

MCE Academy Trust

Annual General Meeting

Year ended 31 August 2019

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MCE Academy Trust

Reference and administrative details-

Governors

Chair Mrs F.Long # (Appointed as chair 26 Sept 2012)

Foundation Governors Mr C Anelay (parent) – Vice Chair (Resigned 26 June 2013)
Mr A Simpkin # (Appointed Aug 2013)
The Reverend C Coates
Rev T Hand (representing Deanery of York)
Mr A Moorcroft
Mr S Naish (parent)
Mr L.Hodson, Diocesan Board of Education (ex-officio) #
(Started 10 Feb 2012)
Mrs W Robinson (parent)
Rt Rev M Wallace, Bishop of Selby (ex-officio)
Rev Canon Peter Moger
Mrs R Somerville # (Resigned as chair 26 Sept 2012)

~~EA Governors appointed by City of York Mrs T Jones~~
Council Miss J Wright #

Staff Governors Mrs R Snowden
Mr K.Wallace #
Mr D Hosier

Parent Governors Dr J Adams (Resigned 31 July 2013)
Mrs S Duxbury #
Mr D Judson # (Vice Chair from 26 June 2013)

The Principal and Accounting Officer Mr B Crosby #

Clerk to the Governors City of York Council (Mrs T Gunson)

Represents members of the Finance Committee

Secretary S Bryan-Smith

MCE Academy Trust

**Reference and administrative details.....
(continued)**

Senior management team Brian Crosby, Mike Thunder, Julie Caddell
Andy Crisp, Sue Counter, Jane Atkinson

Principal and registered office Manor Lane, Manton, Manton, Lincolnshire

Company Registration Number 7559537

Auditors BHP Barron & Barron, Bathurst House
86 Micklegate
York
YO1 6LQ

Bankers Lloyds Banking Group
14 Church Street
Sheffield
S1 1HP

Solicitors Dickinson Dees LLP, St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE1 3DX

Surveyors Valuation Office Agency
Eastgate House
Eastgate
Leeds
LS2 7JL

MCE Academy Trust

Governors' Report

The governors present their annual report together with the audited financial statements of the Academy for the year ending 31st August 2024.

Structure, Governance and Management

Constitution

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

The governors act as the trustees for the charitable activities of MCE Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates under the name of Manor CE Academy.

Details of the governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 2.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

All Governors with normal commitments to the Academy have purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £250,000.

Principal Activities

Principal Activities, for which the Academy was set up, are to deliver full-time education to children aged 11 opportunities to enhance and develop each child.

Method of Recruitment and Appointment or Election of Governors

As laid out in the Articles of Association the number of Governors shall be not less than three but shall not be more than five. The method of appointing governors is included in the Articles of Association which is available on the Academy website.

Policies and Procedures Adopted for the Induction and Training of Governors

New Governors are formally written to on appointment and supplied with a welcome pack and invited to attend a relevant area of responsibility.

Organisational Structure

Overall responsibility lies with the governors who in turn delegate the day to day running of the school to the Principal and the senior leadership team. Further details of Governance structure are on page 8.

Risk Management

As part of the risk management process the Governors, senior leadership and working groups review relevant risk using the risk register. This aims to recognise changes to our current risks and identify emerging situations. Every full governors meeting the top 5 risks are reviewed.

Governors' Report (Continued)

MCE Academy Trust has a very strong relationship with the local Diocese of York. The Board is a member of the company and oversees the appointment of the Foundation Governors of the academy. The Diocesan Director of Education is an ex-officio member of the board. The Principal is working with the DBE and six of MAI sponsored by the DBE. The academy has a Service Level Agreement with the DBE for educational services and support. The DBE has the statutory responsibility for the SIAS inspection of the outstanding rating. Over the years the DBE has provided excellent support in gaining new facilities and working with the local authority.

Even after becoming an academy, MCE Academy Trust continues to work closely with the City of York local authority. The academy has supported a school undergoing closure. The academy plays an active role in all educational developments within the city and the wider region. The academy also provides a number of St A with GVC to provide HR and Payroll. In

In 2012 Manor CE Academy Trust was awarded Teaching School status. This has enabled the academy to be at the forefront of developing leadership and education in support for other schools acting as a National Support School (NSS). The Principal is currently engaged by the NCSL as a National Leader of Education working alongside two schools facing closures

Objectives and Activities

Objects and Aims

generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and particularly in relation to arranging for religious education and daily acts of worship, and in having regard to the advice of the Diocesan Board of Education.

Objectives, Strategies and Activities

The objectives are to provide outstanding education through teaching professionally and creatively.

Public Benefit

In setting our objectives and planning our activities the governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and Performance

During the period September 2012 to August 2013, the GCSE performance was somewhat mixed. The academy achieved 80% A*-C in English and 79 % A*-C in Maths. However, there was a wide variation in the number of students getting English and Maths at C and above. This resulted in a lower than expected number of students achieving high grades in Science, History, Separate Sciences, Drama, ICT and Catering & Hospitality. The academy also gained a high

Description	Target	Level Achieved
5 x A* - C	95%	93%
5 x A* - C with English and Maths	76%	68%

Governors' Report (Continued)

MCE Academy Trust maintains a detailed school development plan which includes the following "Themes",

- Develop the chaplaincy work within the academy
- Explore the theme of Inspiration – *Inspiring a love of learning*
- Introduce 1-to-1 technology for certain year groups.
- Successfully complete year 1 of the Schools Direct programme
- Complete the transfer and integration of the Applefields Satellite provision

NCTL. The course attracted in to 28 participants from both primary and secondary phase. In addition the ETSA was a partner in the four primary and secondary academies' partnership to fund the programme and Humberside. Finally, the academy was approached by the NCTL to develop a new programme for developing leaders in Church Schools. Working together with the Hallam Teaching School we are writing and promoting the *Douglas* course together with 6 Anglican and Roman Catholic Dioceses.

This year the ETSA recruited its first cohort of teachers to join the Schools Direct programme. We have 23

the wider region. The programme developed with the University of St. John's is a true collaboration, the funding being equally divided between the two organisations. This is also reflected in the workload involved in the development of the Schools Direct programme being split equally. Manor currently has four students taking part in the programme.

Future Plans

The academy is currently looking at ways of developing 11th Form provision. There are on going conversations with partner local providers as to the possibility of either a joint 11th Form College. This will be a major impact on the development of the academy.

The governors of the academy are also looking into the possibility of increasing the number of students within the

There will be the need for up to 300 additional places per year within the City of York by 2018. Manor CE

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adopted the going concern basis in preparing the financial statements. Further details regarding the adoption of the

Key Performance Indicators

During the 12 month period to 31 August 2012 MCE Academy Trust has controlled and managed its

Financial Review

The Academy has benefited from a year of stable financial consolidation. Since conversion the opening deficit has been repaid in full.

There has been continued focus on budget control in addition to emerging from a period of pupil growth, and the related lagged funding has helped to provide a stable platform from which to operate and look forward.

The deficit balance sheet relating to the Local Government Pension Scheme shortfall in relation to MCE Academy Trust staff has decreased during the year from £504,000 to £500,000. Reversment of the pension

The funding received by the Academy is almost entirely through the EFA which makes up 95% of all funding received.

Financial and Risk Management Objectives and Policies

may face.

Principal Risks and Uncertainties

The principal risks to the academy are identified as reductions to funding through the proposed funding reforms.

Reserves Policy

The Academy has reached its initial reserves target during the year and will continue to monitor and review its position based on the reserves policy.

The current level of unrestricted reserves is £254k. The current level of restricted GAG funds is a surplus of

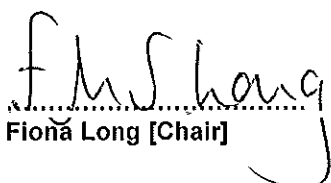
Investment Policy

A risk investment policy has been approved during the year to allow the Academy to gain best value from its investments.

In so far as the governors are aware:

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

Approved by order of the members of the Governing Body on 13 November 2013 and signed on its behalf by:


Fiona Long [Chair]

MCE Academy Trust

Governance Statement

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that MCE Academy Trust has an effective and appropriate system of control, financial and otherwise, to ensure we can 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 Principal as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and provisions of the Education Act 2002 and the Education (Financial) Regulations 2005. The Academy Trust 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 the statement of governors responsibility. The governance structure of MCE Academy Trust includes 20 Governors on the Full Governing Body. There are separate sub-committees looking in more detail at the areas of curriculum, finance, staffing along with a standing committee. Groups meet at least every term with additional meetings when needed. In addition three Governors strategy meetings have been held to discuss specific strategic topics.

The governing body works well and will consider how best to meet the recent directive for a separate audit committee.

Full Governors Attendance

Trustee	Role	Metings Attended	Out of a possible
Mr Brian Crosby	Staff (Principle)	5	5
Mr David Hosier	Staff	4	5
Ms Karly Wallace	Staff	4	5
Rachel Snowden	Staff	4	5
Miss Janis Wright	LA	4	5
Mrs Edie Jones	LA	5	5
David Judson	Parent	5	5
Sue Duxbury	Parent	4	5
John Adams	Parent	3	5
Rev Tony Hand	Foundation Diocesan	4	5
Fiona Long (Chair)	Foundation Diocesan	4	5
Mrs Ruth Somerville	Foundation Diocesan	5	5
Mrs Wendy Robinson	Foundation Diocesan	5	5
Mr Andrew Moorcroft	Foundation Diocesan	2	5
Mrs Linda Hodson	Foundation Diocesan	5	5
Stephen Maich	Foundation Diocesan	5	5
Canon Christopher Coates	Foundation Diocesan	2	5
Mr Charles Henry Price-Thomas	Foundation Diocesan	0	5
Dr David Maltby	Foundation Diocesan	0	5
Rev Peter Moger	Foundation Diocesan	0	5

Finance Committee Attendance

Finance Trustee	Role	Meetings Attended	Out of a possible
Mr Brian Crosby	Staff (Principle)	2	5
Miss Janis Wright	LA	5	5
Ruth Somerville	Foundation Diocesan	4	5
Mrs Fiona Long	Foundation	4	5
Karly Wallace	Staff	1	5
Mr David Judson	Parent	5	5
Mrs Sue Duxbury	Parent	3	5

Governance Statement (continued)

The Finance Committee has been 79% across the period. The finance committee attendance in the period was an average of

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy's 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 was in place from 1st August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body identifies the risks to the Academy Trust 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 an on-going process for identifying, evaluating and managing the Academy Trust's risks. This process is regularly reviewed by the Governing Body in 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:

- financial reports which are reviewed and agreed by the Governing Body;
- comprehensive budgeting and monitoring systems with an annual budget and regular reviews by the Finance Committee of reports which indicate financial performance against the budget;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

These controls have been previously established in the converter school and have been operating throughout the reporting period.

The Trustees have entered into a contract of services to provide both the role of responsible officer as defined by the Academy Handbook and a rolling plan of internal audit checks to ensure adequate and robust controls are in place.

Review of Effectiveness

As Accounting Officer, the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

• The Finance Committee reports which provide a rolling schedule of internal controls is reviewed and reported on. These reports are presented to, and considered by the finance committee in relation to any actions required;

• The outcome, was independently verified by an audit visit undertaken by the Education Funding Agency.

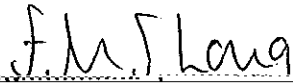
Governance Statement (continued)

~~The standing committee have taken on the additional responsibilities related to the Audit committee~~

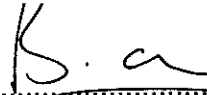
Following recommendations from Veritau, attention was paid to improving the Bank Reconciliation process and timescales.

~~The Accounting Officer has been advised of the implications of the result of Veritau's review of the system of~~

~~Approved by order of the members of the Governing Body on 13 November 2013 and signed on its behalf by:~~



Fiona Long
[Chair]



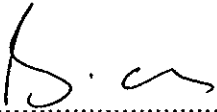
Brian Crosby
[Accounting Officer]

Statement on Regularity, Propriety and Compliance

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.

In addition, no instances of material irregularity, impropriety or funding non-compliance have been discovered.



Brian Crosby
[Accounting Officer]

13 November 2013

Statement of Governors' Responsibilities

The directors will act as officers of the company and are responsible for preparing financial statements in accordance with applicable law and regulations, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction issued by the Education Funding Agency.

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

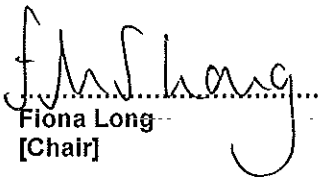
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain 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 have been applied for the purposes intended.

The are responsible for the fair, accurate and integrity of the accurate 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 members of the Governing Body on 13 November 2013 and signed on its behalf by


Fiona Long
[Chair]

Independent Auditor's Report to the members of MCE Academy Trust Limited

We have audited the financial statements of MCE Academy Trust Limited for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2012 issued by the Education Funding Agency.

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as an audit member of a company and for no other purposes. To the fullest extent permitted by law, we do not accept any liability to any other person for the audit work, for this report, or for the opinions we have formed.

our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor.

As explained more fully in the Statement of Trustees' Responsibilities set out on page 12, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our audit involves examining evidence obtained from the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any financial misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

in accordance with the Companies Act 2006 and the Accounts Direction 2012 issued by the Education Funding Agency.

MCE Academy Trust

Independent Auditor's Report to the members of MCE Academy Trust Limited (CONTINUED)

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

Matters on which we are required to report by exception

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

adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of trustees' remuneration specified by law are not made; or

Signed

DNI Darrin T...

Date 13 November 2013

For and on behalf of
BHP Barron & Barron
Chartered Accountants
& Statutory Auditor

Address
Bathurst House
96 Micklegate
York
YO1 6LQ

Independent Reporting Accountant's Account Report on Regularity to MCE Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 11 January 2012 and further to the requirements of the Academies: Accounts Direction 2013, we have provided an independent reporting accountant's account report on regularity to MCE Academy Trust and the Education Funding Agency to obtain limited assurance about whether the expenditure disbursed and income received by MCE Academy Trust during the period 1 September 2012 to 31 August 2013 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 MCE Academy Trust and the EFA in accordance with the terms of our engagement letter. It is not to be relied upon for any other purpose. It is the responsibility of MCE Academy Trust and the EFA to ensure that the information provided to us is true and complete. We do not accept any responsibility to anyone other than MCE Academy Trust and the EFA for the conclusion we have formed.

Respective responsibilities of MCE Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of MCE Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2014 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies: Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our engagement that suggests that expenditure and income received during the period 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and evidence to express a negative conclusion on regularity.

A limited assurance engagement is not as rigorous as a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

Independent Reporting Accountant's Assurance Report on Regularity to MCE Academy Trust Limited and the Education Funding Agency (CONTINUED)

The work undertaken to draw our conclusions includes:

- Reviewing source documents relating to grant income and related expenditure incurred:
- A review of systems and procedures;
 - Substantive testing as considered appropriate;
 - Making enquiries regarding the existence of any non contractual payments; and
 - Making enquiries regarding any issues identified.

Conclusion

The course of our work, having had regard to our attention, which suggests that in all material respects the expenditure incurred and income received during the period 1 October 2012 to 31 August 2013 has not been applied for purposes intended by the Education Funding Agency and the individual participating organisations.

Signed

DHJ Barron & Barron

Date 13 November 2013

BHP Barron & Barron
Chartered Accountants
& Statutory Auditor

Address
Bathurst House
86 Micklegate
York
YO1 6LQ

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2013 £000	Total 2012 £000
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	3	-	-	-	-	7
Activities for generating funds	4	81	-	-	81	78
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	5,356	(25)	5,331	4,678
Other incoming resources	6	124	204	-	328	214
Resources expended						
<i>Cost of generating funds:</i>						
<i>Costs of generating voluntary income</i>						
	7	24	-	-	24	24
<i>Charitable activities:</i>						
	7	96	5,240	574	5,937	4,957
	7	-	40	-	40	20
Total resources expended	7	120	5,228	571	5,919	5,007
Net incoming (outgoing) resources before transfers		65	302	(500)	(179)	(30)
Transfers						
Gross transfers between funds	16	-	(4)	4	-	-
Net income / (expenditure) for the year		65	298	(496)	(179)	(30)
Other recognised gains and losses						
Gains (losses) on investment assets		-	-	-	-	-
Brought forward defined benefit pension scheme asset (liability)	24	-	-	-	-	-
Actuarial (losses) gains on defined benefit pension schemes	24	-	46	-	46	(79)
Net movement in funds		65	344	(496)	(133)	(109)
Reconciliation of funds						
Total funds brought forward at 1 September 2012	16	169	(497)	19,376	19,048	19,157

August 2013

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

Financial Activities

MCE Academy Trust

Balance sheet as at 31 August 2012

Company Number

7550527

		2013	2013	2012	2012
Fixed assets					
Tangible assets	13		18,784		19,276
Investments			-		-
Total fixed assets			18,784		19,276
Current assets					
Stock			-		-
Debtors	14	575		549	
Cash at bank and in hand		475		558	
Total current assets		1,050		1,107	
Liabilities:					
Creditors: Amounts falling due within one year	15	(333)		(744)	
Creditors: Amounts falling due after more than one year					
Provisions for liabilities and charges					
Net assets excluding pension liability			19,501		19,639
Pension scheme liability	24		(586)		(591)
Net assets including pension liability			18,915		19,048
Funds of the academy:					
Endowment funds	16				
Restricted funds					
Fixed asset fund(s)	16		18,784		19,376
General fund(s)	16		463		94
Reserve	16		(532)		(501)
Total restricted funds			18,661		18,879
Unrestricted funds					
General fund(s)	16		254		169
Total unrestricted funds			254		169
Total Funds			18,915		19,048

Fiona Long

Fiona Long
[Director]

MCE Academy Trust

Cash Flow Statement for the year ended 31 August 2013

	Note	2013 £000	2012 £000
Net cash inflow from operating activities	20	21	439
Returns on investments and servicing of finance		-	-
Capital expenditure	21	(104)	(228)
Management of liquid resources			
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 Sept 2012		558	577
Net funds at 31 August 2013		475	558

MCE Academy Trust
Notes to the Financial Statements for the year ended 31 August 2013

4. Principal Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting for Charities' and the Companies Act 2006. A summary of the principal accounting policies which have been applied consistently, except where noted, is set out below.

Going Concern

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

Incoming resources

All 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 an accruals basis. The balance of income and resources is included in the statement of financial activities on an accruals basis in the period when the activity is taking place. Where entitlement occurs before income is received, the income is accrued.

Sponsorship income

Sponsorship income provided to the academy which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with virtual certainty and are receivable at the balance sheet date.

Donated services and gifts in kind

Donated services and gifts in kind are included in the statement of financial activities as incoming resources and resources expended at their estimated value to the academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Interest receivable

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

Resources expended and the basis of apportioning costs

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013

Allocation of costs

Academy charitable activities and governance items of expenditure which involve more than one cost category have been apportioned on a fair, equitable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the

Governance costs

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements. Governance costs include both direct and allocated support costs.

Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the academy at the discretion of the governors.

Restricted funds represent those resources which are to be used for specific purposes as explained in note 16.

Tangible fixed assets

Tangible fixed assets costing in excess of £2000 are capitalised at cost and held in the accounts at cost net of depreciation and impairment.

Tangible fixed assets acquired since the academy was established are included in the accounts at cost.

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 to the opening balance sheet of the following year. The related grants are depreciated over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Long leasehold property	13-50 Years
Plant and machinery	5-10 Years
Furniture and equipment	5-10 Years
Computer equipment and software	3-5 Years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use. A full year is charged during the year of acquisition. (5 Months charged in the opening period)

MCE Academy Trust
Notes to the Financial Statements for the year ended 31 August 2013

Principal Accounting Policies (Continued)

Investments

The academy's share holding in the wholly owned subsidiary, MCE Enterprise Limited, is included in the balance sheet at the cost of the share capital owned. MCE Enterprise has been dormant for the whole accounting period.

Stocks

MCE Academy Trust does not hold or recognise any stock items

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term. Assets subject to finance leases where substantially all of the benefits and risks of ownership have been transferred to the lessee are capitalised and valued on over the useful life of the asset.

Taxation

The academy is an exempt charitable company and as such is exempt from corporation tax subject to the provisions of the Corporation Tax Act 2010. The cost of irrecoverable VAT incurred by the academy has been included in the statement of financial activities.

Pensions

Academy staff are members of one of two pension schemes. More details of the schemes are given in note 24.

Defined Benefit Schemes

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Cognito Teachers' Pensions on behalf of the Department for Education. As the academy is unable to identify its share of the scheme's assets and liabilities, the scheme is treated as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the academy in the year.

Local Government Pension Scheme

Non-teaching members of staff are offered membership of the Local Government Pension Scheme (LGPS) which is managed by North Yorkshire Pension Scheme (NYPS). The LGPS is a defined benefit pension scheme and is able to identify the academy's share of assets and liabilities and the requirements of FRS 17 Retirement Benefits, have therefore been followed.

The requirements of the LGPS are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

MCE Academy Trust

2 General Annual Grant (GAG)

a. Results and Carry Forward for the Year

	2013 £000	2012 £000
GAG brought forward from previous year	114	(11)
Recurrent expenditure from GAG	(4,230)	(4,047)
Fixed assets purchased from GAG	(4)	-
Transfer from unrestricted fund	460	114
Other restricted GAG funds	460	114
GAG carried forward to next year	460	114
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(550)	(509)
GAG to surrender to DfE (12% rule breached if result is positive)	(90) no breach	(395) no breach

b. Use of GAG Brought Forward from Previous Year for Recurrent Purposes
(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)

Recurrent expenditure from GAG in current year	4,230	4,047
GAG allocation for current year	(4,580)	(4,242)
GAG allocation for previous year x 2%	(85)	(34)
GAG brought forward from previous year in excess of 2% used for recurrent purposes	no breach	no breach

Funds	Funds	Total	Total
£000	£000	£000	£000
Donations - Capital	-	-	-
Private sponsorship	-	-	-
Gifts in Kind*	-	-	-
Other Donations	-	-	7
			<u>7</u>

* Gifts in Kind represents the transfer of assets already in situation and used by the school to provide education. These included buildings and IT hardware

4 Activities for Generating Funds

Unrestricted Funds	restricted Funds	Total	Total
£000	£000	£000	£000
2013	2013	2013	2013
2012	2012	2012	2012

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

5. Funding for Academy's educational activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
DfE/YPLA capital grant				
Devolved Formula Capital allocations	-	19	19	17
Academy main building grants	-	-	-	-
	<u>-</u>	<u>19</u>	<u>19</u>	<u>17</u>
DfE / YPLA revenue grants				
Start Up Grants	-	-	-	-
Feasibility grants	-	-	-	-
Lead in and implementation grant	-	-	-	-
Pupil Premium	-	87	87	28
School Standards Fund	-	-	-	-
Other DfE / YPLA grants	-	-	-	-
	<u>-</u>	<u>4,667</u>	<u>4,667</u>	<u>4,270</u>
Other Government grants				
School to School Support	-	407	407	14
National College	-	-	-	40
Capital awarded from LA	-	-	-	-
SEN from LA	-	151	151	131
Teaching School	-	101	101	25
Other Grants	-	30	30	-
	<u>-</u>	<u>645</u>	<u>645</u>	<u>391</u>
	<u>-</u>	<u>5,331</u>	<u>5,331</u>	<u>4,678</u>

6. Other incoming resources

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Insurance claim	-	-	-	-
Academy trips	-	201	201	90
Gifts In Kind	-	-	-	-
Sickness insurance	-	-	-	-
	<u>124</u>	<u>204</u>	<u>328</u>	<u>214</u>

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

7 Resources Expended

	Staff Costs £000	Non Pay expenditure Premises £000	Other Costs £000	Total 2013 £000	Total 2012 £000
Costs of generating voluntary income				24	24
Allocated support costs	729	332	330	1,391	1,229
Implementation costs	-	-	-	-	-
	<u>4,010</u>	<u>903</u>	<u>964</u>	<u>5,877</u>	<u>4,957</u>
Governance costs including allocated support costs			19	19	26
	<u>4,034</u>	<u>903</u>	<u>982</u>	<u>5,919</u>	<u>5,007</u>

Net Incoming/outgoing resources for the year include:

	2013 £000	2012 £000
Operating leases	20	-
Fees payable to auditor - audit	6	5
Depreciation of owned assets	4	4
Profit/(loss) on disposal of fixed assets	-	-

8 Charitable Activities - Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Direct costs				
Depreciation	22	166	188	108
Educational consultancy		14	14	42
Teaching School	16	33	49	-
Other direct costs				
	52	4,426	4,478	3,734
Extended schools programme				
Allocated support costs				
Depreciation	24	710	734	613
Maintenance and support		42	42	29
Maintenance of premises and equipment	3	88	91	50
Heat & Light	3	129	132	99
Cleaning	2	132	134	133
Rent & rates	-	36	36	38
Insurance	1	43	44	42
Security and transport		27	27	122
Catering	9	-	9	10
Bank interest and charges	-	-	-	-
Other support costs	16	130	146	111
	68	1,355	1,423	1,247
Development costs				
	120	5,781	5,901	4,981

	Funds £000	Funds £000	2013 £000	2012 £000
Legal and professional fees	-	7	7	17
Auditors' remuneration				
Audit of financial statements	-	6	6	5
Responsible officer audit	-	1	1	1
Support costs	-	4	4	3
Governors' reimbursed expenses	-	-	-	-
	-	18	18	26

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

10 Staff costs

Staff costs during the period were:

	Total 2013 £000	Total 2012 £000
Wages and salaries	3,250	2,796
Social security costs	237	210
Other pension costs	455	396
	<u>3,942</u>	<u>3,402</u>
Supply teacher costs	68	55
Compensation payments	-	-
	<u>4,010</u>	<u>3,457</u>

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

	2013 No.	2012 No.
Charitable Activities		
Teachers	58	54
Administration and support	46	39
Management	3	3
	<u>107</u>	<u>96</u>

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

	2013 No.	2012 No.
Annualised		
£60,001 - £70,000	1	-
£70,001 - £80,000	-	-
	<u>1</u>	<u>-</u>

11 Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal

B Crosby (Principal and trustee)	£85,000 - £90,000
K Wallace (Staff trustee)	£40,000 - £45,000
R Snowden (Staff trustee)	£15,000 - £20,000
D Hosier (Staff trustee)	£40,000 - £45,000

Related party transactions involving the trustees are set out in note 25

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

12. Governors and Officers Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £250,000 on any one claim and

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

13 Tangible Fixed Assets

	Freehold Land and Buildings	Leasehold Land and Buildings	Buildings Under Construction	Furniture and Equipment	Computer Equipment	Motor Vehicles	Total
	£000	£000		£000	£000	£000	£000
Cost							
At 31 August 2012	-	19,710	-	56	255	-	20,021
Additions	-	-	-	34	45	-	79
Transfers	-	-	-	-	-	-	-
Inherited assets	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation							
At 31 August 2012	-	-	-	11	100	-	111
Charged in year	-	462	-	18	91	-	571
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 31 August 2013	-	1,088	-	29	199	-	1,316
Net book values							
At 31 August 2013	-	18,622	-	61	101	-	18,784

MCE Academy Trust
Notes to the Financial Statements for the year ended 31 August 2013 (continued)

14 Debtors

	2013 £000	2012 £000
Trade debtors	63	14
Prepayments	155	140
Sundry debtors	2	11
Grant and other Income	318	396
VAT recoverable	38	18
Amount due from subsidiary undertaking	-	-
	575	549

15 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	91	101
Taxation and social security	-	-
Other creditors	4	112
Accruals and deferred income	238	531
Retention building costs	-	-
Capital expenditure	-	-
Amount due to subsidiary undertaking	-	-
	333	744

	2013	2012
Deferred income at 31 August 2012	101	10
resources utilised in the year	(44)	(44)
Amounts released from previous years	(131)	(70)
Deferred Income at 31 August 2013	112	131
Deferred income included:-		
Payments received for trips not yet taken place	61	103
Teaching School ITT Grant starts 3 Sept 2013	33	-
Capital funding based on Financial Year	11	11
Catch up yr 7	7	-
Grants Received for Specific Projects	-	17
	112	131

MCE Academy Trust
Notes to the Financial Statements for the year ended 31 August 2013 (continued)

16 Funds

	Balance at 31 August 2012 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2013 £000
Restricted general funds					
General Annual Grant (GAG)	114	4,580	(4,213)	(21)	460
Start Up Grant	-	-	-	-	-
Other DIE/EFA grants	-	117	(117)	-	-
LEA and other grants	-	-	(10)	-	-
Other restricted - Educational Trips	(200)	200	(156)	47	-
Other restricted - Pension Fund	(501)	-	(41)	46	(586)
	(497)	5,580	(5,228)	42	(123)
Restricted other funds	-	-	-	-	-
Restricted fixed asset funds					
DIE/EFA capital funding	18,956	19	(571)	-	18,404
LEA capital funding	-	-	-	-	-
Capital expenditure from GAG	-	-	-	4	4
Private sector capital sponsorship	-	-	-	-	-
	19,376	(25)	(571)	4	18,784
Endowment funds	-	-	-	-	-
Total restricted funds	18,879	5,535	(5,799)	46	18,661
Unrestricted funds					
Pension reserve	169	205	(120)	-	254
Total unrestricted funds	169	205	(120)	-	254

The specific purposes for which the funds are
 Restricted general funds-
 GAG funds are restricted to providing education
 Other DIE/EFA grants relate to reimbursement for specific services
 LEA grants relates to provision of Special Educational needs
 Educational Trip funds are held to provide trips for students
 Pension fund relates to Note 24

17 Analysis of net assets between funds

Fund balances at 31 August 2013 are represented by:

	Unrestricted general fund	Restricted general fund	Restricted fixed asset	Restricted other fund	Endowment fund	Total
Intangible fixed assets	-	-	18,784	-	-	18,784
Current assets	254	796	-	-	-	1,050
Current liabilities	-	(333)	-	-	-	(333)
Pension scheme liability	-	(586)	-	-	-	(586)
Total net assets	254	(123)	18,784	-	-	18,915

MCE Academy Trust
Notes to the Financial Statements for the year ended 31 August 2013 (continued)

18 Capital commitments

2013 £000	2012 £000
-	53

Contracted for, but not provided in the financial statements

19 Financial commitments

Operating leases

At 31 August 2013 the Academy had annual commitments under non-cancellable operating leases as follows:

	2013 £000	2012 £000
<u>Land and buildings</u>		
Expiring within one year	-	-
Expiring in over five years	-	-
	<u>-</u>	<u>-</u>
<u>Other</u>		
Expiring within one year	20	-
Expiring within two and five years inclusive	-	8
Expiring in over five years	-	-
	<u>20</u>	<u>8</u>

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

	2013 £000	2012 £000
20 Reconciliation of consolidated operating (deficit)/surplus to net cash inflow from operating activities		
(Deficit)/surplus on continuing operations after depreciation of assets at valuation	(179)	(39)
Depreciation (note 13)	571	554
(Loss)/profit on disposal of tangible fixed assets		
Capital grants from DfE and other capital income	25	(199)
Gifts in Kind	-	-
Interest receivable (note 5)	-	-
RRP 17 pension cost less contributions payable (note 21)	17	(10)
RRP 17 pension income received (note 21)	27	20
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(26)	445
Increase/(decrease) in creditors	(411)	(343)
Increase/(decrease) in provisions	-	-
Net cash inflow from operating activities	21	439
21 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(79)	(426)
Capital grants from DfE/YPLA	19	8
Capital funding received from sponsors and others	(44)	190
Receipts from sale of tangible fixed assets	-	-
Net cash outflow from capital expenditure and financial investment	(104)	(228)

22 Analysis of changes in net funds

At 1 September

At 31 August

2012

Cash flows

2013

£000

£000

£000

Cash in hand and at bank

558

(93)

475

558

(83)

475

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 or otherwise liquidated in the event of the company being wound up or otherwise liquidated to the extent of the amount or amounts specified in the company's articles of association. The maximum liability of each member is limited to the amount or amounts specified in the company's articles of association.

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

24 Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for members and public sector and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by North Yorkshire Pension Fund. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

Contributions amounting to £61,004,025 were payable to the schemes of 31 August 2013. The Academy Trust has no pension liabilities to creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory contributory defined benefit scheme governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and

and voluntary aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 4 January 2007 automatic for teachers and lecturers in part-time employment following an election at schools or academies or colleges. Teachers and

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in

The Teachers' Pensions Regulations require on each account the Teachers' Pension Budgeting and Valuation Account. The account is credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in national

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution

service or ongoing service during the period over which the contribution rate applies, which if it were paid over the entire active service of those teachers and lecturers would broadly defray the cost of benefits payable in respect of that service.

liability of the Account for benefits to past and present teachers, can not fully be covered by standard contributions to be paid and supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of

national investments held at that valuation date was £162,240 million. The assumed real rate of return was 2.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 4.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the GDP was assumed at 6.75% and the assumptions remained.

total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuals shown valuation was independent

Options available therefore were provided. The Public Pension Fund (PPF) which has been established to

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

24 Pension commitments (continued)

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th

their normal Pension Age. Importantly pension benefits will on average 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 40 years of Normal

Pension Age on 1 April 2015 will receive a change to the age at which they receive the pension. The age at which they receive the pension will be the age at which they would have retired had the pension been in force at that time. This will allow for further improvements to be made to the pension scheme.

announced an average increase of 3.2 percentage points on the contribution rates by 2014/15. The increases were to be

based on a 100% contribution rate.

Under the proposed new scheme, the contribution rate will be 10% of earnings up to £47,500 and 12% of earnings above that level.

The proposed new scheme will be funded by a combination of contributions from employers and employees.

The proposed new scheme will be subject to a 10% increase in the contribution rate by 2014/15.

The proposed

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme with the assets held in separate trustee administered funds

Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The total contribution made for the year ended 31 August 2013 was £165,064 of which

employer's contributions totalled £120,534 and employees' contributions totalled £45,530. The agreed contribution rates for future years are 14.1% for employers and 11.1% for employees.

An agreement has been reached to contribute annually towards the fund deficit on the following basis:
FY 13_14 £21,300

Principal Actuarial Assumptions

	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	4.15%	4.05%
Rate of increase for pensions in payment / inflation	2.40%	2.30%
Discount rate for scheme liabilities	4.50%	4.50%
Inflation assumption (CPI)	2.10%	2.30%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 August 2013	At 31 August 2012
<i>Retiring today</i>		
Males	22.6	22.5
Females	25.3	25.2
Males	24.1	24.2
Females	27.2	27.2

MCE Academy Trust

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

24 Pension commitments (continued)

Local Government Pension Scheme (Continued)

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

	Expected return at 31 August 2012	Fair value at 31 August 2012	Expected return at 31	Fair value at 31 August
	%	£000	%	£000
Equities	7.00%	282	7.00%	148
Government bonds	3.40%	40	2.50%	26
Other bonds	4.40%	49	3.40%	28
Property	5.70%	15	N/A	5
Cash/liquidity	0.50%	9	0.50%	2
Other	7.00%	36		
Total market value of assets		431		209
Present value of scheme liabilities - Funded		(1,017)		(800)
Surplus/(deficit) in the scheme		(586)		(591)

The academy's share of the assets and liabilities in the scheme and the expected rates of return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2012 for the year to 31 August 2013). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk).

The actual return on the scheme assets was a surplus of £62,000 (2012: £12,000)

Total pension credit expense/(cost) for the year

	£000	£000
Current service cost (net of employee contribution)	145	96
Past service cost	0	0
Total operating charge	145	96

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	140	7
Interest on pension liabilities	(140)	(20)

Notes to the Financial Statements for the year ended 31 August 2013 (continued)

24 Pension commitments (continued)

Local Government Pension Scheme (Continued)

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

	2013	2012
At 1 September		
Opening defined benefit liabilities at 01/09/2012	800	551
Current service cost	145	96
Interest cost	40	33
Employee contributions	45	36
Actuarial (gain)/loss		84
Benefits paid	(13)	-
Past Service cost	-	-
Curtailments and settlements	-	-
Liabilities assumed in a business combination	-	-
At 31 August	1,017	690

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

	2013 £000	2012 £000
At 1 September		
Opening fair value of plans' assets at 01/09/2012	209	50
Expected return on assets	16	7
Actuarial gains / (losses)	46	5
Employer contributions	128	111
Employee contributions	45	36
Settlements	(129)	-
At 31 August	431	209

24 Pension commitments (continued)

Local Government Pension Scheme (continued)

The five-year history of experience adjustments is as follows:

	2013 £000	2012 £000	2011 £000	2010 £000	2009 £000
Deficit	(586)	(591)	(501)		
Experience adjustments on share of scheme					
Amount £'000*		16	5	5	
Experience adjustments on scheme liabilities					

which a member of the board of governors may have an interest. All transactions involving such arrangements