

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**For the Year Ended 31 August 2014**

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

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**THE WHITE HILLS PARK FEDERATION TRUST**  
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**Reference and Administrative Details of the Academy Trust, its Directors and Advisers**  
**For the Year Ended 31 August 2014**

**Members**

T Launchbury  
S Theobald  
S Tonks  
M Wallace  
A Bird (appointed 1 September 2014)  
C Day (appointed 1 September 2014)  
J Macdonald  
K Sandy  
C Heath

**Directors of the Trust**

T Launchbury, Chair<sup>1</sup>  
S Theobald, Vice Chair<sup>1</sup>  
K Dean, Chief Executive Officer (resigned 31 December 2013)  
P Heery, Chief Executive Officer (appointed 1 January 2014)<sup>1</sup>  
Z Armitage  
A Bird<sup>1</sup>  
R Brittle  
C Day  
J Francis  
C Heath  
S Heptinstall<sup>2</sup>  
T Jones<sup>2</sup>  
S Limbachia<sup>1</sup>  
J Macdonald<sup>1</sup>  
C Peebles<sup>2</sup>  
W Plimmer  
K Sandy  
S Tonks<sup>1</sup>  
M Wallace<sup>1</sup>  
C Welch

<sup>1</sup> members of the Resources Committee

<sup>2</sup> members of the Audit Committee

**Company secretary**

M Powell

**Senior management team**

Executive Headteacher, K Dean (resigned 31/12/2013)  
Executive Headteacher, P Heery (appointed 01/01/2014)  
Head of School - Alderman White, N Caley  
Head of College - Bramcote College, J Macdonald  
Head of School - The Bramcote School, M Oliver  
Deputy Executive Headteacher - Community, K Stephan  
Head of Educational Support, M Powell

**Principal and registered office**

Moor Lane, Bramcote, Nottingham, Nottinghamshire, NG9 3GA

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**Reference and Administrative Details of the Academy Trust, its Directors and Advisers**  
**For the Year Ended 31 August 2014**

**Administrative details (continued)**

**Independent auditors**

Smith Cooper Limited, 2 Lace Market Square, Nottingham, NG1 1PB

**Bankers**

Lloyds Banking Group Plc, Manchester, M15 4PU

**Solicitors**

Flint Bishop LLP, St. Michael's Court, St. Michael's Lane, Derby, DE1 3HQ

**THE WHITE HILLS PARK FEDERATION TRUST**  
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**Directors' Report**  
**For the Year Ended 31 August 2014**

The Directors present their annual report together with the audited financial statements and auditor's reports for The White Hills Park Federation Trust for the ended 31 August 2014. The Directors confirm that the Annual Report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust operates two secondary academies in Bramcote, Nottingham. Its academies have a combined pupil capacity of 2,220 (Including 300 Post 16 places). One academy provides education to students in the age range 11 – 16, serving the catchment areas of Stapleford and Trowell. The other academy serves the Beeston area of Nottingham and provides education for the 11 – 16 age range on a split site. The Academy Trust's sixth form provision is available for students throughout Nottingham.

**Structure, governance and management**

**a. CONSTITUTION**

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

The Directors act as the Trustees for the charitable activities of The White Hills Park Federation Trust and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as The White Hills Park Federation Trust.

The Academy Trust was incorporated on 30 August 2012 and commenced activities on 1 October 2012. The Academy Trust comprises the following academies:

Alderman White School  
The Bramcote School

**b. MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

**c. DIRECTORS' INDEMNITIES**

The Directors have liability insurance with Chubb Insurance Company of Europe SE, 106 Fenchurch Street London, EC3M 5NB effective from 1 October 2013 to 30 September 2014.

There is a limit of indemnity of £1,000,000.

**THE WHITE HILLS PARK FEDERATION TRUST**  
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**Directors' Report (continued)**  
**For the Year Ended 31 August 2014**

**d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF DIRECTORS**

The Members are Directors of the company for the purposes of the Companies Act 2006 and Trustees for the purpose of charity legislation.

The Company shall have the following Directors:

- The Members may appoint up to 30 Directors.
- The Members may appoint staff Directors that may not exceed one third of the total number of Directors
- The Chief Executive Officer
- A minimum of 4 Parent Directors

Staff Directors are appointed through seeking volunteers and if appropriate undertaking an election process. Parent Directors are sought through an election process. The Directors may appoint Parent Directors if the number of parents standing for election is less than the number of vacancies.

**e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF DIRECTORS**

The Academy Trust provides an induction booklet for all new Directors. The Directors have appointed a training Director who manages the training needs of the board.

**f. ORGANISATIONAL STRUCTURE**

The Directors of the Academy Trust are responsible for setting general policy, making decisions about the strategic direction of the Academy Trust, capital expenditure and the appointment of the Executive Headteacher. The Directors have agreed a scheme of delegation of responsibilities to the committees of the Academy Trust. The Committees are:

- Achievement and Standards Committee
- Audit Committee
- Pay Committee
- Resources Committee
- Student Committee

All committees report back to the Board of Directors. All Directors are provided with copies of policies, procedures, minutes, budgets, audited accounts and other documents as appropriate that they need to effectively undertake their role as a Director.

**g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

In line with FRS8 the Trust must declare all relevant connections and related party interests in the period. The Trust does not have any connected organisations that are financially connected to the Trust.

Related parties of the Academy Trust include:

- Trustees and close members of their family
- Key management of the Academy Trust and close members of their family
- Other entities over which such individuals have control, joint control or significant influence

Declarations of related party interests were made by a staff member and a Trustee in the period, in relation to companies that provide services to the Trust. It was deemed by the Trustees and the management team that there were sufficient appropriate safeguards in place within the Academy Trust to ensure that these relationships did not prejudice procurement decisions. However, further guidance was sought directly from the EFA in relation to one of the declarations, to ensure that the ongoing business relationship with this related party did not contravene the "at cost" provisions that came into force in this area during the period. These matters were also disclosed to the auditors of the Academy Trust and it was concluded that transactions were made in accordance with the Financial Handbook.

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**Directors' Report (continued)**  
**For the Year Ended 31 August 2014**

**h. RISK MANAGEMENT**

The Directors have assessed the major risks to which the Academy Trust may be exposed, including strategic, public profile, organisational, management information, human resources, premises and financial. The Directors have implemented a number of systems to assess the risks. Where these risks cannot be eliminated, the Directors have ensured that they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls.

**Objectives and Activities**

**a. OBJECTS AND AIMS**

The principal object and activity of the Academy Trust is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum.

In addition, to promote for the benefit of individuals living in Nottingham and the surrounding area who have need, the provision of facilities for recreation or other leisure time occupation who have need of such facilities due to their youth, age, affinity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said individuals.

In accordance with the Articles of Association the Academy Trust has entered into relevant funding agreements for each Academy with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the Academy Trust, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

**b. OBJECTIVES, STRATEGIES AND ACTIVITIES**

The main objectives of the Academy Trust during the period ended 31 August 2014 are summarised below:

- To ensure all students within the Academy Trust receive a highly effective education which will ensure they reach their potential.
- To continue to raise the standard of education by improving the quality of teaching and learning.
- To provide a curriculum which matches the needs and the ambitions of all students.
- To ensure compliance with all statutory and curriculum requirements.
- To provide value for money for the funds expended.

The Academy Trust's main objective is to provide a high quality of education for all of its students. This is achieved by:

- A rigorous system of quality assuring all aspects of our provision.
- Providing well targeted and customised training for all staff within the Academy Trust.
- Creating a culture of continual improvement amongst all staff within the Academy Trust.
- Creating a supportive environment for our students in which they can thrive and achieve.
- Ensuring a range of activities and experiences for all of our students, both in and outside of the classroom

**c. PUBLIC BENEFIT**

In setting the objectives, planning and delivery of the activities of the Academy Trust the Directors have complied with their duty to have due regard to the guidance published by the Charity Commission.

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**Directors' Report (continued)**  
**For the Year Ended 31 August 2014**

**Strategic Report**

**Achievements and performance**

**a. REVIEW OF ACTIVITIES**

The White Hills Park Federation Trust has raised the achievement of its students over several years. Although 2014 validated data is not yet available, indications are that results have improved compared to national averages, and are broadly in line.

**Examination Results**

	2007	2008	2009	2010	2011	2012	2013
5A*-C En/Ma %	34	33	44	46	45	52	54
A level APS per student	-	-	-	610	553	610	729

In the academic year 2013-2014 the attendance of students was 94.4% for the Alderman White School and 95.6% for the Bramcote School.

There was no formal OFSTED inspection at either school during 2013/14. However, the Bramcote School was informally inspected twice by HMI during 2013/14 and both visits reported that the school was making good progress in addressing the issues from the previous inspection.

As the majority of the Academy Trust's funding is based on student numbers, number on roll is a key performance indicator. There were 1,295 students on roll at the January 2014 census date.

Pupil recruitment levels fell during the year due to a reduction in the overall numbers of pupils at the Trust's feeder primary schools. This represents a known local demographic issue. Current projected student numbers indicate a considerable improvement in this situation in the next two to three years and it is anticipated that student numbers within the Trust will increase. Applications to the Academy Trust's sixth form for 2014/15 are higher than those made for 2013/14 and it is anticipated that this will lead to a substantial increase in Post 16 numbers.

**b. GOING CONCERN**

After making appropriate enquiries, the Directors have 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 Accounting Policies.

**Financial review**

**a. ANNUAL REVIEW**

The majority of the Academy Trust's income is received from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of recurrent grants using the Nottinghamshire Local Authority funding formula. The use of these grants is restricted to particular purposes and this income is shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE and other organisations and funding bodies and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities.

The SOFA for the year ended 31 August 2014 shows a deficit of £801,000.

The balance sheet as at 31 August 2014 has a positive position with net assets amounting to £35,320,000.



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**Directors' Report (continued)**  
**For the Year Ended 31 August 2014**

**b. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Academy Trust has in place a Risk Register and Risk Management Strategy. These are regularly reviewed and updated and cover finances, teaching, facilities and other operational areas. Internal control systems in place within the Academy Trust help to mitigate those risks, and where significant financial risk still remains, the Directors have ensured that the Academy Trust has adequate insurance cover.

The Academy Trust's exposure to risk is largely bank balances, cash and trade creditors, with limited trade debtors.

The Directors recognise that the Local Government Pension Scheme deficit represents a significant potential liability to the Academy Trust. However, as the Directors consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised. In addition, a guarantee that came into effect on 18 July 2013 following a recommendation by the Secretary of State to Parliament, stipulates that in the event of an Academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education.

The Directors have assessed the major risks to which the Academy Trust may be exposed, including strategic, public profile, organisational, management information, human resource, premises and financial. The Directors have implemented a number of systems to assess the risks. Where these risks cannot be eliminated, the Directors have ensured that they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls, as evidenced by the fact that there have been no significant controls weaknesses noted in internal controls reports since the date of the Academy Trust's conversion to academy status. A detailed budgeting and three-year forecasting process is a key part of this system of control.

**c. RESERVES POLICY**

The Directors' policy is to review the reserve levels of the Academies annually. The policy of the Academy Trust is to carry forward a prudent level of reserves designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects, subject to the constraint that the level of reserves does not exceed the level permitted by the EFA.

As noted above, the Academy Trust balance sheet incorporates a deficit within restricted funds, relating to the Local Government Pension Scheme (LGPS). However, this does not mean that an immediate liability for this amount has crystallised. Following the triennial pension scheme valuation that was completed in September 2014 the Academy Trust is required to pay 18.3% of payroll costs per annum to the pension fund for deficit recovery. This is the amount notified by the actuaries as being sufficient to remove the deficit within an appropriate period.

**d. INVESTMENT POLICY AND PERFORMANCE**

Due to the nature of the funding cycle, the Academy Trust may at times hold large cash balances which may not be required for immediate use. The Directors may authorise the opening of an additional short term bank investment account to take advantage of higher interest rates. No other form of investment is authorised.

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**Directors' Report (continued)**  
**For the Year Ended 31 August 2014**

**e. PRINCIPAL RISKS AND UNCERTAINTIES**

**Student numbers**

The principal risks for the Academy Trust during the next few years is any potential reduction in student numbers. As previously noted, current indicators suggest student numbers will start to increase over the next two to three years, but the Directors continue to closely monitor local demographic information and maintain strong ties with the Academy Trust's feeder schools.

**Funding**

The Academy Trust has considerable reliance on continued Government funding through the EFA. Whilst the current level of funding is expected to continue, there remains a risk that Government policy or practice in respect of the Academy funding formula will change. The Academy Trust closely monitors transition numbers and models the financial implications of any trends or anticipated changes to funding methodology. Post 16 funding is currently in a period of transition, and remains a key area of focus for the Academy Trust's management team.

**Reputational**

The continuing success of the Academy Trust is dependent on it continuing to attract students in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Directors ensure that pupil success and achievement are closely monitored and reviewed.

**Safeguarding and child protection**

The Directors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

**Staffing**

The success of the Academy Trust is dependent on the quality of its staff and therefore the Directors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds**

The Academy Trust has engaged external auditors to fulfil the internal audit checking and reviewing function, as required by the Academies Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and to develop their skills in this area.

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The Academy Trust will continue its key objective to improve the levels of performance of all students. The Academy Trust's development plan details how each objective will be achieved over a period of time.

The Academy Trust is currently assessing different potential sources of funding to improve the condition of its building stock, through PSBP and CIF applications for the Alderman White site, and how to raise capital receipts for the Bramcote School and Bramcote College.

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**Directors' Report (continued)**  
**For the Year Ended 31 August 2014**

**DISCLOSURE OF INFORMATION TO AUDITORS**

Provision of information to auditors

Insofar as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Directors have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**AUDITORS**

With effect from 1 April 2014 Smith Cooper LLP, the company's auditor, transferred its business to Smith Cooper Limited. The Directors consent to treating the appointment of Smith Cooper LLP as extending to Smith Cooper Limited with effect from 1 April 2014. The auditors, Smith Cooper Limited, have indicated their willingness to continue in office. The Directors will propose a motion re-appointing the auditors at a meeting of the Directors.

This report, incorporating the Strategic Report, was approved by order of the board of Directors, as the company Directors, on 9/12/14 and signed on the board's behalf by:

  
**T Launchbury**  
Chair of Trustees

**THE WHITE HILLS PARK FEDERATION TRUST**  
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**Governance Statement**

**SCOPE OF RESPONSIBILITY**

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

The board of Directors has delegated the day-to-day responsibility to the Executive 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 White Hills Park Federation Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Directors any material weaknesses or breakdowns in internal control.

The Directors have approved the following Committees to focus on specific areas of governance;

- Achievement and Standards Committee – where members have oversight of the curriculum and all matters associated with teaching and learning, review the Federation's schools comparative academic performance and advise and guide the Board in these areas;
- Audit Committee – tasked with reviewing the overall risk profile of the Academy Trust, monitoring risk management techniques and providing financial oversight;
- Pay Committee – to authorise, manage and implement pay decisions in line with the Academy Trust's pay and appraisal policies;
- Resources Committee – where the Directors review and challenge the ongoing financial results of the Academy Trust, and decide on issues arising in such areas as Health and Safety;
- Student Committee – established to oversee and monitor delivery of the Academy Trust's five year vision as it relates to students and the wider community.

The terms of reference for each of these Committees are regularly reviewed and amended where necessary as the needs and objectives of the Academy Trust evolve.

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**Governance Statement (continued)**

**GOVERNANCE**

The information on governance included here supplements that described in the Directors' Report and in the Directors' Responsibilities Statement. The board of Directors has formally met 5 times during the year. Attendance during the year at meetings of the board of Directors was as follows:

Director	Meetings attended	Out of a possible
T Launchbury, Chair	5	5
S Theobald, Vice Chair	0	5
K Dean, Chief Executive Officer	2	2
P Heery, Chief Executive Officer	5	5
Z Armitage	3	5
A Bird	4	5
R Brittle	5	5
C Day	4	5
J Francis	2	5
C Heath	5	5
S Heptinstall	3	5
T Jones	2	5
S Limbachia	5	5
J Macdonald	4	5
C Peebles	4	5
W Plimmer	5	5
K Sandy	4	5
S Tonks	4	5
M Wallace	5	5
C Welch	5	5

**Governance reviews:**

During the summer term of 2014, the composition of the board of Directors was evaluated via a skills audit. The results of that exercise are now being used to ensure that any perceived gap in skills or expertise are addressed with the appropriate training, or, if considered necessary, appointment of new Directors onto the board.

The Audit Committee is also a sub-committee of the main board of Directors. Its purpose is to oversee the financial affairs of the Academy Trust on behalf of the Governing board. There were no specific matters dealt with by the committee during the period which are necessary to disclose.

**Attendance at meetings in the year was as follows:**

Director	Meetings attended	Out of a possible
S Heptinstall	4	4
T L Jones	2	4
C R Peebles	4	4

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The White Hills Park Federation Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

A Management Accountant was appointed to the Academy Trust in November 2013, and was tasked with implementing monthly balance sheet reconciliation procedures and controls, reporting monthly results and

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**Governance Statement (continued)**

related analysis to the Directors, and ongoing liaison with the Academy Trust's internal and external audit teams.

**CAPACITY TO HANDLE RISK**

The board of Directors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Directors.

Where it is considered appropriate in order to effectively manage potential risk to the Academy Trust, external support and advice is sought from external providers of audit and legal service, occupational and governor/director support, and insurance.

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Directors;
- regular reviews by the Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of Directors has considered the need for a specific internal audit function and has decided to appoint Smith Cooper Limited, the external auditor, as internal auditor. An annual testing plan is agreed between Smith Cooper Limited and the Academy Trust and detailed reports are provided to the Directors on work performed and any recommendations for improvement. Members of the Smith Cooper Limited internal audit team do not work on the external audit to ensure that the independence and objectivity between the two services provided is maintained.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the internal auditor provides detailed reports to the board of Directors on the operation of the systems of control and on the discharge of the board of Directors' financial responsibilities.

Smith Cooper Limited has been able to deliver their schedule of work as planned and no material control issues were identified.

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**Governance Statement (continued)**

**REVIEW OF EFFECTIVENESS**

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of Directors on 9/12/14 and signed on its behalf, by:

  
**T Launchbury**  
Chair of Trustees

  
**P F Heery**  
Accounting Officer

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**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of The White Hills Park Federation Trust I have considered my responsibility to notify the Academy Trust board of Directors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the Academy Trust board of Directors are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook (2013).

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 Directors and EFA.

**P F Heery**  
**Accounting Officer**



Date: 9 December 2014



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**Directors' Responsibilities Statement**  
**For the Year Ended 31 August 2014**

The Directors (who act as governors of The White Hills Park Federation Trust and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of Directors on 9/12/14 and signed on its behalf by:



**T Launchbury**  
Chair of Trustees

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**Independent Auditors' Report to the Members of The White Hills Park Federation Trust**

We have audited the financial statements of The White Hills Park Federation Trust for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Academy Trust'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 Academy Trust's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

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

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust'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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

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

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

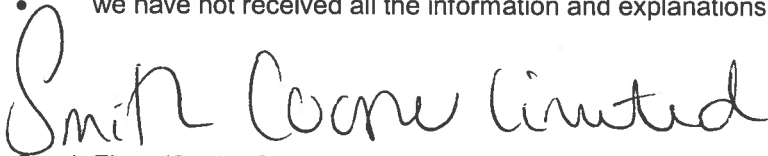
**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report to the Members of The White Hills Park Federation Trust**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



Sarah Flear (Senior Statutory Auditor)

for and on behalf of

**Smith Cooper Limited**

Chartered Accountants and Statutory Auditors

2 Lace Market Square

Nottingham

NG1 1PB

Date: 16 December 2014.

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountants' Assurance Report on Regularity to The White Hills Park Federation Trust and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 22 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 White Hills Park Federation Trust during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF THE WHITE HILLS PARK FEDERATION TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of The White Hills Park Federation Trust's funding agreement with the Secretary of State for Education dated 25 May 2012, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by 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 outcome of the 2013 regularity audit
- a review of the evidence used to support the Accounting Officer's conclusions on the Regularity Statement
- a review of the adequacy of the internal audit function and the adequacy of the program of work
- a review of the internal audit reports during the year ended 31 August 2014
- a review of the internal control environment and whether the environment has regard to regularity of transactions. Consideration to significant changes in the control environment and whether this has led to potential weaknesses
- confirmation through enquiry and sample testing that gifts and hospitality are given and received in line with the Academy Trust's policies

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountants' Assurance Report on Regularity to The White Hills Park Federation Trust and the Education Funding Agency (continued)**

- confirmation through enquiry and sample testing that the use of expense claims or credit cards and petty cash adheres to internal control principles and that items are not for personal benefit
- confirmation through enquiry and sample testing that expenditure does not contravene the funding agreement
- confirmation through enquiry and sample testing that the lines of delegation and limits set both internally and by the EFA have been adhered to
- consideration to procurement and tendering procedures ensuring these have been correctly adhered to and administered
- consideration to the compliance of the Academy's delegated authorities over financial transactions and evidence of prior approval from the Secretary of State where applicable
- a review of declarations of business interests for all governors/directors and key staff
- a review of transactions with connected parties ensuring these have been completed following correct procurement and tendering procedures
- a review of contracts entered into or renewed after 7 November 2013, ensuring they are in accordance with the not for profit principles and relevant statements of assurance have been obtained
- a review of meeting minutes of the various committees

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Smith Cooper Limited*

**Smith Cooper Limited**  
Chartered Accountants  
2 Lace Market Square  
Nottingham  
NG1 1PB

Date: *16 December 2014*

**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Statement of Financial Activities**  
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)  
For the Year Ended 31 August 2014

	Note	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Fixed assets	2	-	-	-	-	38,294
Cash	2	-	-	-	-	250
LGPS deficit	2	-	-	-	-	(1,466)
School fund	2	-	-	-	-	33
Other voluntary income	2	1	-	3	4	-
Activities for generating funds	3	50	-	-	50	46
Investment income	4	1	-	-	1	1
Incoming resources from charitable activities	5	-	8,833	727	9,560	8,748
Other incoming resources	6	-	405	-	405	431
<b>TOTAL INCOMING RESOURCES</b>		<b>52</b>	<b>9,238</b>	<b>730</b>	<b>10,020</b>	<b>46,337</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities	8	1	9,540	981	10,522	9,467
Governance costs	9	-	47	-	47	104
<b>TOTAL RESOURCES EXPENDED</b>	7	<b>1</b>	<b>9,587</b>	<b>981</b>	<b>10,569</b>	<b>9,571</b>
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS</b>		<b>51</b>	<b>(349)</b>	<b>(251)</b>	<b>(549)</b>	<b>36,766</b>

**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Statement of Financial Activities (continued)**  
**For the Year Ended 31 August 2014**

		<b>Unrestricted funds 2014 £000</b>	<b>Restricted funds 2014 £000</b>	<b>Restricted fixed asset funds 2014 £000</b>	<b>Total funds 2014 £000</b>	<b>Total funds 2013 £000</b>
	<b>Note</b>					
Transfers between Funds	19	2	(86)	84	-	-
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR</b>		<b>53</b>	<b>(435)</b>	<b>(167)</b>	<b>(549)</b>	<b>36,766</b>
Actuarial gains and losses on defined benefit pension schemes		-	(252)	-	(252)	(645)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>53</b>	<b>(687)</b>	<b>(167)</b>	<b>(801)</b>	<b>36,121</b>
<i>Total funds at 1 September 2013</i>		<i>44</i>	<i>(1,783)</i>	<i>37,860</i>	<i>36,121</i>	<i>-</i>
<b>TOTAL FUNDS AT 31 AUGUST 2014</b>		<b>97</b>	<b>(2,470)</b>	<b>37,693</b>	<b>35,320</b>	<b>36,121</b>

All activities relate to continuing operations.

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

The notes on pages 24 to 45 form part of these financial statements.

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**  
**Registered number: 08195720**

**Balance Sheet**  
**As at 31 August 2014**

	Note	£000	2014 £000	2013 £000
<b>FIXED ASSETS</b>				
Tangible assets	15		37,693	37,678
<b>CURRENT ASSETS</b>				
Debtors	16	767		438
Cash at bank and in hand		586		1,073
		<u>1,353</u>		<u>1,511</u>
<b>CREDITORS: amounts falling due within one year</b>	17	<u>(1,131)</u>		<u>(862)</u>
<b>NET CURRENT ASSETS</b>			<u>222</u>	<u>649</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>37,915</u>	<u>38,327</u>
<b>CREDITORS: amounts falling due after more than one year</b>	18		<u>(23)</u>	<u>(31)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITY</b>			<u>37,892</u>	<u>38,296</u>
Defined benefit pension scheme liability	24		<u>(2,572)</u>	<u>(2,175)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>35,320</u></u>	<u><u>36,121</u></u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted funds:				
Restricted funds	19	102		392
Restricted fixed asset funds	19	37,693		37,860
		<u>37,795</u>		<u>38,252</u>
Restricted funds excluding pension liability				
Pension reserve		<u>(2,572)</u>		<u>(2,175)</u>
Total restricted funds			<u>35,223</u>	<u>36,077</u>
Unrestricted funds	19		<u>97</u>	<u>44</u>
<b>TOTAL FUNDS</b>			<u><u>35,320</u></u>	<u><u>36,121</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 9th December 2014 and are signed on their behalf, by:

  
**T Launchbury, Chair**  
Chair of Trustees

The notes on pages 24 to 45 form part of these financial statements.



**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Cash Flow Statement**  
**For the Year Ended 31 August 2014**

		<b>31 August</b>	<i>11 months</i>
		<b>2014</b>	<i>ended</i>
	<b>Note</b>	<b>£000</b>	<i>31 August</i>
			<i>2013</i>
			<i>£000</i>
Net cash flow from operating activities	21	509	1,041
Returns on investments and servicing of finance	22	1	1
Capital expenditure and financial investment	22	(997)	(257)
Cash transferred on conversion to an academy trust		-	288
		<hr/>	<hr/>
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(487)</b>	<b>1,073</b>
		<hr/> <hr/>	<hr/> <hr/>

**Reconciliation of Net Cash Flow to Movement in Net Funds**  
**For the Year Ended 31 August 2014**

	<b>31 August</b>	<i>11 months</i>
	<b>2014</b>	<i>ended</i>
	<b>£000</b>	<i>31 August</i>
		<i>2013</i>
		<i>£000</i>
(Decrease)/Increase in cash in the year	(487)	1,073
	<hr/>	<hr/>
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>(487)</b>	<b>1,073</b>
Net funds at 1 September 2013	1,073	-
	<hr/>	<hr/>
<b>NET FUNDS AT 31 AUGUST 2014</b>	<b>586</b>	<b>1,073</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 24 to 45 form part of these financial statements.

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention with the exception of land and buildings which have been included at depreciated replacement cost. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Going concern**

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

**1.3 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

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

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**1. ACCOUNTING POLICIES (continued)**

**1.4 Resources expended**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised as tangible fixed assets and are carried at cost less depreciation and any provision for impairment.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value may not be fully 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	-	Is not depreciated
L/Term Leasehold Property	-	Straight line over the shorter of useful economic life or lease term
S/Term Leasehold Property	-	Straight line over the shorter of useful economic life or lease term
Leasehold improvements	-	Straight line at over the shorter of useful economic life of 5% or lease term
Motor vehicles	-	Straight line at 25%
Fixtures and fittings	-	Straight line at 20%
Computer equipment	-	Straight line at 33%

**1.6 Operating leases**

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

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**1. ACCOUNTING POLICIES (continued)**

**1.7 Taxation**

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

**1.8 Pensions**

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 24, 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.

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 the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**1.9 Fund accounting**

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**2. VOLUNTARY INCOME**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	<i>Total funds 2013 £000</i>
Fixed assets	-	-	-	38,294
Cash	-	-	-	250
LGPS deficit	-	-	-	(1,466)
School fund	-	-	-	33
	<hr/>	<hr/>	<hr/>	<hr/>
Transfer from local authority on conversion	-	-	-	37,111
	<hr/>	<hr/>	<hr/>	<hr/>
Donations	1	3	4	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	1	3	4	37,111
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	<i>Total funds 2013 £000</i>
Hire of facilities	50	-	50	46
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**4. INVESTMENT INCOME**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	<i>Total funds 2013 £000</i>
Bank interest	1	-	1	1
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

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

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	<i>Total funds 2013 £000</i>
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	7,378	7,378	8,107
Start Up Grants	-	-	-	50
Capital Grants	-	-	-	194
Other EFA/YPLA Grants	-	1,345	1,345	330
	<hr/> -	<hr/> 8,723	<hr/> 8,723	<hr/> 8,681
<b>Other government grants</b>				
Special Educational Needs Grant (SEN)	-	110	110	67
LA Capital Project Funding	-	727	727	-
	<hr/> -	<hr/> 837	<hr/> 837	<hr/> 67
	<hr/> -	<hr/> 9,560	<hr/> 9,560	<hr/> 8,748
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**6. OTHER INCOMING RESOURCES**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	<i>Total funds 2013 £000</i>
Other income	-	276	276	319
School trip income	-	129	129	112
	<hr/> -	<hr/> 405	<hr/> 405	<hr/> 431
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**7. RESOURCES EXPENDED**

	Staff costs	Non Pay	Expenditure	Total	Total
	2014	Premises	Other costs	2014	2013
	£000	2014	2014	£000	£000
		£000	£000		
Direct costs - Academy					
Trust educational operations	6,238	-	605	6,843	6,198
Support costs - Academy					
Trust educational operations	1,443	1,627	609	3,679	3,269
<b>Charitable activities</b>	<b>7,681</b>	<b>1,627</b>	<b>1,214</b>	<b>10,522</b>	<b>9,467</b>
<b>Governance</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>47</b>	<b>104</b>
	<b>7,681</b>	<b>1,627</b>	<b>1,261</b>	<b>10,569</b>	<b>9,571</b>

**Incoming/outgoing resources for the year include:**

	2014	2013
	£000	£000
Operating leases:		
Plant and machinery	14	12

No individual transactions exceeding £5,000 occurred under any of the following headings:

- Ex-gratia/compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

**THE WHITE HILLS PARK FEDERATION TRUST**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**8. CHARITABLE ACTIVITIES**

	<b>Total funds 2014 £000</b>	<i>Total funds 2013 £000</i>
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Teaching and educational support staff costs	5,176	4,588
National insurance	395	356
Pension cost	667	597
Depreciation	58	55
Educational supplies	314	324
Examination fees	141	167
Other direct costs	85	68
Recruitment and support	7	43
	<hr/> 6,843	<hr/> 6,198
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	1,090	970
National insurance	57	51
Pension cost	296	189
Depreciation	923	817
Technology costs	105	85
Maintenance of premises and equipment	226	230
Cleaning	256	227
Rent and rates	78	67
Energy costs	173	196
Insurance	143	133
Catering	85	103
Other support costs	247	201
	<hr/> 3,679	<hr/> 3,269
	<hr/> <b>10,522</b>	<hr/> <b>9,467</b>

**9. GOVERNANCE COSTS**

	<b>Unrestricted funds 2014 £000</b>	<b>Restricted funds 2014 £000</b>	<b>Total funds 2014 £000</b>	<i>Total funds 2013 £000</i>
Internal audit costs	-	3	3	3
Auditors remuneration - audit costs	-	10	10	10
Auditors remuneration - non audit costs	-	6	6	5
Legal and professional fees	-	28	28	86
	<hr/> -	<hr/> 47	<hr/> 47	<hr/> 104



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**10. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	<b>31 August 2014 £000</b>	<i>11 months ended 31 August 2013 £000</i>
Depreciation of tangible fixed assets: - owned by the Academy Trust	<b>982</b>	<b>873</b>
Auditor's remuneration	<b>10</b>	<b>10</b>
Auditor's remuneration - non-audit	<b>6</b>	<b>5</b>
Internal audit costs	<b>3</b>	<b>3</b>
	<hr/> <hr/>	<hr/> <hr/>

**11. STAFF**

**a. Staff costs**

Staff costs were as follows:

	<b>31 August 2014 £000</b>	<i>11 months ended 31 August 2013 £000</i>
Wages and salaries	<b>5,907</b>	<b>5,291</b>
Social security costs	<b>451</b>	<b>407</b>
Other pension costs (Note 24)	<b>963</b>	<b>786</b>
	<hr/> <b>7,321</b>	<hr/> <b>6,484</b>
Supply teacher costs	<b>358</b>	<b>257</b>
Compensation payments	<b>-</b>	<b>9</b>
	<hr/> <b>7,679</b> <hr/>	<hr/> <b>6,750</b> <hr/>

**b. Staff severance payments**

Compensation payments of £nil (2013 - £8,545) were included within wages and salaries.

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**11. STAFF (continued)**

**c. Staff numbers**

The average number of persons employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	<b>31 August 2014 No.</b>	<i>11 months ended 31 August 2013 No.</i>
Teachers	96	92
Admin	68	69
Management	14	13
	<hr/> <b>178</b> <hr/>	<hr/> <b>174</b> <hr/>

**d. Higher paid staff**

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

	<b>31 August 2014 No.</b>	<i>11 months ended 31 August 2013 No.</i>
In the band £60,001 - £70,000	9	2
In the band £70,001 - £80,000	0	1
In the band £90,001 - £100,000	0	1
	<hr/> <b>9</b> <hr/>	<hr/> <b>4</b> <hr/>

All of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, employer's pension contributions for these employees amounted to £79,557 (2013 - £40,697).

**12. CENTRAL SERVICES**

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

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**13. DIRECTORS' REMUNERATION AND EXPENSES**

The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Directors. The value of Directors' remuneration fell within the following bands:

	<b>31 August</b>	<i>11 months ended 31 August</i>
	<b>2014</b>	<i>2013</i>
	<b>£000</b>	<i>£000</i>
P F Heery, Principal (appointed Jan-14)	<b>65-70</b>	<i>95-100</i>
K P Dean, Principal (resigned Dec-13)	<b>35-40</b>	<i>95-100</i>
H Redford-Hernandez, Headteacher (resigned Aug-13)		<i>75-80</i>
J MacDonald, Staff Trustee	<b>60-65</b>	<i>50-55</i>
J J Francis, Staff Trustee	<b>50-55</b>	<i>40-45</i>
Z Armitage, Staff Trustee	<b>35-40</b>	<i>30-35</i>
C Welch, Staff Trustee	<b>30-35</b>	<i>30-35</i>
S White, Staff Trustee		<i>30-35</i>

During the year, no Directors received any reimbursement of expenses (2013 - £NIL).

**14. DIRECTORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,882 (2013 - £1,725). The cost of this insurance is included in the total insurance cost.

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**15. TANGIBLE FIXED ASSETS**

	Leasehold improve- ments £000	L/Term Leasehold Land & Buildings £000	S/Term Leasehold Land & Buildings £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
<b>Cost</b>							
At 1 September 2013	49	37,913	191	16	221	161	38,551
Additions	917	-	-	-	26	54	997
At 31 August 2014	966	37,913	191	16	247	215	39,548
<b>Depreciation</b>							
At 1 September 2013	1	751	18	5	43	55	873
Charge for the year	14	820	19	5	66	58	982
At 31 August 2014	15	1,571	37	10	109	113	1,855
<b>Net book value</b>							
At 31 August 2014	951	36,342	154	6	138	102	37,693
At 31 August 2013	48	37,162	173	11	178	106	37,678

Included in land and buildings is land with a value of £14,362,600 (2013 - £14,362,600), which is not depreciated.

**16. DEBTORS**

	2014 £000	2013 £000
Trade debtors	19	6
Other debtors	150	109
Prepayments and accrued income	598	323
	<u>767</u>	<u>438</u>

**17. CREDITORS:**  
**Amounts falling due within one year**

	2014 £000	2013 £000
Trade creditors	691	237
Other taxation and social security	133	136
Other creditors	128	302
Accruals and deferred income	179	187
	<u>1,131</u>	<u>862</u>

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**17. CREDITORS:**  
**Amounts falling due within one year (continued)**

	<b>£000</b>
<b>Deferred income</b>	
Deferred income at 1 September 2013	<b>94</b>
Resources deferred during the period	<b>134</b>
Amounts released from previous years	<b>(94)</b>
	<hr/>
Deferred income at 31 August 2014	<b>134</b>
	<hr/> <hr/>

At the balance sheet date the Academy Trust was holding funds received in advance for school trips, Special Educational Needs funding, insurance, rates and bikeability.

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

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Other creditors	<b>13</b>	<b>31</b>
Accruals and deferred income	<b>10</b>	<b>-</b>
	<hr/>	<hr/>
	<b>23</b>	<b>31</b>
	<hr/> <hr/>	<hr/> <hr/>

**THE WHITE HILLS PARK FEDERATION TRUST**  
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**19. STATEMENT OF FUNDS**

	<b>Brought Forward £000</b>	<b>Incoming resources £000</b>	<b>Resources Expended £000</b>	<b>Transfers in/(out) £000</b>	<b>Gains/ (Losses) £000</b>	<b>Carried Forward £000</b>
<b>Unrestricted funds</b>						
Unrestricted funds	<b>44</b>	<b>52</b>	<b>(1)</b>	<b>2</b>	<b>-</b>	<b>97</b>
<b>Restricted funds</b>						
General Annual Grant (GAG)	<b>363</b>	<b>7,378</b>	<b>(7,723)</b>	<b>48</b>	<b>-</b>	<b>66</b>
Other DFE/EFA grants	<b>-</b>	<b>1,345</b>	<b>(1,345)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other government grants	<b>-</b>	<b>110</b>	<b>(110)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other restricted Pension reserve	<b>29</b> <b>(2,175)</b>	<b>405</b> <b>-</b>	<b>(409)</b> <b>-</b>	<b>11</b> <b>(145)</b>	<b>-</b> <b>(252)</b>	<b>36</b> <b>(2,572)</b>
	<b>(1,783)</b>	<b>9,238</b>	<b>(9,587)</b>	<b>(86)</b>	<b>(252)</b>	<b>(2,470)</b>
<b>Restricted fixed asset funds</b>						
Transferred on conversion	<b>37,453</b>	<b>-</b>	<b>(901)</b>	<b>(3)</b>	<b>-</b>	<b>36,549</b>
Capital expenditure from GAG	<b>228</b>	<b>-</b>	<b>(67)</b>	<b>75</b>	<b>-</b>	<b>236</b>
Academies Capital Maintenance Fund (ACMF)	<b>179</b>	<b>-</b>	<b>(6)</b>	<b>14</b>	<b>-</b>	<b>187</b>
Piano funding	<b>-</b>	<b>3</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>2</b>
LA Capital Project Funding	<b>-</b>	<b>727</b>	<b>(6)</b>	<b>(2)</b>	<b>-</b>	<b>719</b>
	<b>37,860</b>	<b>730</b>	<b>(981)</b>	<b>84</b>	<b>-</b>	<b>37,693</b>
Total restricted funds	<b>36,077</b>	<b>9,968</b>	<b>(10,568)</b>	<b>(2)</b>	<b>(252)</b>	<b>35,223</b>
Total of funds	<b>36,121</b>	<b>10,020</b>	<b>(10,569)</b>	<b>-</b>	<b>(252)</b>	<b>35,320</b>

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

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Directors.

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

Restricted general funds comprise of all other restricted funds received and include grants from the Department for Education and will only be used for the purpose that the grants were intended. The main grant received within these funds is the GAG.

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**Notes to the Financial Statements**  
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**19. STATEMENT OF FUNDS (continued)**

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.

**Analysis of academies by fund balance**

Fund balances at 31 August 2014 were allocated as follows:

	<b>Total £000</b>
Alderman White School	490
The Bramcote School	(290)
	<hr/>
Total before fixed asset fund and pension reserve	200
Restricted fixed asset fund	37,693
Pension reserve	(2,572)
	<hr/>
Total	<b>35,321</b>
	<hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

<b>Name of academy</b>	<b>Amount of deficit £</b>
The Bramcote School	(290)

The Academy Trust is taking the following action to return the Academy Trust to surplus:

The Alderman White School and Language College is an 11-18 school, therefore all funding for Post 16 education is received into the Alderman White School budget. The Bramcote School is an 11-16 school and therefore receives no funding for Post 16 provision. Alderman White's post 16 provision is taught on a separate site from the main school at Alderman White, this site is known as Bramcote College. Teachers from both Alderman White School and The Bramcote School teach post 16 students at Bramcote College.

A formula was developed by the Executive Headteacher to remunerate The Bramcote School for the costs which they incurred in providing teaching at Bramcote College. However this formula did not take into account the higher AWPU payment for 16-18 year olds and also teaching and learning resources provided by those teachers from The Bramcote School teaching post 16 students. The result has been the deficit position at The Bramcote School. This formula will now be reviewed to ensure a more accurate remuneration is given to The Bramcote School.

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**Notes to the Financial Statements**  
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**19. STATEMENT OF FUNDS (continued)**

**Analysis of academies by cost**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total £000
Alderman White School	3,615	853	208	1,046	5,722
The Bramcote School	2,622	589	106	549	3,866
	<u>6,237</u>	<u>1,442</u>	<u>314</u>	<u>1,595</u>	<u>9,588</u>

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

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Tangible fixed assets	-	-	37,693	37,693	37,679
Current assets	97	1,256	-	1,353	1,511
Creditors due within one year	-	(1,132)	-	(1,132)	(863)
Creditors due in more than one year	-	(22)	-	(22)	(31)
Provisions for liabilities and charges	-	(2,572)	-	(2,572)	(2,175)
	<u>97</u>	<u>(2,470)</u>	<u>37,693</u>	<u>35,320</u>	<u>36,121</u>

**21. NET CASH FLOW FROM OPERATING ACTIVITIES**

	31 August 2014 £000	11 months ended 31 August 2013 £000
Net incoming resources before revaluations	(549)	36,766
Returns on investments and servicing of finance	(1)	(1)
Net assets transferred from Local Authority	-	(37,111)
Depreciation of tangible fixed assets	982	873
Increase in debtors	(329)	(440)
Increase in creditors	261	890
FRS 17 adjustments	145	64
<b>Net cash inflow from operations</b>	<u>509</u>	<u>1,041</u>



## Notes to the Financial Statements For the Year Ended 31 August 2014

	31 August 2014 £000	11 months ended 31 August 2013 £000
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>1</u>	<u>1</u>
		11 months ended
	31 August 2014 £000	31 August 2013 £000
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	<u>(997)</u>	<u>(257)</u>

	1 September 2013 £000	Cash flow	Other non-cash changes	31 August 2014 £000
Cash at bank and in hand:	1,073	(487)	-	586
<b>Net funds</b>	<b>1,073</b>	<b>(487)</b>	<b>-</b>	<b>586</b>

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**24. PENSION COMMITMENTS**

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Nottinghamshire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £108,903 were payable to the scheme at 31 August 2014 (2013 - 108,216) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

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.

**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

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**For the Year Ended 31 August 2014**

**24. PENSION COMMITMENTS (continued)**

TPS.

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

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

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

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence 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 Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy Trust 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 Trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £286,000, of which employer's contributions totalled £215,000 and employees' contributions totalled £71,000. The agreed contribution rates for future years are 18.3% for employers and between 5.5% and 8.5% for employees, depending on salary.

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.

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**24. PENSION COMMITMENTS (continued)**

The Academy Trust'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 £000</b>	<b>Expected return at 31 August 2013 %</b>	<b>Fair value at 31 August 2013 £000</b>
Equities	72.00	1,919	71.00	1,344
Bonds	7.00	187	4.00	76
Property	11.00	293	12.00	227
Cash	4.00	107	2.00	38
Gilts	6.00	160	9.00	170
Other	-	-	2.00	38
Total market value of assets		<u>2,666</u>		<u>1,893</u>
Present value of scheme liabilities		<u>(5,238)</u>		<u>(4,068)</u>
(Deficit)/surplus in the scheme		<u><u>(2,572)</u></u>		<u><u>(2,175)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	<b>31 August 2014 £000</b>	<b>11 months ended 31 August 2013 £000</b>
Present value of funded obligations	(5,238)	(4,068)
Fair value of scheme assets	<u>2,666</u>	<u>1,893</u>
Net liability	<u><u>(2,572)</u></u>	<u><u>(2,175)</u></u>

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

	<b>31 August 2014 £000</b>	<b>11 months ended 31 August 2013 £000</b>
Current service cost	(276)	(189)
Interest on obligation	(199)	(132)
Expected return on scheme assets	<u>115</u>	<u>70</u>
Total	<u><u>(360)</u></u>	<u><u>(251)</u></u>

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities.

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £897,000 loss (2013 - £645,000 loss).

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**24. PENSION COMMITMENTS (continued)**

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

	<b>31 August</b>	<i>11 months ended 31 August</i>
	<b>2014</b>	<i>2013</i>
	<b>£000</b>	<i>£000</i>
Opening defined benefit obligation	<b>4,068</b>	<i>2,838</i>
Current service cost	<b>276</b>	<i>189</i>
Contributions by scheme participants	<b>71</b>	<i>62</i>
Actuarial Losses	<b>635</b>	<i>767</i>
Interest cost	<b>199</b>	<i>132</i>
Estimated benefits paid net of transfers in	<b>(11)</b>	<i>80</i>
	<hr/>	<hr/>
Closing defined benefit obligation	<b>5,238</b>	<i>4,068</i>
	<hr/>	<hr/>

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

	<b>31 August</b>	<i>11 months ended 31 August</i>
	<b>2014</b>	<i>2013</i>
	<b>£000</b>	<i>£000</i>
Opening fair value of scheme assets	<b>1,893</b>	<i>1,372</i>
Actuarial gains and (losses)	<b>383</b>	<i>122</i>
Expected return on assets	<b>115</b>	<i>70</i>
Contributions by employer	<b>215</b>	<i>187</i>
Contributions by employees	<b>71</b>	<i>62</i>
Estimated benefits paid net of transfers in	<b>(11)</b>	<i>80</i>
	<hr/>	<hr/>
	<b>2,666</b>	<i>1,893</i>
	<hr/>	<hr/>

The Academy Trust expects to contribute £NIL to its Defined Benefit Pension Scheme in 2015.

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

	<b>2014</b>	<i>2013</i>
Equities	<b>72.00 %</b>	<i>71.00 %</i>
Bonds	<b>7.00 %</b>	<i>4.00 %</i>
Property	<b>11.00 %</b>	<i>12.00 %</i>
Cash	<b>4.00 %</b>	<i>2.00 %</i>
Gilts	<b>6.00 %</b>	<i>9.00 %</i>
Other	<b>- %</b>	<i>2.00 %</i>

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

	<b>2014</b>	<i>2013</i>
Discount rate for scheme liabilities	<b>4.00 %</b>	<i>4.70 %</i>
Rate of increase in salaries	<b>4.50 %</b>	<i>5.10 %</i>
Rate of increase for pensions in payment / inflation	<b>2.70 %</b>	<i>2.90 %</i>
Inflation assumption (CPI)	<b>2.70 %</b>	<i>2.90 %</i>
Inflation assumption (RPI)	<b>3.50 %</b>	<i>3.70 %</i>

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**Notes to the Financial Statements**  
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**24. PENSION COMMITMENTS (continued)**

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

	<b>2014</b>	<b>2013</b>
Retiring today		
Males	<b>22</b>	<b>18.7</b>
Females	<b>25.1</b>	<b>22.8</b>
Retiring in 20 years		
Males	<b>24.1</b>	<b>20.7</b>
Females	<b>27.4</b>	<b>24.6</b>

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Defined benefit obligation	<b>(5,238)</b>	<b>(4,068)</b>
Scheme assets	<b>2,666</b>	<b>1,893</b>
Deficit	<b>(2,572)</b>	<b>(2,175)</b>
Experience adjustments on scheme liabilities	<b>(291)</b>	<b>-</b>
Experience adjustments on scheme assets	<b>383</b>	<b>122</b>

The estimated value of employer contributions for the year ended 31 August 2015 is £

**25. OPERATING LEASE COMMITMENTS**

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

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Expiry date:</b>				
Within 1 year	-	-	-	8
Between 2 and 5 years	-	-	14	4

**THE WHITE HILLS PARK FEDERATION TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2014**

**26. RELATED PARTY TRANSACTIONS**

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

Flint Bishop LLP - a solicitors partnership in which S Tonks' (a Director of the Academy) wife is a salaried partner:

The Academy purchased legal services from Flint Bishop totalling £2,820 (2013 - £nil) during the year. There was an amount of £504 (2013 - £nil) outstanding at the year end.

In entering into the transactions with Flint Bishop LLP, the Academy Trust has complied with the requirements of the EFA's Academies Financial Handbook. Confirmation was obtained from the EFA and the external auditor during the year.