Needs funding for the school to have additional teaching space for an extra 210 children in August 2013. This year the building has been erected and handed over to the academy. Careful planning has ensured that the new classrooms complement the existing building and also the needs and requirements of the academy as we move forward to become a two form entry school.

The building was open from 1 September 2015 and some of the new classrooms are being used. The application for the funding was made by, and funding was held by, Gateshead Local Authority. In readiness for the new school the local authority requested that we increased our reception intake in September 2014 which we did. The intake for reception class was less than predicted by the local authority for September 2015, however there is construction of both social and private family housing in the immediate locality and this is expected to be the source of the expanding pupil numbers.

The new space has made a significant difference in the delivery of lessons and teaching of small groups for targeted learning.

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key performance indicators

Riverside Primary Academy also benefited from winning an ACMF bid to replace the heating. The project was completed at the end of November 2014. This has made a huge difference to wellbeing of pupils and staff, and in providing pupils with an enriched environment for learning. The condition of the windows continues to be a huge concern to the governors and it is planned to apply for funding in the future.

An example of standards is the 2015 SAT results for the Y6 pupils:

30 pupils in the class - Each pupil is worth 3.3% - 6 Pupils are SEND (1 of which is statemented)
20% or 20.6% - 5 Pupils EAL - **7 Pupils FSM – 11 Pupils Premium**

Note: the following tables are calculated for a class of 29 pupils – as this will be the case in autumn term when a new pupil is taken off our data during the checking exercise. :

	Below Level	Level 3	Level 4	Level 5	Level 6
Maths		3.45%	55.17%	27.59%	13.79%
Reading		13.79%	34.48%	51.72%	
SPAG		13.79%	37.93%	48.28%	
Writing	3.45%	13.79%	48.28%	34.48%	

	<u>School</u>	<u>Floor Target</u>	<u>2014 National Average</u>
Percentage of pupils achieving level 4 or above in reading, writing and maths (combined).	75.8%	65%	79%
Percentage of pupils achieving level 5 or above in reading, writing and maths (combined).	27%		24%
Pupils making expected progress in Reading (2 levels progress).	90 - 93%		National Median 94%
Pupils making expected progress in Writing (2 levels progress).	90 – 93%		National Median 96%
Pupils making expected progress in Maths (2 levels progress).	100%		National Median 93%

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that Riverside Primary Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key performance indicators

Riverside Primary Academy abides by key financial indicators. The academy has appointed an auditor and an accountant and has written its own financial handbook.

Most of the academy's income is received from the Education Funding Agency [EFA] in the form of recurrent grants, the use of which is 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 on page 23. Details of all grants and income received can be found in notes 2 to 5.

At 31 August 2015 the net book value of fixed assets was £3,013,633. The assets were used exclusively to provide education and associated services to the students of the academy.

Financial review

The academy made an operating surplus in the period September 2014 to August 2015 of £47,497 comprising of £5,283 unrestricted funds and £42,214 on restricted funds.

Total income in the period was £1,207,227 (excluding the income recognised on the adoption of the building extension) of which £999,963 came from the EFA. The remainder of the income was from other government grants and activities for generating funds.

The governing body of the academy have adopted/ confirmed the following policies relating to finance and governance during the period 1 September 2014 to 31 August 2015.

- Scheme of Delegation
- Finance Handbook
- Fraud Policy
- Risk Management Register

The Department of Education awarded the academy Targeted Basic Needs funding for the school to have sufficient new building space for an additional 210 children. The building work is now complete and the building was open from September 2015. The application for the funding was made by Gateshead Local Authority. This funding will make the basic provision into a more valuable space to accommodate small learning areas and rooms for agencies that the school works with on a regular basis. The governors felt this was essential in providing the right learning environment for our school context. The academy is looking forward to growing its provision for the local community.

The academy's reserves are being held for our contribution towards the new building, our contribution towards the heating project and to fund the 2015/16 deficit budget which was set and agreed by the governors in July 2015. This small deficit budget was due to numbers rising from 203 in the October 2014 census from which the GAG is set for 2015/2016, to 211 in September 2015.

Also reserves will be used to develop the vision for the Early Years Foundation Stage into a provision that will enhance the learning of our youngest pupils and accommodate the growing numbers in the lower part of the school.

Reserves policy

The governing body is responsible for determining the level of financial reserves to be carried forward at the end of any financial period (31 August).

The governing body has delegated the monitoring of any reserves to the Strategic Team who as part of their terms of reference oversee finance.

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The governing body will consider the improvement plan for capital developments required.

The governing body will always try to match income with expenditure and will carry forward reserves that it considers necessary for future periods of expenditure.

The governing body may accumulate reserve funds raised from private sources to defray for the benefit of the academy in future years.

During the year 2014 -15 the governing body have agreed to reasonable levels of reserves to support the needs of the extension to the school, adequate staffing levels and to provide a provision that will enhance the learning and overall value of the academy.

Towards the end of the year the governing body agreed to spend from the reserve to furnish four classrooms of the new building and the installation of computer equipment for these rooms. Also to allow for some maintenance works to the existing building to ensure a free flow of facilities throughout the school. Some of this agreed spend will happen in 2015 – 2016.

Investment policy and powers

The academy's deposit account was opened in October 2014 and has generated interest for the academy. It holds the funds for the agreed contribution towards the new building, and to accommodate the deficit budget. Funds in the account have been rolled over on a short term basis of varying amounts to ensure funds are always available for unforeseen circumstances so maximising the academy's income without risk. The financial handbook reflects this decision.

The Strategic Team (responsible for finance) will monitor the amount/time period of money in the deposit account.

It is our aim to spend the publicly funded monies which we are entrusted with for the direct education benefit of our pupils as soon as is prudent. The academy does not consider the investment of surplus funds as a primary activity, rather it is the result of best practice as and when circumstances allow.

Implementation

The school will construct such budgets and cash flow forecasts as are required by legislation to ensure the viability and sustainability of the activities of the academy. From time to time, operational and strategic decisions related to the education of students at Riverside Primary Academy will result in substantial cash balances at the bank over a sustained period. These periods are identified by the academy's Business Manager as part of their normal forecasting activity and, when identified, will result in the academy using their deposit account in accordance with any guidance provided in the Academy's Financial Handbook.

Principles

The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation.

Purposes

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements;
- To ensure there is no risk of loss in the capital value of any cash funds invested;
- To protect the capital value of any funds against inflation;
- Regular cash flows are to be prepared and monitored to ensure there are adequate funds to meet all payroll related commitments and outstanding creditors that are due for payment. Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested only with Lloyds TSB who are the current banking providers for the school; and
- The academy's Business Manager will seek approval from the Strategic Team who make up the Finance and Staffing Committee [F&S] before investing such funds and will provide a statement on any monies invested to the Strategic Team at their regular half termly meetings. Periodically (at least every 3 months) the Business Manager will review the interest rates being achieved and will compare with other investment opportunities to ensure the investment funds are delivering value for money.

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal risks and uncertainties

The academy maintains a risk register; last reviewed in July 2015 by the Strategic Team to ensure that satisfactory arrangements are in place to manage risk. The academy has adopted its own financial handbook which has been approved and accepted at a governing body meeting in November 2012. This was last reviewed in March 2015. There is an annual review of all risk management however there is ongoing review in response to situations or new legislation or information.

A risk management plan continues to be developed and risks are regularly reviewed in accordance with the academy's risk register reviewed by the finance team and the governing body in July 2015.

The indication from the LA Admissions of rising pupil numbers in the local area over the next few years should be accommodated by the additional classrooms now built from the Targeted Basic Needs Funding. The building opened in September 2015 and enables us to accommodate the predicted growing numbers. However the academy will need to show vigilance as pupil numbers will grow gradually over a number of years and the running of a second building will need to be budgeted carefully.

The academy has set a deficit budget for the year 2015/2016. The deficit will be taken from the reserves of the academy and was necessary to ensure legal ratios of staff to pupils. With growing numbers and budgets set by the EFA based on census numbers in October 2014, the cost of staffing to ensure legal ratios, higher National Insurance rates and higher pension contributions outstretched the available GAG.

As an outstanding academy (inspected March 2013) the governors and leadership team are fully aware of the challenge to sustain this high standard to our pupils. We continue to strive to maintain standards through effective and efficient use of resources. Attendance improved from the previous academic year and stood at 96.2% for the year 2014/2015. This is an indication of the quality of teaching and learning from committed staff that ensures learning is fun and appropriate which results in pupils wanting to come to school. All staff employed on conversion to academy (July 2012) remain with us apart from one member who progressed to her own Headship. The governors do not underestimate the challenge in maintaining quality staff and their value to the school.

The Business Manager continues to work closely with Evolution Business and Tax Advisors LLP to ensure financial systems are secure.

Plans for future periods

The Academy Improvement Plan clearly states objectives to maintain the highest standards of achievement of all pupils whilst ensuring the school moves forward within a rapidly changing world.

- Raise standards of attainment and increase progress in English and Mathematics in all year groups to secure better educational outcomes;
- Improve the quality of teaching and learning in all classes to ensure outstanding outcomes for pupils [Continuing Professional Development];
- Improve the quality of learning and resourcing in the Early Years Foundation Stage [EYFS] with particular reference to the development of the outdoor area;
- Improve the consistency of curriculum provision mapping and planning to improve attainment, increase progress and instigate improvements in learning through a varied and versatile curriculum and computerisation improvements [iPads and Apple technology]. Also concentrating on a continued focus on grammar, spelling, punctuation and writing in general;
- To develop the PE curriculum offering quality activities for pupils and CPD for staff to continue this high standard of delivery; and
- To develop systems and our partnership with the federated Teaching School to secure improvements for greater numbers of pupils within and beyond our immediate school [through developing the teacher training programme and mentoring a student from the course to a high standard].

RIVERSIDE PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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.

A resolution proposing that Evolution Business and Tax Advisors LLP be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 8/12/15 and signed on its behalf by:



.....
Mr W Pickard
Chair

RIVERSIDE PRIMARY ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

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

The governing body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform to 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 Riverside Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

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

Governors	Meetings attended	Out of possible
Mr W Pickard (Chair)	3	3
Mrs J Goodfellow (Accounting Officer)	2	3
Miss L Smith	3	3
Mrs G Rutherford (Business Manager)	3	3
Mrs J Earl	3	3
Mr P Tomlinson	3	3
Mr J McGowan	3	3
Mrs P Dillon (Vice Chair)	1	3
Miss T Rocks (Resigned 17 July 2015)	0	3
Ms M Mitford (Resigned 16 September 2014)	0	3

Governance reviews

We are currently recruiting a parent governor and the possibility of two other governors. The strength of current expertise and skills levels together with those of the new governors will be assessed to identify areas for development. The academy is looking to utilise the skills of governors to benefit the academy's future planning. Membership currently consists of members with both business and education experience. Training and development for all governors has been on-going throughout the year.

The next skills review will take place in spring 2016 once all new governors are in place, with training and development to be structured around findings.

With new governors to join us soon and a change in the Ofsted requirements all governors will undertake training from a consultant focusing on Ofsted's expectations from governors and leaders.

RIVERSIDE PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is:

- to assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibility to ensure sound management of the academy's finances, staffing and resources, including proper planning, monitoring and probity;
- to advise on the adequacy and effectiveness of the academy's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money); and
- to make appropriate comments and recommendations on such matters to the board of trustees on a regular basis. Major issues will be referred to the full board of trustees for ratification.

This committee has taken on the role of audit.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr W Pickard (Chair)	6	6
Mrs J Goodfellow (Accounting Officer)	6	6
Mrs G Rutherford (Business Manager)	5	6
Mr P Tomlinson	4	6
Mr J McGowan	6	6
Ms M Mitford (Resigned 16 September 2014)	0	6

Review of value for money

The accounting officer of Riverside Primary Academy is responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer is aware of the guide to academy value for money statements published by the Education Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

We set out below how we have ensured that the academy trust's use of its resources has provided good value for money during the academic year. We have continually striving to achieve this through the effective and efficient use of resources in the Academy's charge.

Improving educational results: As an 'Outstanding' Academy (Inspected March 2013) we have continued to attain high standards, above national expectations in all areas, demonstrating outstanding progress and attainment. The early years profile also showed pupils progressing at a rate above the national expectations.

An example of standards is the 2015 Key Stage 2 SATs results for the Y6 pupils. These can be found on page 6.

To ensure that standards are continually raised the Governing Body and the Senior Leadership Team:

- Operate a robust quality assurance calendar which monitors the quality of teaching and learning.
- Undertakes a rigorous review of attainment using RAISEonline and levels of progress of pupils; paying particular regard to their achievement on entry and the levels of progress secured over time.

Targeted Improvement: Staffing structure is deployed to support an improved, creative curriculum. Sufficient funding has been allocated so that the school is able to employ 19.34 full time equivalent teachers and teaching assistants and 4.94 administration and support staff.

RIVERSIDE PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Focus on Individual pupils: The strategic use of Pupil Premium has rationalised the teaching assistant support, each class had a minimum of 20hpw support, with Reception class having 37hpw, SEN children receive their allocated support. This will ensure that all children have a high quality learning experience and children identified will have resources to allow them to close any gaps.

Collaboration: The Trust has engaged with other educational providers and experts to share delivery or good practice, and to drive up standards for the least cost. This includes being a main partner for the Federated Teaching School located in St Aidan's C of E Primary School and St Mary and St Thomas Aquinas RC Voluntary Aided School, Gateshead. The Head Teacher works as a local leader of education, supporting other schools. The Business manager works with other Academies to ensure best practise and value for money. Local families use our community room for a Baby and Toddler group to encourage young families to become comfortable and familiar with the school before their children reach school age.

New Initiatives: The Academy has managed its resources highly effectively during the year. With increasing pupil numbers the academy has built an extra 7 classroom from Target Needs Funding, managed by the local authority. The extension opened for pupils September 2015. The academy will need to show vigilance as pupil numbers will grow gradually over a number of years and the running of this larger school will need to be managed carefully. The academy has contributed to the cost of the building to ensure the building fits the needs of the community it serves. This has been managed within the resources of the academy and without detriment to the education of the pupils.

Quantifying Improvements: Achievement is high and therefore we are very good value for money. Our attendance and behavior records show that children feel safe and enjoy being at school. The academy's financial performance is very good compared to the overall achievements of the pupils.

Financial governance and oversight: The accounting officer has responsibility for reviewing the effectiveness of the systems of the internal control. During the period in question the review has been informed by:

- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal 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 governors;
- Regular reviews by the strategic team who are responsible for financial performance against the forecast and of major purchase plans, capital work and expenditure programmes; Proposals are regularly challenged by governors to ensure value for money.
- Setting targets to measure financial and other performances;
- Clearly defined purchasing guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

Better purchasing: A register of all services and contracts has been developed and all contractors are appraised or renegotiated in a timely manner to get the best mix of quality and effectiveness.

RIVERSIDE PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Benchmarking: The Academy benchmarks with other schools in the area and collaborates where possible as a way of making savings.

Options appraisal: The Governors and Senior Leadership Team apply the principals of best value when making decisions about:

- The allocation of resources to best promote the aims and values of the school;
- The targeting of resources to best improve standards and the quality of provision;
- The use of resources to best support the various educational needs of all pupils;

The Academy has procedures for assessing need and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost. Measures in place include:

- Competitive tendering procedures;
- Procedures for accepting "best value" quotes which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- Procedures which minimise office time by the purchase of goods and services under £1000 direct from known, reliable suppliers (e.g. stationary, small equipment)

Economies of scale: The academy regularly takes opportunities to work collaboratively with others to reduce and share procurement costs and share knowledge of providers.

Reviewing controls and managing risks: Evolution Business and Tax Advisors LLP have been appointed as external auditors and have been entrusted with aspects of internal assurance as agreed by the Governing Body. Management and Governors receive regular budget reports which are scrutinised to ensure the most effective use of resources to meet the objectives of the Academy.

Insurance levels are reviewed annually and used cost effectively to manage risks. The Governing Body reviews 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 Academy has undertaken to develop and embed Risk Management. Governors are responsible for the overseeing of risks faced by the Academy and the detail considerations of risks are delegated to the Strategic Team. The Academy's Risk Register is reviewed annually by the Governors and termly by the Strategic Team, who look at the major risks to which the Academy is exposed, in particular to specific teaching, provision of facilities and other operational areas of the Academy and its finances.

Lessons learned: The academy submitted two grant applications to the Education Funding Agency. These were to improve the heating system in the school and to replace windows to upgrade the provision for the pupils and to become more energy efficient. The heating application was a success and will make a more comfortable environment for learning. However the window application was not a success and unfortunately some of the benefits of the improved heating is escaping through the ill-fitted windows. We will continue to apply for funding for large projects to improve the environment for the pupils to make the building more energy efficient and promote good value without taking funds away from our learning budget. As a charity the academy was able to claim back climate change levy on both gas and electric bills, this was additional information which brought back to the budget over £3K.

RIVERSIDE PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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 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 Riverside Primary Academy for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The governing body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Strategic Committee (who are our Finance 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 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 Evolution Business and Tax Advisors LLP, the external auditor, to perform additional checks. The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the auditor reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities including:

- testing of payroll system
- testing of purchases system
- review of monthly control account reconciliations
- testing of risk management systems
- testing of corporate governance

All items from the internal insurance reports have been actioned and the schedule of work was delivered as planned.

Review of effectiveness

As accounting officer, the Head Teacher 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 external auditor;
- the financial management and governance self-assessment process;
- the work of the Leadership Team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

RIVERSIDE PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Strategic Team 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 8/12/15 and signed on its behalf by:



Mr W Pickard
Chair



Mrs J Goodfellow
Accounting Officer

RIVERSIDE PRIMARY ACADEMY

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Riverside Primary Academy I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency [EFA] 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. 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 governing body 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 trustees and the EFA.

Approved on 8.12.15 and signed by:

JM Goodfellow

Mrs J Goodfellow
Accounting Officer

RIVERSIDE PRIMARY ACADEMY

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as trustees for charitable activities and are also directors of Riverside Primary Academy for the purposes of Company Law) are responsible for preparing the Governors' 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:

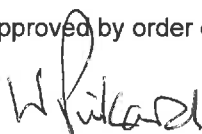
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy 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 academy 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 Academy applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency and Department for Education 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 academy'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 board of governors on 8/12/15 and signed on its behalf by:



Mr W Pickard
Chair

RIVERSIDE PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RIVERSIDE PRIMARY ACADEMY

We have audited the accounts of Riverside Primary Academy for the year ended 31 August 2015 set out on pages 23 to 42. 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 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 18, the governors, who are also the directors of Riverside Primary Academy 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 year 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 year for which the accounts are prepared is consistent with the accounts.

RIVERSIDE PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RIVERSIDE PRIMARY 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 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.

Evolution

Joanne Regan FCA (Senior Statutory Auditor)
Evolution Business and Tax Advisors LLP

Chartered Accountants
Statutory Auditor
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB

Dated: *14 December 2015*

RIVERSIDE PRIMARY ACADEMY

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

In accordance with the terms of our engagement letter dated 28 August 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 Riverside Primary Academy during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Riverside Primary Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Riverside Primary Academy and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Riverside Primary Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Riverside Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Riverside Primary Academy's funding agreement with the Secretary of State for Education dated 29 June 2012 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 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer;
- discussions with Accounting Officer and finance team;
- review of termly Internal Assurance reports;
- review of governing body and committee minutes;
- review of finance and other relevant policies;
- review of payroll, purchases and expenses on a sample basis;
- review of debit card transactions;
- review of all leases in place; and
- consideration of transactions with related parties.

RIVERSIDE PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RIVERSIDE PRIMARY ACADEMY 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 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Evolution

Reporting Accountant

Evolution Business and Tax Advisors LLP

Dated: *14 December 2015*

RIVERSIDE PRIMARY ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 2014 £
Incoming resources	Notes					
<i>Resources from generated funds</i>						
- Voluntary income	2	4,188	-	1,500,000	1,504,188	2,528
- Activities for generating funds	3	74,378	-	-	74,378	56,085
- Investment income	4	1,454	-	-	1,454	545
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	13,380	1,107,441	6,386	1,127,207	1,212,700
Total incoming resources		93,400	1,107,441	1,506,386	2,707,227	1,271,858
Resources expended						
<i>Costs of generating funds</i>						
- Fundraising trading	6	74,737	-	-	74,737	55,940
<i>Charitable activities</i>						
- Educational operations	7	13,380	1,178,535	43,209	1,235,124	1,033,932
Governance costs	8	-	30,686	-	30,686	24,142
Total resources expended	6	88,117	1,209,221	43,209	1,340,547	1,114,014
Net incoming/(outgoing) resources before transfers		5,283	(101,780)	1,463,177	1,366,680	157,844
Gross transfers between funds		-	128,994	(128,994)	-	-
Net income/(expenditure) for the year		5,283	27,214	1,334,183	1,366,680	157,844
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	15,000	-	15,000	33,000
Net movement in funds		5,283	42,214	1,334,183	1,381,680	190,844
Fund balances at 1 September 2014		109,911	13,065	1,679,450	1,802,426	1,611,582
Fund balances at 31 August 2015		115,194	55,279	3,013,633	3,184,106	1,802,426

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 two financial periods above.

RIVERSIDE PRIMARY ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	11		3,013,633		1,540,322
Current assets					
Debtors	12	88,094		192,520	
Cash at bank and in hand		384,099		400,239	
		472,193		592,759	
Current liabilities					
Creditors: amounts falling due within one year	13	(134,720)		(142,655)	
Net current assets			337,473		450,104
Net assets excluding pension liability			3,351,106		1,990,426
Defined benefit pension liability	17		(167,000)		(188,000)
Net assets			3,184,106		1,802,426
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			3,013,633		1,679,450
- General funds			222,279		201,065
- Pension reserve			(167,000)		(188,000)
Total restricted funds			3,068,912		1,692,515
Unrestricted income funds	15		115,194		109,911
Total funds			3,184,106		1,802,426

The accounts were approved by order of the board of governors and authorised for issue on 8/12/15



Mr W Pickard
Chair

Company Number 08104080

RIVERSIDE PRIMARY ACADEMY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	18	(7,460)	(33,124)
Returns on investments and servicing of finance			
Investment income	1,454	545	
Net cash inflow/(outflow) from returns on investments and servicing of finance		1,454	545
		(6,006)	(32,579)
Capital expenditure and financial investments			
Capital grants received	1,506,386	161,256	
Payments to acquire tangible fixed assets	(1,516,520)	(17,831)	
Net cash flow from capital activities		(10,134)	143,425
Increase/(decrease) in cash	19	(16,140)	110,846

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 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. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

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 catering and income from school clubs, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

Donated services and gifts in kind

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

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	40 years
Computer equipment	3 years
Fixtures, fittings and equipment	5 years

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The basis of valuation has been disclosed within the fixed assets note.

Assets in the course of construction relate to a building extension funded by the local authority. Depreciation on this asset is not charged until the building is brought into use on 1 September 2015.

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.

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.6 Leasing and hire purchase 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 17, 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 year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at 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.

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 and 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 and Local Authority.

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Capital donations	-	1,500,000	1,500,000	-
Other donations	4,188	-	4,188	2,528
	<u>4,188</u>	<u>1,500,000</u>	<u>1,504,188</u>	<u>2,528</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Catering income	14,898	-	14,898	27,470
Clubs income	19,542	-	19,542	19,481
Trips income	2,668	-	2,668	5,554
Other income	37,270	-	37,270	3,580
	<u>74,378</u>	<u>-</u>	<u>74,378</u>	<u>56,085</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	1,454	-	1,454	545
	<u>1,454</u>	<u>-</u>	<u>1,454</u>	<u>545</u>

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	854,037	854,037	840,444
Capital grants	-	6,386	6,386	161,256
Other DfE / EFA grants	-	139,540	139,540	93,637
	-	999,963	999,963	1,095,337
Other government grants				
Local authority grants	-	5,600	5,600	5,721
Other grants	-	108,264	108,264	102,342
	-	113,864	113,864	108,063
Other funds				
Other incoming resources	13,380	-	13,380	9,300
Total funding	13,380	1,113,827	1,127,207	1,212,700

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	653,657	-	63,301	716,958	674,947
- Allocated support costs	157,977	227,171	133,018	518,166	358,985
	811,634	227,171	196,319	1,235,124	1,033,932
Other expenditure					
Costs of activities for generating funds	47,589	-	27,148	74,737	55,940
Governance costs	-	-	30,686	30,686	24,142
	47,589	-	57,834	105,423	80,082
Total expenditure	859,223	227,171	254,153	1,340,547	1,114,014

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6	Resources expended	(Continued)		
Net income/(expenditure) for the year includes:		2015	2014	
		£	£	
Operating leases				
- Plant and machinery		15,437	19,834	
- Other		3,856	4,016	
Fees payable to auditor				
- Audit		6,000	6,000	
- Other services		6,250	9,076	
7	Charitable activities			
		Unrestricted funds	Restricted funds	Total
		£	£	2015
				£
Direct costs				
Teaching and educational support staff costs		13,380	633,637	647,017
Technology costs		-	19,079	19,079
Educational supplies and services		-	37,176	37,176
Staff development		-	6,640	6,640
Educational consultancy		-	1,487	1,487
Other direct costs		-	5,559	5,559
		13,380	703,578	716,958
Allocated support costs				
Support staff costs		-	157,977	157,977
Depreciation		-	43,209	43,209
Maintenance of premises and equipment		-	183,962	183,962
Cleaning		-	18,480	18,480
Energy costs		-	12,192	12,192
Rent and rates		-	11,860	11,860
Insurance		-	32,272	32,272
Security and transport		-	999	999
Catering		-	53,341	53,341
Interest and finance costs		-	(7,000)	(7,000)
Other support costs		-	10,874	10,874
		-	518,166	518,166
Total costs		13,380	1,221,744	1,235,124
				1,033,932

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	17,284	17,284	7,866
Auditor's remuneration				
- Audit of financial statements	-	6,000	6,000	6,000
- Other audit costs	-	6,260	6,260	9,076
Other governance costs	-	1,142	1,142	1,200
	-	30,686	30,686	24,142

9 Staff costs

	2015 £	2014 £
Wages and salaries	678,872	619,052
Social security costs	41,245	36,327
Other pension costs	111,396	97,957
	831,513	753,336
Supply teacher costs	21,070	1,768
Staff development and other staff costs	6,640	7,267
Total staff costs	859,223	762,371

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

	2015 Number	2014 Number
Teachers	19	17
Administration and support	5	6
Management	2	2
	26	25

There were no employees whose annual remuneration was £60,000 or more.

RIVERSIDE PRIMARY ACADEMY

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

10 Governors' remuneration and expenses

The headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments, from the academy trust in respect of their role as governors. During the year, no expenses were reimbursed to governors (2014: £nil).

The value of governors' remuneration was as follows:

J Goodfellow (headteacher)

Remuneration £55,001 - £60,000 (2014: £55,001 - £60,000)

Employer's pension contributions £5,001 - £10,000 (2014: £5,001 - £10,000)

L Smith (staff)

Remuneration £40,001 - £45,000 (2014: £40,001 - £45,000)

Employer's pension contributions £5,001 - £10,000 (2014: £5,001 - £10,000)

G Rutherford (staff)

Remuneration £25,001 - £30,000 (2014: £25,001 - £30,000)

Employer's pension contribution £5,001 - £10,000 (2014: £5,001 - £10,000)

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 cover up to £250,000 on any one claim and the cost for the year ended 31 August 2015 was £382 (2014: £382).

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 September 2014	1,595,000	4,043	24,688	1,623,731
Additions	1,500,000	5,888	10,632	1,516,520
At 31 August 2015	3,095,000	9,931	35,320	3,140,251
Depreciation				
At 1 September 2014	78,650	1,628	3,131	83,409
Charge for the year	36,300	1,427	5,482	43,209
At 31 August 2015	114,950	3,055	8,613	126,618
Net book value				
At 31 August 2015	2,980,050	6,876	26,707	3,013,633
At 31 August 2014	1,516,350	2,415	21,557	1,540,322

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

(Continued)

Land and buildings were valued on the basis of depreciated replacement cost as at 31 March 2013 by Mouchel on behalf of the Education Funding Agency.

During the year, the Local Authority extended the school building, via Target Basic Needs funding. The extension is included in the academy's accounts as an addition in the year. The extension has been valued at depreciated replacement cost at 31 August 2015 as provided by the Local Authority. The extension is ready for use in the new academic year starting 1 September 2015 therefore no depreciation has been charged against the asset in the current financial year.

12 Debtors	2015 £	2014 £
Trade debtors	5,286	-
VAT recoverable	37,964	21,619
Prepayments and accrued income	44,844	170,901
	<u>88,094</u>	<u>192,520</u>
13 Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	25,032	54,477
Taxes and social security costs	11,804	11,494
Other creditors	13,871	12,239
Accruals	48,711	27,844
Deferred income	35,302	36,601
	<u>134,720</u>	<u>142,655</u>
14 Deferred income	2015 £	2014 £
Deferred income is included within:		
Creditors due within one year	<u>35,302</u>	<u>36,601</u>
Total deferred income at 1 September 2014	36,601	3,620
Amounts credited to the statement of financial activities	(36,601)	(3,620)
Amounts deferred in the year	<u>35,302</u>	<u>36,601</u>
Total deferred income at 31 August 2015	<u>35,302</u>	<u>36,601</u>

At the year end the academy was holding early years funding, Trip income and universal infant free school meals grant received in advance.

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	201,065	854,037	(963,809)	128,994	220,287
Other DfE / EFA grants	-	139,540	(137,548)	-	1,992
Other government grants	-	113,864	(113,864)	-	-
	<u>201,065</u>	<u>1,107,441</u>	<u>(1,215,221)</u>	<u>128,994</u>	<u>222,279</u>
Funds excluding pensions	201,065	1,107,441	(1,215,221)	128,994	222,279
Pension reserve	(188,000)	-	6,000	15,000	(167,000)
	<u>13,065</u>	<u>1,107,441</u>	<u>(1,209,221)</u>	<u>143,994</u>	<u>55,279</u>
Restricted fixed asset funds					
DfE / EFA capital grants	139,128	6,386	(426)	(139,128)	5,960
Inherited fixed asset fund	1,516,350	-	(36,300)	-	1,480,050
Capital expenditure from GAG or other funds	23,972	1,500,000	(6,483)	10,134	1,527,623
	<u>1,679,450</u>	<u>1,506,386</u>	<u>(43,209)</u>	<u>(128,994)</u>	<u>3,013,633</u>
Total restricted funds	<u>1,692,515</u>	<u>2,613,827</u>	<u>(1,252,430)</u>	<u>15,000</u>	<u>3,068,912</u>
Unrestricted funds					
General funds	109,911	93,400	(88,117)	-	115,194
	<u>109,911</u>	<u>93,400</u>	<u>(88,117)</u>	<u>-</u>	<u>115,194</u>
Total funds	<u>1,802,426</u>	<u>2,707,227</u>	<u>(1,340,547)</u>	<u>15,000</u>	<u>3,184,106</u>

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the 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 includes pupil premium, universal infant free school meals income and sports grant. £1,992 of Sports Grant is carried forward to the next academic year.

Other government grants include funding for pupils with special educational needs and Early Years Funding from the Local Authority.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/EFA capital grants includes a devolved capital grant which has been fully utilised during the period. It also includes Academies Capital Maintenance Fund grant brought forward, which has been fully utilised on expenditure which has not been capitalised for accounting purposes.

The inherited fixed asset fund reflects the fixed assets acquired on conversion. Depreciation on these assets is charged against this fund.

Other capital funds comprise the building extension acquired from the Local Authority via Target Basic Needs funding during the year.

Some capital expenditure has been funded by GAG or other funds. Transfers between these funds are reflected in the gains, losses and transfers column.

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

The academy's restricted general and unrestricted funds were £337,473 at 31 August 2015.

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	3,013,633	3,013,633
Current assets	117,754	354,439	-	472,193
Creditors falling due within one year	(2,560)	(132,160)	-	(134,720)
Defined benefit pension liability	-	(167,000)	-	(167,000)
	<u>115,194</u>	<u>55,279</u>	<u>3,013,633</u>	<u>3,184,106</u>

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 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 South Tyneside 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.

Contributions amounting to £13,871 (2014: £12,239) were payable to the schemes at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the 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 £59,798 (2014: £53,608).

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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 17.1% per cent for employers and 5.5% to 7.5% per cent for employees. The estimated value of employer regular contributions for the forthcoming year is £52,000 (2014 - £44,000).

As the LGPS is in deficit, the academy has been advised that additional shortfall contributions of £12,500 per annum should eliminate the deficit in 20 years.

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 £	2014 £
Employer's contributions	50,000	42,000
Employees' contributions	13,000	11,000
Total contributions	63,000	53,000

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.5	3.6
Rate of increase for pensions in payment	2.0	2.1
Discount rate for scheme liabilities	3.8	3.7
Inflation assumption (CPI)	2.0	2.1

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

	2015 Years	2014 Years
Retiring today		
- Males	23.1	23.0
- Females	24.7	24.6
Retiring in 20 years		
- Males	25.1	25.0
- Females	27.0	26.9

RIVERSIDE PRIMARY ACADEMY

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

17 Pensions and similar obligations

(Continued)

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 £	2014 Expected return %	2014 Fair value £
Equities	n/a	390,580	7.5	343,392
Government bonds	n/a	21,240	2.9	18,396
Corporate bonds	n/a	68,440	3.3	58,765
Cash	n/a	18,880	1.1	13,286
Property	n/a	54,870	6.8	46,501
Other assets	n/a	35,990	7.5	30,660
Total market value of assets		590,000		511,000
Present value of scheme liabilities - funded		(757,000)		(699,000)
Net pension asset / (liability)		(167,000)		(188,000)

The adoption of FRS 102 in the next accounting period removes the requirement to recognise an expected return on assets item in the profit and loss charge. This item will be replaced with a net financing charge which is based on the discount rate assumption. As the expected return on assets is based on the assumption at the start of the accounting period, assumptions for the expected return on assets are not required at the accounting date.

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	51,000	43,000
Past service cost	-	-
Total operating charge	51,000	43,000
Finance costs/(income)		
Expected return on pension scheme assets	(35,000)	(31,000)
Interest on pension liabilities	28,000	30,000
Net finance costs/(income)	(7,000)	(1,000)
Total charge/(income)	44,000	42,000

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	18,000	(6,000)
Experience (gains)/losses on liabilities	(33,000)	(27,000)
(Gains)/losses arising from changes in assumptions	-	-
Total (gains)/losses	<u>(15,000)</u>	<u>(33,000)</u>
Cumulative (gains)/losses to date	<u>(10,000)</u>	<u>5,000</u>

Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(699,000)	(646,000)
Current service cost	(51,000)	(43,000)
Interest cost	(28,000)	(30,000)
Contributions by employees	(13,000)	(11,000)
Actuarial gains/(losses)	33,000	27,000
Benefits paid	1,000	4,000
At 31 August 2015	<u>(757,000)</u>	<u>(699,000)</u>

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	511,000	425,000
Expected return on assets	35,000	31,000
Actuarial gains/(losses)	(18,000)	6,000
Contributions by employers	50,000	42,000
Contributions by employees	13,000	11,000
Benefits paid	(1,000)	(4,000)
At 31 August 2015	<u>590,000</u>	<u>511,000</u>

RIVERSIDE PRIMARY ACADEMY

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

17 Pensions and similar obligations

(Continued)

History of experience gains and losses

	2015 £	2014 £	2013 £
Present value of defined benefit obligations	(757,000)	(699,000)	(626,000)
Fair value of share of scheme assets	590,000	511,000	425,000
Surplus / (deficit)	(167,000)	(188,000)	(201,000)
Experience adjustment on scheme assets	(18,000)	6,000	25,000
Experience adjustment on scheme liabilities	33,000	27,000	(63,000)

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	1,366,680	157,844
Capital grants and similar income	(1,506,386)	(161,256)
Investment income	(1,454)	(545)
Defined benefit pension costs less contributions payable	1,000	1,000
Defined benefit pension finance costs/(income)	(7,000)	(1,000)
Depreciation of tangible fixed assets	43,209	39,894
(Increase)/decrease in debtors	104,426	(114,536)
Increase/(decrease) in creditors	(7,935)	45,475
Net cash inflow/(outflow) from operating activities	(7,460)	(33,124)

19 Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase/(decrease) in cash	(16,140)	110,846
Net funds at 1 September 2014	400,239	289,393
Net funds at 31 August 2015	384,099	400,239

20 Analysis of net funds

	At 1 September 2014 £	Cash flows £	Non-cash changes £	At 31 August 2015 £
Cash at bank and in hand	400,239	(16,140)	-	384,099

RIVERSIDE PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

21 Commitments under operating leases

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

	2015 £	2014 £
Expiry date:		
- Within one year	-	11,467
- Between two and five years	14,096	3,847
	<u>14,096</u>	<u>15,314</u>

22 Related parties

Owing to the nature of the academy trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which governors have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Omnicom - a company in which Mr P Tomlinson (a trustee of the trust) has a majority interest:

- The trust purchased ICT equipment and support from Omnicom totalling £14,138 (2014: £6,499) during the year. At 31 August 2015, the academy owed £7,067 to the company (2014: £nil).
- The trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Mr Tomlinson neither participated in, nor influenced.
- In entering into the transaction the trust has complied with the requirements of the EFA's Academies Financial Handbook.

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.