

**Company Limited by Guarantee**  
**Registration number: 07682284 (England and Wales)**

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL  
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**THE PIGGOTT CHURCH OF ENGLAND SCHOOL  
REFERENCE AND ADMINISTRATIVE DETAILS**

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Members	the Diocesan Board of Education the Archdeacon (or an appointee of the Archdeacon) Diocesan Bishop the Chairman of the Governors
Directors	Miss Alex Cockett (Resigned 04/12/2013) Revd John Cook Mrs Helen Craig Mr Rhys Driscoll (From 29/06/2014) Mr John Duffield (Resigned 29/04/2014) Mrs Helen Eavery (From 10/10/2013) Mr Stephen Giles Mr Jim Goldie (Resigned 20/11/2013) Mr Derren Gray (From 01/09/2014) Mr Brian Griffin Mr Adam Hamflett Revd Simon Howard Mr Gary Hughes (From 30/06/2014) Ms Karen Mackin (Resigned 14/12/2013) Miss Sarah Parsons Mr Trevor Payne (Resigned 28/06/2014) Mr Simon Powell (From 10/02/2014 and Resigned 25/06/2014) Mrs Helen Price (From 30/01/2014) Mr Chris Satchwill (Resigned 11/06/2014) Mrs Ester Saxton (From 10/02/2014) Mrs Jacqui Staig (From 10/01/2014) Mr Richard Thiele (From 11/09/2013) Revd Alison Waters Mrs Hilary Winter (Resigned 31/08/2014) Mrs Julie Anne Woods (Resigned 31/08/2014) Mr David Woolnough
Company Secretary	Nadine Doble
Registered Office	The Piggott Church of England School Twyford Road, Wargrave, RG10 8DS
Company Registration Number	7682284
Auditors	Crowe Clark Whitehill LLP Aquis House, 19-51 Blagrove Street, Reading, Berkshire RG1 1PL

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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The Governors present their annual report together with the financial statements and audited report for the charitable company for the period ended 31 August 2014.

The financial statements have been prepared in accordance with the accounting policies on pages 28 to 30 of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 ('SORP 2005').

The Piggott Church of England School is an academy for pupils aged 4 to 19 serving a catchment area in Wargrave, Twyford, Charvil, and surrounding villages. It has a pupil capacity of 1548 and had a roll of 1247 in the school census on 4 October 2014.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Piggott Church of England School is a company limited by guarantee with no share capital (registration no. 7682284). The charitable company's memorandum and articles of association are the prime governing documents of The Piggott Church of England School. The articles of association require members of the charitable company to appoint not less than 3 Directors to be responsible for the statutory and constitutional affairs of the charitable company and the management of The Piggott Church of England School.

### **Governors' Indemnities**

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 £2,000,000 on any one claim and the cost for the period ended 31 August 2014 was included in insurance costs.

### **Members' Liability**

Every member of the charitable company (who are not necessarily Governors) undertakes to contribute such amount as may be required (such amount not exceeding £10) 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, for the payment of the Trust's debts and liabilities before he or she ceases to be a member and of the costs charges and expenses of winding up and for the adjustment of the rights of contributories amongst themselves.

### **Governors**

The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of the charity legislation.

On 1<sup>st</sup> July 2011, The Piggott Church of England School converted to an Academy and all Directors also became Governors of The Piggott Church of England School Trust. The term of office for any Governor shall be 4 years, including the Principal and Ex-Officio Governors. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected.

The Governors, who were in office and served throughout the financial period, except where shown, are listed in page 1.

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Directors, Executives and specific responsibilities**

Directors are referred to as Governors in this report. Governors who were in office on 31 August 2014 and served since 1 September 2013 are listed on page 1. The Clerk to the Governors until 31 December 2013 was Hazel Mitchell and from 31 December 2013 is Rebecca Marr.

**Methods of Recruitment and Appointment or Election of Governors**

The Academy's Governing Body comprises the Headteacher, eleven Foundation Governors appointed by the Members, at least two and up to four Parent Governors, up to three Staff Governors and up to two appointed or co-opted Governors. The Governing body may also appoint Associate Members operating within the remit or such and without voting rights at Full Governors.

Parent Governors are elected by the parents of current students of the Academy Trust. Staff Governors (teaching and support) are elected by the staff currently employed at the Academy Trust.

With regard to the appointment of other governors the Governing Body will give consideration to the skills mix of the governors in order to ensure that the Governing Body has the necessary skills and expertise to contribute fully to the Academy's development.

All Governors are appointed to serve for a period of four years, with the Chair and Vice Chair elected annually.

**Policies and Procedures Adopted for the Induction and Training of Governors**

All new governors participate in an induction programme and all are issued with documents giving a wide range of information and guidance relating to the governance of the Academy. A programme of Governor Training is provided according to need. A skills audit is carried out bi-annually and training accessed according to needs indicated. Annually the Governing Body undertakes self-assessment to look at Governors' roles, responsibilities and address key issues for Governor development, knowledge and understanding.

Governor training and advice is accessed through Governors' Support Services, Wokingham Borough Council, and through the Oxford Diocesan Board of Education.

**Organisational Structure**

The Piggott Church of England School has a management structure of Directors (Governing body), a Headteacher, and a Senior Leadership Team led by the Headteacher which includes Deputy Headteachers, Assistant Headteachers and the School Business Manager.

The Governors are responsible for appointing the Headteacher, making major strategic decisions, setting general policy and adopting an annual budget.

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**REPORT OF THE DIRECTORS**  
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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Governing Body**

The Governing Body meets at least five times a year. It establishes an overall framework for the governance of the Academy and agrees the structure of the Governing Body and appoints Lead Governors. It receives policy documents, from the Governors' Policy Development Group, for ratification, and monitors the activities of the Lead Governors through the minutes of their meetings. It also agrees the Terms of Reference and Procedures for the Lead Governors. The Governing Body will, when necessary, appoint Governors to Statutory and other panels, and may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Governing Body:

1. to determine any proposals for the alteration, closure or change of category of the Academy;
2. to amend the constitution of the Governing Body;
3. to appoint or remove the Chairman and/or Vice Chairman;
4. to appoint the Clerk to the Governors;
5. to suspend governors;
6. to delegate specific responsibilities to any Governor, Committee, the Headteacher or other holder of an executive office;
7. to determine and review annually the terms of reference, constitution and membership of all Committees;
8. to publish an annual report;
9. to make arrangement for staff dismissal appeals;
10. to set up panels for the selection of the Headteacher;
11. to approve the annual School Improvement Plan;
12. to monitor the annual Register of Interests.

During the year, the Governing Body was made up of Lead Governors who had direct responsibility for different aspects of school life as follows:

- Finance:  
To deal with all matters relating to finance
- Standards and Achievement:  
To have oversight and recommend to Full Governing Body challenging achievement targets and monitor use of Pupil Premium
- Teaching and Learning:  
To review all matters relating to the curriculum
- Spiritual, Moral, Social and Cultural (SMSC) :  
To deal with the ethos of a Church School, collective worship, Diocesan links
- Admissions:  
To Deal with all matters relating to admissions, including in-year admissions and appeals and Sixth Form admissions
- Equalities:  
To ensure equality of opportunity for all students regardless of ability, aptitude, physical access and background
- Leadership and Management:  
To monitor and, where necessary and/or appropriate, challenge the School's development priorities and its self-evaluation of progress towards these priorities undertaken by the senior leaders
- Safeguarding:  
To have oversight of all safeguarding procedures (staff and student) in school

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

- Staff and Governor Development:  
To monitor staff appointments, take responsibility for Governor Induction and on-going training and to manage the Headteacher's appraisal
- Communications:  
To meet with representatives of the school community and report to Governors on concerns, opinions and suggestions
- Health and Safety:  
To liaise with the Business Manager to ensure compliance with Health and Safety
- Charvil Primary:  
To monitor the Primary provision in its early years of growth

The Headteacher is the Accounting Officer as required by the Funding Agreement with the Department for Education. The responsibilities of the Accounting Officer are defined in the Governance Statement.

**Risk Management**

The Governors have implemented a number of systems to assess risk including operational areas, (e.g. in relation to teaching, health and safety, bullying and school trips) and the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The school has an effective system of internal financial controls and this is explained in more detail in the following statement.

The Governors are responsible for the management of risks to which the Academy Trust is exposed, and have undertaken a review of risks associated with its activities. The key controls used by the Academy Trust include:

1. Formal agendas for Governors' meetings.
2. Detailed terms of reference for all Committees.
3. A clear School Development Plan identifying key strategic planning objectives and the resources required to achieve them.
4. Comprehensive budget planning, monitoring and review.
5. Clear financial delegation levels.
6. Clear Health and Safety policy with a regular action log.
7. Formal written policies reviewed on a regular basis.
8. Clear safeguarding and vetting procedures as required by law to protect children and young people.
9. Rigorous review of educational achievement to ensure continuing high standards.
10. Comprehensive planning and review of admissions processes.

The Governing Body is satisfied therefore that the major risks identified have been adequately mitigated where necessary. It is recognised, however, that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
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**OBJECTIVES AND ACTIVITIES**

**Objective**

The Academy Trust's objective is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The principal aim of the Academy Trust is to provide high quality learning that helps all students to fulfil their intellectual potential and become good and emotionally well-balanced young people.

The Academy Trust aims to be one of the best comprehensive schools in the country. Our ambition is to develop all students academically, socially and emotionally in a happy, organised and disciplined environment so that they can make full use of their opportunities in life. Our vision for the school is that it is a place....

‘...which inspires and encourages the highest achievement.’

**The Aims of The Piggott Church of England School are to:**

1. Provide a caring environment based on Christian values.
2. Develop enquiring minds capable of independent thought.
3. Promote the value of lifelong learning.
4. Be open to new ideas.
5. Encourage respect and tolerance.

In accordance with the articles of association the charitable company has adopted a “Scheme of Government” approved by the Secretary of State for Education.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
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**OBJECTIVES AND ACTIVITIES (continued)**

**Strategies and Activities**

Key influences on the Academy Trust's Improvement Plan for the period under review were the significant challenges and opportunities arising from national changes in education policy, funding, including the conversion to academy status and the School's response to both local and global issues. The Academy Trust's development plan for the years 2012-2015 is monitored through the Governor Committees and contains the following objectives:

1. Improve the physical resources of the school so that students are increasingly taught in rooms and spaces fit for purpose in a 21<sup>st</sup> Century education system.
2. Improve the overall school facilities by maximising the current facilities and developing existing facilities within the constraints of the site and budget.
3. Improve the environmental awareness around the school and reduce our carbon footprint to not only conserve resources but also educate students about their global responsibilities.
4. Improve our Information Technology so that students and staff have access to high quality, reliable and technologically advanced equipment which enhances the teachings and learning and enables students to become more independent learners.
5. Develop our partnership working so that we better share resources, good practice and skills to improve the curricular and pastoral provision across the school.
6. Develop leadership and management across the school at all levels so that individuals have opportunities to develop their confidence and abilities these skills in themselves and others.
7. Develop our human resources so that all staff are highly qualified, skilled and confident practitioners.
8. Enhance the curriculum by providing a wide and varied extra-curricular programme of activities and events which challenge and extend the students classroom based learning and personal development.
9. Improve monitoring, data tracking and transitions so that staff, students and their families have accurate information to enable students to make progress within and across key stages.
10. Develop the curriculum by ensuring a broad and balanced KS4 and KS5 offer is available matched to the needs and abilities of the students. In particular to develop a two year KS3 curriculum and foundation for GCSE year in year 9 leading into a tailored KS4 offer.
11. Develop learning and teaching across the school so that students experience consistently high quality, engaging, appropriately differentiated lessons which enables them to both enjoy their learning and achieve academic success.

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**OBJECTIVES AND ACTIVITIES (continued)**

**Connected Organisations, including Related Party Relationships**

The Piggott Church of England School is committed to working with other organisations which contribute to the improvement in provision for students and to ensure that their achievement and well-being is maximised.

The School is part of a successful and vibrant learning community which includes the main feeder primary schools, in the North Wokingham Cluster. We work in partnership to provide effective transition arrangements, and a wide variety of curriculum and extra-curricular activities.

The aspiration of the School is to provide a curriculum suited to meet the needs of all students within the resources available. This is achieved by working with other schools within the Wokingham Federation of Secondary Schools, Berkshire College of Agriculture (BCA) and Bracknell and Wokingham College to provide a breadth of curriculum including vocational opportunities. Students of the school have accessed alternative provision at the Aspire Centre, new provision from September 2013.

This is very much supported by the School's outstanding careers and guidance provision supported by local business partners. The School's active participation in the LA/Federation's Behaviour Support service and Reintegration Panel supports its ethos of 'achievement for all'. The School works closely with the LA and contributes to the Headteacher's associations, the WBC Safeguarding Children's Board, WBC Forum, WBC SACRE and assists in the recruitment, mentoring and development of Headteacher's new to the LA. The School has developed an increasing network of partnerships with other providers such as a SENCo group and the Headteacher sits on the SEN Panel.

Through the Wokingham Federation, we are the lead school within the Schools Direct programme which is itself part of the Wellington College Teaching School Partnership. This is one of the most successful and largest teaching alliances in the country.

The School holds a number of awards including International School, The Equalities Award and Healthy Schools. As well as a strong local network of connected organisations the school has active links with national and international partners including schools in Germany, France, Spain, China, the Oman and South Africa.

The Academy Trust's association with all of these networks is to further promote the opportunities and achievements of our students and to enable our staff to share good practice and so raise the standard of teaching and learning.

**Equal Opportunities Policy**

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Piggott Church of England School promotes equal opportunities in all areas of its activities including the creation of a working environment in which the contribution and needs of all people are fully valued.

**Disabled Persons**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the buildings. The policy of the school is to support recruitment and retention of students and employees with disabilities. The school does this by making reasonable adaptations to the physical environment, by making support/resources available and through training and career development.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
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<b>STRATEGIC REPORT</b>
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**KEY PERFORMANCE INDICATORS**

The School Improvement Plan identifies annual development objectives, against which results and outcomes are monitored.

**ACHIEVEMENT STANDARDS AND PROGRESS**

117 students entered 293 A Level examinations and achieved the following outcomes:

<b>A* - A:</b>	<b>31%</b>	<b>(90 entries)</b>	<b>(2013 – 27%)</b>
<b>A* - B:</b>	<b>59%</b>	<b>(172 entries)</b>	<b>(2013 – 55%)</b>
<b>A* - C:</b>	<b>85%</b>	<b>(248 entries)</b>	<b>(2013 – 82%)</b>
<b>Overall A* - E:</b>	<b>99%</b>		<b>(2013 – 100%)</b>
<b>Average Points Score per student:</b>	<b>736</b>		<b>(2013 – 733)</b>

These excellent results were a rich reward for both staff and students, for their tireless and enthusiastic endeavours during the previous two years. Many students' surpassed expectations and many achieved the grades needed for University entrance; two students achieved Oxbridge while many of our students gained places at 'Russell Group' universities, including Bristol, Cardiff, Manchester, Warwick, and Birmingham. Nearly 82% of the students have moved into Higher or Further Education, with a growing proportion being attracted by apprenticeships as a route into Higher Education.

Significant achievements in Photography, Art, Further Maths and Spanish are particularly praiseworthy; **all candidates** in these subjects achieved A\*- C grades.

A Level Trends	2010	2011	2012	2013	2014
<b>Number of students</b>	104	90	128	109	117
<b>Average GCSE score of Y13 2010-11</b>	6.0	5.9	5.9	5.9	6.2
<b>% of grades A* - A</b>	34	28	28	27	31
<b>% of grades A* - B</b>	60	59	55	54	59
<b>% of grades A* - C</b>	82	81	79	82	85
<b>% of grades A* - E</b>	99	99	99	100	99
<b>Average point score per entry</b>	233	232	226	215	234
<b>Average point score per student</b>	834	732	738	733	736
<b>ALPs Institutional grade</b>	2	4	4	4	3
<b>ALPs T score</b>	2	3	3	3	2
<b>ALPs 3-year T score</b>	2	2	2	3	3

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**ACHIEVEMENT STANDARDS AND PROGRESS (continued)**

**GCSEs 2014**

Our Year 11 students achieved excellent examination results in the summer. There were some outstanding individual performances with **34** students (18%) achieving eight or more A\*/A grades. In summary:

- 191 students were entered for over 1800 examinations;
- **88%** of these students achieved at least a Grade C in Maths and **77%** achieved this in English
- **86%** of students obtained at least 5A\*-C grades each
- **74%** of students obtained at least 5A\*-C grades including English and Mathematics
- **27 %** of all the grades were A\*/A

These results are a reflection of the hard work, determination and commitment of our staff, students and their parents. We are delighted that the majority of these students returned to continue their education in our Sixth Form.

GCSEs Trends	2010	2011	2012	2013	2014	Trend
3 A* - A	40.1%	44%	41%	39%	41%	↑
5 A* - C	81.7%	82%	84%	83%	86%	↑
9 + A*-C achieved	64.9%	59%	61%	67%	66%	↓
5 A*-C incl. En & Ma	74.3%	74%	61%	73%	74%	↑
Expected progress in Eng	78%	87%	59%	66%	75%	↑
Expected progress in Ma	83%	81%	73%	83%	85%	↑
A*-C in a Language	66.8%	48%	54%	63%	63%	=
GCSE Eng A* - C	84%	85%	70%	76%	77%	↑
GCSE Maths A* - C	81%	83%	75%	90%	88%	↓
A*-G Eng	98%	98%	100%	99%	98%	↓
A*-G Ma	98%	98%	100%	100%	99%	↓
A*-G Ma and Eng	98%	97%	100%	99%	98%	↓
5 A*-G incl. En & M	97%	97%	98%	98%	98%	=
5 A*-G	97%	97%	98%	98%	99%	↑
1 A*-G	100%	100%	100%	100%	100%	=
Av points per candidate	447	438	509	506	493	↓
Av points per entry	44.3	44	43.9	43.9	46	↑
GCSE Maths and Eng	75.4%	75%	62%	75%	74%	↓
GCSE Maths but not English	7.3%	5%	12%	16.40%	14%	↓
GCSE English but not Maths	4.4%	6%	8%	1.10%	3%	↑
Neither GCSE Ma/Eng	12.7%	11.6%	16.7%	9%	9%	=
EBacc	n/a	32%	28%	34%	40%	↑

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**TEACHING AND LEARNING**

100% lessons observed are good or outstanding (OfSTED 2014). A broad range of questioning strategies is used to encourage students to develop ideas and deepen understanding. Clear, regular, recorded feedback that explains how well students are doing and how to improve work is provided, with follow up feedback to ensure students are using it to improve their work

**BEHAVIOUR AND SAFETY**

Attendance:

Target of 95%

Actual attendance for the year was 96.6%

Exclusions:

Target of very low % exclusions compared to National Average

Actual exclusions: Permanent: 0 and Fixed term: 1

**OTHER ACHIEVEMENTS**

**Primary School Development**

The Piggott Church of England School's application to Wokingham Borough Council to run the new Primary School in Charvil was approved in December 2012; this was followed by approval from the DFE to extend our age range to become an all through school for pupils aged 4 to 18. In September 2013, the Primary School opened to 23 Reception pupils and the building of the school was fully completed in February 2014. The successful first year was celebrated with an official opening in July by the Home Secretary, the Rt Hon Theresa May, MP.

**School Site Development**

Plans to improve the physical resources of the school and provide students with a learning environment appropriate for the 21<sup>st</sup> Century continued with the refurbishment of old Maths classrooms to provide three dedicated and fully equipped ICT suites.

Planning permission was granted to install a synthetic football pitch; this was followed by a successful application for grant funding from the Football Foundation. This project is in collaboration with local football clubs and will be an asset to the school and local community. The installation of the pitch is scheduled for 2014-15.

**Students**

1. Over £16,000 was raised for charities including WWF, Children in Need, and smaller local charities. Christmas boxes were donated to local charities to support the elderly.
2. The School works closely with Twyford Charities together, supporting the local charities which make up the consortium, Age Concern, Daisy's Dream, Camp Mohawk, and Building for the Future. By being a member of the group, the school also benefits from collaborative fundraising.
3. Students visited schools in France, Germany, and Spain, and return visits were made by students from those schools.
4. A group of Sixth Form students took part in an enrichment trip to Kenya
5. Two students took part in a Holocaust experience, which included a trip to Auschwitz. The students have since become official ambassadors for the Holocaust Memorial Trust and have used the experience to put together a programme of assemblies at school.
6. Extensive leadership opportunities were offered in all year groups especially in the Arts, Sport, MFL and personal development (prefects, mentors, reading buddies etc).

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7. Further leadership opportunities have been possible with Secondary School pupils working on projects with the Primary School pupils.
8. Student performances were strong in music, drama and the visual arts.

**Sporting Achievements**

Successes were enjoyed in a variety of team and individual activities:

- U13 Girls Berkshire Indoor Cricket Finalists
- U14 Girls Football East Berkshire Finalists
- YR 7 Boys and Girls Berkshire Cross Country Champions
- YR 7 Girls Finalist of the Reading Swift Netball League
- YR 8 Boys County Cup Rugby Champions
- YR 8 Boys East Berkshire League Champions
- U18 Boys Football County League Champions
- Athletics – Senior & Junior Team honours at the Reading & District Athletics Championships

**Staff Development**

1. In 2013 – 14 we successfully trained seven new teachers of whom three are now employed at the school. Two of these were our salaried trainees.
2. Thirteen newly Qualified Teachers successfully passed their Induction year.
3. Several staff contribute to the wider training provision for teachers in the Wokingham Federation of Schools
4. The successful twilight INSET programme has been continued, delivered by colleagues for colleagues and helping to spread good practice across the school, and provide effective and value for money CPD opportunities.
5. There are many examiners in the school, including some at a very senior level; it has been found that colleagues working for Exam Boards are able to share vital information at a time of confusion from other sources. Working for an awarding body is extremely challenging and is a good opportunity to see how well candidates are prepared for exams in other schools.
6. 20% of teaching staff have contributed to primary outreach, within a variety of teaching and leadership programmes. This builds strong relationships in the community as well as offering outstanding professional development opportunities.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
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**FINANCIAL REVIEW**

**Financial Report for the Period**

During the period The Piggott Church of England School received income of £7,299,968 in respect of funding for the Academy's educational operations.

Assets were transferred from Wokingham Borough Council for the establishment of Charvil Primary School to the value of £3,464,838.

The Piggott Church of England School generated its own funds for unrestricted use through the letting of sports facilities. Income from this totalled £32,226.

In addition £7,659 was received in respect of bank interest.

Total income therefore amounted to £11,134,063. Expenditure amounted to £8,000,946 in respect of operating The Piggott Church of England School.

**Financial Position**

Piggott School held fund balances at 31 August 2014 of £21,205,606 comprising a deficit of £878,078 of restricted general funds (after recognition of FRS 17 Pension deficit), £21,491,171 of restricted fixed asset funds, £592,513 of unrestricted funds (the last of which represents the level of free reserves held by the school).

**Going Concern**

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

**Reserves Policy**

The Governors review the reserve levels of the Academy annually. The Governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services, to maintain and enhance school's premises and infrastructure and to fund future projects. The Governors intend to review the reserves policy annually to ensure that this aim can be achieved.

In respect of any surplus or deficit recognised in relation to the Academy's share of the Local Government Pension Scheme, this would generally result in a cash flow effect for the Academy in the form of an increase or decrease in employer's pension contributions over a number of years. This year a deficit of £1,183,000 has been recognised in the accounts; this does not represent an immediately realisable liability that requires payment.

**Investment Policy**

The school does not operate an investment policy but seeks to maximise returns, minimise risk and maintain flexibility and access to funds.

The Governors, acting as Trustees, confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

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**A CHANGE IN HEADSHIP**

In January 2014 Mrs Hilary Winter informed the Governors of her intention to retire at the end of the Academic year, 31<sup>st</sup> August 2014. As Headteacher at The Piggott Church of England School for seven years Mrs Winter made an enormous contribution to the development of the school.

The Governing Body appointed a recruitment panel, and following a rigorous and smooth recruitment process appointed Mr Derren Gray to the position of Headteacher of The Piggott Church of England School.

Mr Gray was a Deputy Head at Burnham Grammar School for eleven years and was involved in many aspects of school leadership, including curriculum development, staff training and resource management. He was instrumental in Burnham Grammar School's conversion to academy status in 2011 and has led a number of successful grant applications for additional school funding.

Mr Gray took up his post in September 2014 at the start of the academic year.

**PLANS FOR FUTURE PERIODS**

Interest from parents wishing to enrol their children in The Piggott Church of England School, Charvil in September 2015 has been good and we anticipate a full EYFS2 class starting in September 2015. The school will grow by a class each year until 2020, when the expected pupil numbers will be circa 210. Programmes at the primary school,, Charvil will complement and enhance the exiting strong links we have with other local primary schools in the North Wokingham cluster.

The School also has strong working relationships with other secondary schools within the Wokingham Federation of Secondary Schools.

Capital investments to improve the learning environment will continue with refurbishment and remodelling of existing parts of the school.

Planning application has been made to install a synthetic football pitch. The installation will be made in 2015 following a successful matched funding bid from the Football Association. This project is in collaboration with local football clubs and will be an asset to the school and local community.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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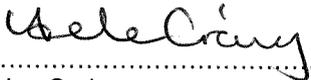
**DISCLOSURE OF INFORMATION TO AUDITORS**

The Governors who held office at the date of approval of this Governors' report confirm that so far as they are aware, there is no relevant audit information of which the Academy's auditors are unaware, and each Governor has taken all steps that he/she ought to have taken as a Governor to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The appointment of the current auditors, Crowe Clark Whitehill LLP, will be continued in accordance with Section 487(2) of the Companies Act 2006.

The report of the Governors, incorporating a strategic report, was approved by order of the board of the Governors, as the company directors, on .....18<sup>th</sup> December 2014... and signed on the board's behalf by:



.....  
Helen Craig  
**Chair of Governors**

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**Scope of Responsibility**

The Governing Body accepts overall responsibility for ensuring that The Piggott Church of England School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Piggott Church of England School and the Secretary of State for Education. The Accounting Officer is 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 Report of the Governors and in the Statement of Governors' Responsibilities. The Governing Body has formally met 7 times during the period. Attendance during the period at meetings of the Governing Body was:

<b>GOVERNOR</b>	<b>ROLE</b>	<b>ATTENDANCE</b>
Miss Alex Cockett	Parent	1 of 1
Revd John Cook	Foundation	4 of 7
Mrs Helen Craig	Foundation	7 of 7
Mr Rhys Driscoll	Staff	1 of 1
Mr John Duffield	Foundation	5 of 5
Mrs Helen Eavery	Foundation	5 of 6
Mr Stephen Giles	Parent	7 of 7
Mr Jim Goldie	Foundation	0 of 1
Mr Brian Griffin	Foundation	6 of 7
Mr Adam Hamflett	Staff - Teacher	6 of 7
Revd Simon Howard	Foundation	6 of 7
Mr Gary Hughes	Foundation	1 of 1
Ms Karen Mackin	Foundation	2 of 2
Miss Sarah Parsons	Staff - Teacher	6 of 7
Mr Trevor Payne	Staff - Support	5 of 6
Mr Simon Powell	Foundation	1 of 2
Mrs Helen Price	Community	3 of 5
Mr Chris Satchwill	Foundation	4 of 6
Mrs Ester Saxton	Foundation	3 of 3
Mrs Jacqui Staig	Parent	4 of 5
Mr Richard Thiele	Parent	3 of 6
Revd Alison Waters	Foundation	5 of 7
Mrs Hilary Winter	Head Teacher	7 of 7
Mrs Julie Anne Woods	Foundation	4 of 7
Mr David Woolnough	Parent	5 of 7

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**Governance Reviews**

The Governing body regularly reviews its structure and composition. With a change of Chair in September 2013, a thorough review of the organisation of the Governing body was undertaken, and a new structure based on Lead Governors replacing committees was implemented. This structure matches Governors' skills with areas of responsibility, and allows for continuous accountability.

**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 the Academy Trust'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 has been in place in the school for the year ended 31 August 2014 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 ended 31<sup>st</sup> August 2014 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 Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**Review of Effectiveness**

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

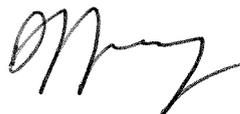
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- and the work of the managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on.....18<sup>th</sup> December 2014.....  
and signed on its behalf by:



Helen Craig  
**Chair of Governors**



Derren Gray  
**Accounting Officer**

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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As Accounting Officer of The Piggott Church of England School I have considered my responsibility to notify the governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the school 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 governing body are able to identify any material irregular or improper use of funds by the school, or material non-compliance with the terms and conditions of funding under the school's funding agreement and the Academies Financial Handbook.

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



.....  
Derren Gray  
**Accounting Officer**

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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The Governors (who are also directors of The Piggott Church of England School for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 charitable company for that period. In preparing these financial statements, the Governors are required to:

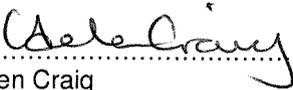
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures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

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

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

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

Approved by order of the members of the governing body on 18<sup>th</sup> December 2014 and signed on its behalf by:

  
.....  
Helen Craig  
**Chair of Governors**

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF THE PIGGOTT CHURCH OF ENGLAND SCHOOL**

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We have audited the financial statements of The Piggott School for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 26.

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 Annual Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of governors and auditor**

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

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

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Governors' Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF THE PIGGOTT CHURCH OF ENGLAND SCHOOL (CONTINUED)

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#### Opinion on financial statements

In our opinion the financial statements:

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

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report and Strategic 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
- the financial statements 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.



Janette Joyce  
Senior Statutory Auditor

For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

Date: 18.12.14

## **INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING BODY OF THE PIGGOTT CHURCH OF ENGLAND SCHOOL AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 15 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by The Piggott Church of England School during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of The Piggott Church of England School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Piggott Church of England School's funding agreement with the Secretary of State of Education and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 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 a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

**INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING BODY OF THE  
PIGGOTT CHURCH OF ENGLAND SCHOOL AND THE EDUCATION FUNDING AGENCY**

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

Crowe Clark Whitehill LLP

**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

Date: 18.12.14

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Notes	Un- restricted Funds £	Restricted Funds General £	Restricted Fixed Asset Funds £	2014 Total £	2013 Total £
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	-	141,370	-	<b>141,370</b>	355,939
Voluntary income: Transfer of primary school from Local Authority		-	-	3,464,838	<b>3,464,838</b>	-
Activities for generating funds	3	32,226	188,002	-	<b>220,228</b>	153,792
Investment income	4	7,659	-	-	<b>7,659</b>	14,870
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	<u>7,137,699</u>	<u>162,269</u>	<b><u>7,299,968</u></b>	<u>7,388,257</u>
<b>Total incoming resources</b>		<u>39,885</u>	<u>7,467,071</u>	<u>3,627,107</u>	<b><u>11,134,063</u></b>	<u>7,912,858</u>
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income	6	(16,836)	-	-	<b>(16,836)</b>	(15,312)
<i>Charitable activities:</i>						
Academy's educational operations	8	(4,547)	(7,225,015)	(733,521)	<b>(7,963,083)</b>	(7,488,876)
Governance costs	12	-	<u>(21,027)</u>	-	<b><u>(21,027)</u></b>	<u>(31,211)</u>
<b>Total resources expended</b>	6	<u>(21,383)</u>	<u>(7,246,042)</u>	<u>(733,521)</u>	<b><u>(8,000,946)</u></b>	<u>(7,535,399)</u>
<b>Net incoming resources before transfers</b>		18,502	221,029	2,893,586	<b>3,133,117</b>	377,459
Gross transfers between funds	16	-	<u>(121,667)</u>	<u>121,667</u>	-	-
<b>Net incoming resources before other recognised gains and losses</b>		<u>18,502</u>	<u>99,362</u>	<u>3,015,253</u>	<b><u>3,133,117</u></b>	<u>377,459</u>
<b>Other recognised gains and losses</b>						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	<u>(121,000)</u>	-	<b><u>(121,000)</u></b>	<u>(73,000)</u>
<b>Net movement in funds</b>		18,502	(21,638)	3,015,253	<b>3,012,117</b>	304,459
<b>Funds brought forward at 1 September 2013</b>		<u>574,011</u>	<u>(796,096)</u>	<u>18,475,918</u>	<b><u>18,253,833</u></b>	<u>17,949,374</u>
<b>Funds carried forward at 31 August 2014</b>	16	<u>592,513</u>	<u>(817,734)</u>	<u>21,491,171</u>	<b><u>21,265,950</u></b>	<u>18,253,833</u>

All the Academy's activities are derived from continuing operations in the current financial period.

The notes on pages 28 – 46 form part of these financial statements

COMPANY NUMBER: 07494754  
**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**BALANCE SHEET**  
**31 AUGUST 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	13	<u>21,491,171</u>	<u>18,396,418</u>
<b>Current assets</b>			
Debtors	14	315,642	280,151
Cash at bank and in hand		<u>1,227,603</u>	<u>1,600,509</u>
		1,543,245	1,880,660
<b>Current liabilities</b>			
<b>CREDITORS:</b> amounts falling due within one year	15	<u>(585,466)</u>	<u>(1,091,245)</u>
<b>Net current assets</b>		<u>957,779</u>	<u>789,415</u>
<b>Total assets less current liabilities</b>		<u>22,448,950</u>	<u>19,185,833</u>
<b>Net assets excluding pension liability</b>			
Pension scheme liability	26	<u>(1,183,000)</u>	<u>(932,000)</u>
<b>Net assets including pension liability</b>		<u>21,265,950</u>	<u>18,253,833</u>
<b>Restricted funds</b>			
General fund	16	365,266	135,904
Pension deficit	16	(1,183,000)	(932,000)
Fixed asset fund	16	<u>21,491,171</u>	<u>18,475,918</u>
<b>Total restricted funds</b>		<u>20,673,437</u>	<u>17,679,822</u>
<b>Unrestricted funds</b>			
General funds	16	<u>592,513</u>	<u>574,011</u>
<b>Total funds</b>	17	<u>21,265,950</u>	<u>18,253,833</u>

The financial statements were approved by the Governors and authorised for issue on .....  
 18<sup>th</sup> December 2014 ..... and are signed on their behalf by

  
 .....  
 Helen Craig  
 Governor

The notes on pages 28 - 46 form part of these financial statements

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
<b>Net cashflow from operating activities</b>	22	(179,398)	1,200,527
<b>Returns on investments and servicing of finance</b>	23	7,659	14,870
<b>Capital expenditure</b>	24	<u>(201,167)</u>	<u>(1,320,790)</u>
<b>Decrease in cash</b>		<u>(372,906)</u>	<u>(105,393)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Decrease in cash		<u>(372,906)</u>	<u>(105,393)</u>
<b>Change in net funds</b>			
Net funds at 1 September 2013		<u>1,600,509</u>	<u>1,705,902</u>
<b>Net funds at 31 August 2014</b>		<u>1,227,603</u>	<u>1,600,509</u>
<b>Analysis of changes in net funds</b>			
	<i>At</i> <i>1 September</i> <i>2013</i>	<b>Cash</b> <b>Flow</b>	<b>At 31</b> <b>August</b> <b>2014</b>
Cash in hand and at bank	<u>1,600,509</u>	<u>(372,906)</u>	<u>1,227,603</u>

All of the Academy's cash flows are derived from continuing operations in the current financial period.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. 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 and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA 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 certainty.

**Grants Receivable**

Grants receivable 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.

**General Annual Grant**

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**

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

**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 reasonable certainty and are receivable at the balance sheet date.

**Other income**

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

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

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**Incoming resources (continued)**

**Donated Services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which 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's policies.

In respect of buildings transferred to the Academy from its previous form as a Foundation School, the open market value of this has been included within voluntary income under the Restricted Fixed Asset Fund. The cost of the building is depreciated over 50 years.

**Resources expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to a particular 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 Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**Tangible Fixed Assets**

Assets costing £1,000 or more, which have been acquired since the Academy was established, 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 the 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 lives, as follows:

Freehold land and buildings	2%
Fixtures and fittings	10%
Motor Vehicles	25%
Plant and machinery	25%
Computer equipment	33%

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**Tangible Fixed Assets (continued)**

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

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

**Leased assets**

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

**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.

**Teachers' Pension Scheme**

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

**Local Government Pension Scheme**

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.

**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 comprise grants from the EFA and other donors which are to be used for specific purposes.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**2. VOLUNTARY INCOME**

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Capital grant – non government	-	-	-	194,239
Other grants	-	15,460	15,460	-
Donations	-	48,709	48,709	81,689
Training grant – non government	-	77,201	77,201	80,011
	<u>-</u>	<u>141,370</u>	<u>141,370</u>	<u>355,939</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Supply teaching	-	130,022	130,022	65,485
School activities	-	11,681	11,681	6,745
Sales materials	-	13,985	13,985	21,643
Examination fees	-	5,464	5,464	14,607
Catering income	-	3,191	3,191	790
Hire of facilities	32,226	-	32,226	36,306
Other income	-	23,659	23,659	8,216
	<u>32,226</u>	<u>188,002</u>	<u>220,228</u>	<u>153,792</u>

**4. INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Bank interest	<u>7,659</u>	<u>-</u>	<u>7,659</u>	<u>14,870</u>

**5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
<b>Capital grants</b>	<u>-</u>	<u>162,269</u>	<u>162,269</u>	<u>223,858</u>
<b>DfE / EFA revenue grants</b>				
General Annual Grant (GAG)	-	6,488,689	6,488,689	6,632,711
Other DfE / EFA grants	<u>-</u>	<u>88,694</u>	<u>88,694</u>	<u>84,033</u>
		6,577,383	6,577,383	6,716,744
<b>Other Government grants</b>				
Other grants	<u>-</u>	<u>289,019</u>	<u>289,019</u>	<u>186,004</u>
Total grants	<u>-</u>	<u>7,028,671</u>	<u>7,028,671</u>	<u>7,126,606</u>
Trip income	<u>-</u>	<u>271,297</u>	<u>271,297</u>	<u>261,651</u>
Total	<u>-</u>	<u>7,299,968</u>	<u>7,299,968</u>	<u>7,388,257</u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**6. RESOURCES EXPENDED**

	Staff costs £	Premises £	Other costs £	2014 Total £	2013 Total £
Activities for generating funds <b>Academy's educational operations</b>	16,836	-	-	<b>16,836</b>	15,312
Direct costs	4,127,417	733,521	417,642	<b>5,278,580</b>	4,844,533
Allocated support costs	1,420,819	766,598	497,086	<b>2,684,503</b>	2,644,343
Governance costs including allocated support costs	-	-	21,027	<b>21,027</b>	31,211
<b>Total</b>	<b><u>5,565,072</u></b>	<b><u>1,500,119</u></b>	<b><u>935,755</u></b>	<b><u>8,000,946</u></b>	<b><u>7,535,399</u></b>

The method used for the apportionment of support costs is disclosed in the accounting policies (note 1).

**7. SURPLUS FOR THE YEAR**

Surplus for the year is stated after charging:-

	2014 £	2013 £
Operating leases - other	20,283	20,283
Auditor's remuneration for audit services	11,550	11,300
Auditor's remuneration for other services	<u>1,740</u>	<u>6,875</u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**8. ACADEMY'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2014 £</b>	<i>Total 2013 £</i>
<b><i>Direct costs</i></b>				
Teaching and educational support staff costs	-	4,127,417	<b>4,127,417</b>	3,885,943
Depreciation	-	733,521	<b>733,521</b>	567,661
Educational supplies	-	196,129	<b>196,129</b>	184,316
Child support	-	38,249	<b>38,249</b>	33,570
Staff development	-	35,710	<b>35,710</b>	30,802
Examination fees	-	131,855	<b>131,855</b>	129,890
Other direct costs	-	15,699	<b>15,699</b>	12,351
	<u>-</u>	<u>5,278,580</u>	<u><b>5,278,580</b></u>	<u>4,844,533</u>
<b><i>Allocated support costs</i></b>				
Support staff costs	-	1,420,819	<b>1,420,819</b>	1,280,864
Recruitment and support	-	61,189	<b>61,189</b>	30,284
Maintenance of premises and equipment	-	236,959	<b>236,959</b>	424,561
Cleaning	-	158,460	<b>158,460</b>	114,749
Rent & rates	-	151,896	<b>151,896</b>	137,756
Insurance	-	52,045	<b>52,045</b>	45,643
Security and transport	-	17,081	<b>17,081</b>	28,636
Catering	-	31,867	<b>31,867</b>	30,693
School activities	-	219	<b>219</b>	29,418
School trips	-	221,198	<b>221,198</b>	261,651
Bank charges	4,547	-	<b>4,547</b>	3,869
IT costs	-	154,962	<b>154,962</b>	119,304
Printing, postage, stationery	-	40,203	<b>40,203</b>	50,147
Other support costs	-	133,058	<b>133,058</b>	86,768
	<u>4,547</u>	<u>2,679,956</u>	<u><b>2,684,503</b></u>	<u>2,644,343</u>
	<u>4,547</u>	<u>7,958,536</u>	<u><b>7,963,083</b></u>	<u>7,488,876</u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**9. STAFF**

**Staff costs**

	2014 £	2013 £
Staff costs during the year were:		
Wages and salaries	4,509,864	4,211,027
Social security costs	260,251	281,428
Pension costs	688,592	623,370
Other staff	<u>106,365</u>	<u>66,294</u>
	<u><b>5,565,072</b></u>	<u><b>5,182,119</b></u>

	2014 No.	2013 No.
<b>Charitable Activities</b>		
Teachers	93	75
Administration and support	45	48
Management	<u>7</u>	<u>7</u>
	<u><b>145</b></u>	<u><b>130</b></u>

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

	2014 No.	2013 No.
£60,001 - £70,000	1	2
£90,001 - £100,000	<u>1</u>	<u>1</u>

2 (2013: 3) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these members of staff amounted to £64,986 (2013: £37,072).

Of the above employees earning more than £60,000 per annum, none participated in the Local Government Pension Scheme during the year ended 31 August 2014.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**10. GOVERNORS' REMUNERATION AND EXPENSES**

Executive Head Teacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Executive Head Teacher and staff and not in respect of their services as governors.

The value of the Executive Head Teacher's remuneration was £90,000 to £95,000.

The value of staff governors' remuneration was as follows:

S Parsons	£45,000 - £50,000
A Hamflett	£45,000 - £50,000
T Payne	£15,000 - £20,000
R Driscoll	£ 5,000 - £10,000

During the year ended 31 August 2014, travel and subsistence expenses were reimbursed to governors totalling £50 (2013: £453).

Related party transactions involving governors are set out in note 25.

**11. 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was included in total insurance costs.

**12. GOVERNANCE COSTS**

	2014 £	2013 £
Legal and Professional fees	4,722	10,486
Audit remuneration:		
Audit of financial statements	11,550	11,300
Responsible officer reviews	-	1,950
Other services	1,740	4,925
Governors' meeting costs	<u>3,015</u>	<u>2,550</u>
	<u><u>21,027</u></u>	<u><u>31,211</u></u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**13. TANGIBLE FIXED ASSETS**

	<b>Land and Buildings £</b>	<b>Fixture and Fittings £</b>	<b>ICT</b>	<b>Total £</b>
<b>Cost</b>				
At 1 September 2013	16,651,351	2,651,731	236,529	<b>19,539,611</b>
Additions	<u>3,680,095</u>	<u>80,161</u>	<u>68,018</u>	<u><b>3,828,274</b></u>
At 31 August 2014	<u>20,331,446</u>	<u>2,731,892</u>	<u>304,547</u>	<u><b>23,367,885</b></u>
<b>Depreciation</b>				
At 1 September 2013	550,520	554,470	38,203	<b>1,143,193</b>
Charged in period	<u>371,465</u>	<u>270,581</u>	<u>91,475</u>	<u><b>733,521</b></u>
At 31 August 2014	<u>921,985</u>	<u>825,051</u>	<u>129,678</u>	<u><b>1,876,714</b></u>
<b>Net book value</b>				
At 31 August 2014	<u>19,409,461</u>	<u>1,906,841</u>	<u>174,869</u>	<u><b>21,491,171</b></u>
At 1 September 2013	<u>16,100,831</u>	<u>2,097,261</u>	<u>198,326</u>	<u><b>18,396,418</b></u>

Included within Brought Forward Fixed Assets is recognition of the value of the land and buildings transferred to the Academy from its predecessor form as a Foundation School. The value recognised is in accordance with a formal valuation undertaken by the DFE that took place on 31 August 2012, totalling £15,017,203 before adjustment for actual contract costs incurred in respect of the Sixth Form block.

Included within Fixed Asset Additions is recognition of the value of the Charvil Primary School land and buildings transferred to the Academy. The value recognised is in accordance with the insurance valuation undertaken in the year totalling £3,396,900. This value has been grossed up by the depreciation charge for one year to £3,464,838.

Depreciation has been charged to 31 August 2014 on buildings on a straight line basis over 50 years.

**14. DEBTORS**

	<b>2014 £</b>	<b>2013 £</b>
Trade debtors	<b>117,911</b>	35,749
Other debtors	<b>114,312</b>	149,870
Prepayments	<u><b>83,419</b></u>	<u>94,532</u>
	<u><b>315,642</b></u>	<u>280,151</u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**15. CREDITORS:** amounts falling due within one year

	2014 £	2013 £
Trade Creditors	285,018	485,027
Other taxation and social security	177,995	93,637
Other creditors	90,908	168,750
Accruals	<u>31,545</u>	<u>343,831</u>
	<u><b>585,466</b></u>	<u><b>1,091,245</b></u>

**16. STATEMENT OF FUNDS**

	Balance at 1 September 2013 £	Incoming Resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31 August 2014 £
<b>Restricted General Funds</b>					
General Annual Grant	129,940	6,488,689	(6,250,500)	(121,667)	246,462
Other EFA grants	-	88,694	(88,694)	-	-
Other grants	-	526,134	(526,134)	-	-
Pension reserve	(932,000)	-	(130,000)	(121,000)	(1,183,000)
School Fund	<u>5,964</u>	<u>363,554</u>	<u>(250,714)</u>	<u>-</u>	<u>118,804</u>
	<u>(796,096)</u>	<u>7,467,071</u>	<u>(7,246,042)</u>	<u>(242,667)</u>	<u>(817,734)</u>
<b>Restricted Fixed Asset Fund</b>					
In kind support - buildings	18,396,418	3,464,838	(371,465)	-	21,489,791
DfE/EFA capital grants	<u>79,500</u>	<u>162,269</u>	<u>(362,056)</u>	<u>121,667</u>	<u>1,380</u>
	<u>18,475,918</u>	<u>3,627,107</u>	<u>(733,521)</u>	<u>121,667</u>	<u>21,491,171</u>
<b>Unrestricted Funds</b>					
Unrestricted funds	<u>574,011</u>	<u>39,885</u>	<u>(21,383)</u>	<u>-</u>	<u>592,513</u>
<b>Total funds</b>	<u>18,253,833</u>	<u>11,134,063</u>	<u>(8,000,946)</u>	<u>(121,000)</u>	<u>21,265,950</u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**16. STATEMENT OF FUNDS (continued)**

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

Restricted General Funds - EFA grants (including GAG), which must be used to meet the cost of running The Piggott Church of England School. 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 2014.

Restricted Other Funds - represents donations and fundraising income generated by the school, which is for restricted use as stipulated by the donor, along with trip income and expenditure.

Unrestricted Funds - represents income generated by the school (such as lettings and hire of facilities) and any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Governing Body.

Restricted Fixed Asset Funds – these funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

The transfer figure of £121,667 from Restricted General Funds to Restricted Fixed Asset Fund represents GAG funding invested in fixed asset additions during the year.

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total £
Tangible fixed assets	-	-	21,491,171	21,491,171
Current assets	592,513	950,732	-	1,543,245
Current liabilities	-	(585,466)	-	(585,466)
Pension scheme liability	-	(1,183,000)	-	(1,183,000)
	<u>592,513</u>	<u>(817,734)</u>	<u>21,491,171</u>	<u>21,265,950</u>

**18. CAPITAL COMMITMENTS**

At 31 August 2014 there were capital commitments of £Nil (2013: £Nil).

**19. FINANCIAL COMMITMENTS**

**Operating leases**

	2014 £	2013 £
<b>Other</b>		
Expiring within two and five years inclusive	<u>20,607</u>	<u>20,283</u>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**20. CONTINGENT LIABILITIES**

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

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

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

**21. MEMBERS' LIABILITIES**

Every member of the charitable company undertakes such amount as may be required (such amount not exceeding £10) to the assets of the company in the event of it being wound up while he or she is a member or within one period after he or she ceases to be a member, for the payment of the Trusts debts and liabilities before he or she ceases to be a member and of the costs charges and expenses of winding up and for the adjustment of the rights of contributions amongst themselves.

**22. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2014	2013
	£	£
Net income	3,012,117	304,459
In kind support - buildings	(3,464,838)	-
Capital grants from DFE	(162,269)	(223,858)
Interest received	(7,659)	(14,870)
Depreciation	733,521	567,661
Movement in FRS 17 liability	251,000	170,000
(Increase) in debtors	(35,491)	(108,702)
(Decrease)/increase in creditors	<u>(505,779)</u>	<u>505,837</u>
<b>Net cash (outflow)/inflow from operating activities</b>	<b><u>(179,398)</u></b>	<b><u>1,200,527</u></b>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**23. RETURNS ON INVESTMENT AND SERVICING OF FINANCE**

	2014 £	2013 £
Interest received	<u>7,659</u>	<u>14,870</u>
<b>Net cash inflow from returns on investment and servicing of finance</b>	<u><b>7,659</b></u>	<u><b>14,870</b></u>

**24. CAPITAL EXPENDITURE**

	2014 £	2013 £
Purchase of tangible fixed assets	<b>(363,436)</b>	<i>(1,544,648)</i>
Capital grants received	<u>162,269</u>	<u>223,858</u>
	<u><b>(201,167)</b></u>	<u><i>(1,320,790)</i></u>

**25. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the board of Governors being linked to local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of Governors may have an interest.

There have been no related party transactions in the year ended 31 August 2014.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**26. PENSIONS AND SIMILAR OBLIGATIONS**

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the Royal County of Berkshire Pension Scheme. 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 was March 2004 and the LGPS, 31 March 2013.

Contributions amounting to £80,711 (2013: 76,683) were payable to the schemes at 31 August 2014 and are included within creditors.

**Teachers' Pension Scheme**

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

**Valuation of the Teachers' Pension Scheme**

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

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

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

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**Teachers' Pension Scheme Changes**

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

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

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

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

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**26. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)**

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £186,000 (2013: £164,000), of which employer's contributions totalled £134,000 (2013: £118,000) and employees' contributions totalled £52,000 (2013: £46,000). The agreed contribution rates for future years are 16.6 per cent for employers and from 5.5 to 7.5 per cent for employees depending on salary. At the year-end £16,463 (2013: £15,292) was accrued in respect of contributions to this scheme.

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.

**Principal actuarial assumptions**

	<b>At 31 August 2014</b>	<i>At 31 August 2013</i>
Rate of increase in salaries	<b>4.5%</b>	<i>4.85%</i>
Rate of increase of pensions in payment / inflation	<b>2.7%</b>	<i>2.9%</i>
Discount rate for scheme liabilities	<b>3.9%</b>	<i>4.7%</i>
Expected return on scheme assets at 31 August	<b>5.9%</b>	<i>5.2%</i>

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

	<b>At 31 August 2014</b>	<i>At 31 August 2013</i>
Retiring today - males	<b>22.7</b>	<i>23.1</i>
Retiring today - females	<b>26.0</b>	<i>25.7</i>
Retiring in 20 years - males	<b>24.9</b>	<i>25.1</i>
Retiring in 20 years - females	<b>28.3</b>	<i>27.6</i>

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**26. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)**

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

	<b>Expected return at 31 August 2014</b>	<b>Fair value at 31 August 2014 £</b>	<i>Expected return at 31 August 2013</i>	<i>Fair value at 31 August 2013 £</i>
Gilts	3.0%	9,000	1.0%	7,000
Equities	6.7%	366,000	6.3%	308,000
Other bonds	3.6%	127,000	4.4%	154,000
Property	5.5%	105,000	4.3%	66,000
Cash	2.9%	29,000	0.5%	7,000
Alternative assets	n/a	n/a	4.7%	190,000
Target return portfolio	6.7%	145,000	n/a	n/a
Commodities	6.7%	74,000	n/a	n/a
Infrastructure	3.6%	38,000	n/a	n/a
Longevity insurance	2.9%	<u>(32,000)</u>	n/a	<u>n/a</u>
<b>Total market value of assets</b>		<b>861,000</b>		<b>732,000</b>
Present value of scheme liabilities				
- Funded		<u>(2,044,000)</u>		<u>(1,664,000)</u>
<b>(Deficit) in the scheme</b>		<b><u>1,183,000</u></b>		<b><u>(932,000)</u></b>

The actual return on scheme assets was £78,000.

**The amounts included within the Statement of Financial Activities would be as follows:**

	<b>2014 £</b>	<i>2013 £</i>
Current service cost	<b>223,000</b>	188,000
Past service gain	<u>-</u>	<u>-</u>
Total operating charge	<b><u>223,000</u></b>	<b><u>188,000</u></b>
<b>Analysis of pension finance income / (costs)</b>		
Expected return on scheme assets	<b>(43,000)</b>	<i>(27,000)</i>
Interest on pension liabilities	<b><u>84,000</u></b>	<i><u>54,000</u></i>
<b>Pension finance income / (costs)</b>	<b><u>41,000</u></b>	<i><u>27,000</u></i>

The Piggott Church of England School expects to contribute £129,000 to its defined benefit pension scheme in 2015.

The actuarial gains and losses for the current period (£73,000 loss) are recognised in the statement of financial activities. The cumulative amount of gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £288,000 loss.

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**26. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)**

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

	2014 £	2013 £
<b>At 1 September</b>	<b>1,664,000</b>	<b>1,282,000</b>
Current service cost	223,000	188,000
Interest cost	84,000	54,000
Estimated benefits paid (net of transfers in)	(19,000)	(1,000)
Employee contributions	52,000	46,000
Actuarial (gain)/loss	<u>40,000</u>	<u>95,000</u>
<b>At 31 August</b>	<b><u>2,044,000</u></b>	<b><u>1,664,000</u></b>

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

	2014 £	2013 £
<b>At 1 September</b>	<b>732,000</b>	<b>520,000</b>
Expected return on assets	43,000	27,000
Actuarial gain/(loss)	(81,000)	22,000
Estimated benefits paid (net of transfers in)	(19,000)	(1,000)
Employer contributions	134,000	118,000
Employee contributions	<u>52,000</u>	<u>46,000</u>
<b>At 31 August</b>	<b><u>861,000</u></b>	<b><u>732,000</u></b>

**THE PIGGOTT CHURCH OF ENGLAND SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**26. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)**

The history of experience adjustments is as follows:

	2014	2013
	£	£
<b>Present value of defined benefit obligations</b>	<b>(2,044,000)</b>	(1,664,000)
<b>Fair value of share of scheme assets</b>	<u><b>861,000</b></u>	<u>732,000</u>
<b>Deficit in the scheme</b>	<u><b>(1,183,000)</b></u>	<u>(932,000)</u>
<b>Experience adjustments on share of scheme assets</b>		
Amount £	<u><b>(81,000)</b></u>	<u>22,000</u>
<b>Experience adjustments on scheme liabilities:</b>		
Amount £	<u><b>(21,000)</b></u>	<u>-</u>

As described above the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.