

Registered company number: 07849731 (England and Wales)

PLUME SCHOOL

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

PLUME SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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PLUME SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

Reference and Administrative Details

Members

Joan Binder
John Everard
Debra Thomas

Clive Purdy
Gillian McKinnell
Carl Wakefield

Trustees (Governors)

Rachael Barbrook (**)
Joan Binder* (Chairman of the Board)
John Everard (*) (***)
Paul Goldsmith (Resigned 31st Aug 2016)
Mark Howell (***)
Laura Marshall (**) (Resigned 1st Sept 2016)
Gillian McKinnell (*) (***)
Rachel Morcombe (*)

Paul Nagle (*)
Christopher Pond ***
Clive Purdy (*) (Chairman of the Trustees)
Adrian Stead (*) (Appointed 1st Sept 2016)
Louise Sims (Resigned 18th April 2016)
Debra Thomas (*) (***)
Carl Wakefield (*) (**) (Accounting officer)

*Members of the Finance Committee

** Members of Staff

***Members of the Audit Committee

Company Secretary

Mia Woodford

Leadership team

Principal
Vice Principal
Vice Principal
Finance Director

Carl Wakefield
Ruth Crang
Nigel Brunt
Richard Scott

Company Name

Plume School

Principal and Registered Office

Fambridge Road
Maldon
Essex
CM9 6AB

Company Registration Number

07849731 (England and Wales)

Independent Auditors

UHY Hacker Young LLP
Quadrant House
4 Thomas Square
London
E1W 1YW

PLUME SCHOOL

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

Reference and Administrative Details

Bankers

Lloyds Bank Commercial
1 Legg Street
Chelmsford
CM1 1JS

Solicitors

Stone King Solicitors LLP
16 St Johns Lane
London
EC1M 4BS

PLUME SCHOOL

TRUSTEES' REPORT

The Trustees present their annual report together with the consolidated financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS 102).

Plume School operates an academy for pupils aged 11 to 18 serving a catchment area in Maldon, Essex and the surrounding areas. Currently, the Academy has a pupil capacity of 1,825 and had a roll of 1,709 in the school census on 15th January 2016. As the Academy is the only secondary school in the Maldon and Heybridge area, new housing under construction and significant planned further development in this area will require the school to grow the pupil capacity significantly during the period 2018 - 2029. The current estimate is that the pupil capacity will need to grow by 386 (21.1%) by 2029 in order to provide sufficient future school places.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Academy was incorporated on 16 November 2011, in the name of Plume School, and commenced as an academy on 1 January 2012. The Academy has entered into a funding agreement with the Department for Education which provides the framework within which the Academy must operate.

The academy also has a wholly owned subsidiary, Plume Trading Limited, details of which can be found in note 15.

The Trustees of Plume School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Plume, Maldon's Community Academy.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 2.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the 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.

Trustees' indemnity

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3 every Trustee or other officer or auditor of the Company and every member of any Local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

Principal Activities

The Academy's objects are specifically restricted to the following:

- a) 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 Academy"); and

TRUSTEES' REPORT

- b) to promote for the benefit of the inhabitants of Maldon and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity 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 inhabitants.

Method of Recruitment and Appointment or Election of Trustees

The initial Members of the Academy shall be the subscribers to the Memorandum of Association.

The subsequent Members of the Academy shall comprise:

- 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- the chairman of the Trustees;
- the vice-chairman of Trustees;
- the Principal;
- the chair of finance and estates committee;
- the chair of student and curriculum committee;
- the chair of personnel committee; and
- any person appointed under Article 16.

When required, new trustees are recruited through localised internal and external advertising, and where previous assessments have raised a need for better understanding in specific areas, priority will be given to those members who can actively demonstrate the required skillset. A robust selection process is undertaken involving existing trustees and members before an appointment is made by the Academy Trust.

The Secretary of State for Education may appoint Trustees in certain circumstances; no such appointments were made in the year under review.

The term of office for any trustee shall be 4 years, save that this time limit shall not apply to either the Principal or the staff trustees. Subject to remaining eligible to be a particular type of trustee, any Trustee may be re-appointed or re-elected.

A trustee shall cease to hold office if he resigns his office by notice to the Academy (but only if at least 3 Trustees will remain in office when the notice of resignation is to take effect).

A Trustee shall cease to hold office if he is removed by the person or persons who appointed him. The Article does not apply in respect of a Parent trustee.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are provided with copies of all essential documentation needed to undertake their role, including the memorandum and articles of association, Academies Financial Handbook and Plume School's Funding Agreement.

A Trustee Handbook with key information is available for all Trustees. This includes such aspects as:

- the structure of the academy and the relationship with the board of trustees
- a statement of values and expectations
- key elements of effective governance and the link to the Ofsted Handbook
- the committee structure of the board of trustees
- a brief description of the role of the chair and the role of the clerk/company secretary
- terms of reference for committees

The board of trustees subscribes to Essex Governor Services provision and in-house training is organised as and when required. Trustees are informed of external training opportunities.

New Trustees are mentored by existing Trustees.

PLUME SCHOOL

TRUSTEES' REPORT

Organisational Structure

The board of trustees of Plume School is constituted under the memorandum and articles of association. The board of trustees is responsible for ensuring high standards of corporate governance are maintained.

The Trustees are responsible for the strategic direction of the Academy, setting policy and agreeing the annual budget. Trustees are also responsible for monitoring the work of the Academy and ensuring the objectives of the academy are achieved.

In addition to the full board of trustees meetings, Plume School has a committee structure: the main committees are Curriculum, Finance and Estates, Personnel, Strategy Monitoring Group and Audit.

The Chair of the Board meets regularly with the Principal and all Trustees visit Plume School to make first hand observations of the work of the Academy. Reports of these visits are shared with all Trustees.

The Principal is required to provide strategic leadership and management of the Academy; he is assisted by the 2 Vice Principals. In addition the Academy has 7 Assistant Vice Principals, a Director of Business, Finance & Premises and a Director of Human Resources. These staff members comprise the Senior Leadership Team (SLT).

The Principal is the 'Accounting Officer' of Plume School.

Arrangements for setting pay and remuneration of key management personnel

Members and Trustees receive no remuneration for their role and all give their time freely to the position. Some Trustees are existing members of staff also, any remuneration received is in relation to their employed role, not that as a Trustee.

The Plume School operates under the guidelines of the National Teachers Pay & Conditions and Local Government Pay Scheme for all staff, without exception. All roles within the Academy are graded appropriately against national criteria and pay scales are allocated accordingly. All staff are subject to annual review under a rigorous Performance Management Review scheme, and subject to successful performance, pay awards are given in line with national levels. This system is shared equally and fairly by all staff members including key management personnel.

Connected Organisations, including Related Party Relationships

Plume School works closely with all of its local primary schools, working hard to maintain relationships to smooth the transition from primary to secondary education, and ensure a consistent curriculum. Where possible this is achieved through academic means, but the Academy also works closely on many sporting activities to ensure community cohesion.

The Academy is also following its ethos of community inclusion by developing links with the wider community and local businesses whilst also engaging with community groups to utilise resources, knowledge and further the schools purpose. This is an area that the school has excelled at during the last 12 months, with key relationships being formed locally with organisations such as the Rotary Club of Maldon, the Plume Library trustees amongst others. Performing arts still remains a key focus of the Academy, with a dedicated dance school now actively using academy facilities outside of the school day and at weekends, and local singing groups take advantage of the academy facilities to promote their clubs, attracting new young members alongside their existing cohorts. The Academy also maintains its joint use agreement with Maldon District Council in the promotion and shared risk of the 3G artificial sports pitch, trying to maximise community sports uptake.

As described in note 15 of the financial statements, the Academy has a wholly owned subsidiary, Plume Trading Limited.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Plume School to enhance the life chances of all Plume School students; aged between 11 and 18 years of age.

PLUME SCHOOL

TRUSTEES' REPORT

The main objectives of Plume School during the year ended 31st August 2016 are summarised below:

- to enable every student to fulfil their potential;
- to focus on raising standards and progression of all students;
- to improve effectiveness by regular review of all aspects of educational provision and the organisational structure of the Academy;
- to improve the quality of teaching and learning;
- to provide good value for money in the use of delegated funds; and
- to conduct all business of the Academy in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The main priorities of the Academy are to ensure high standards of teaching and learning, to recruit and retain high quality teaching and support staff and to establish an excellent pastoral and student support team so that all students will be encouraged to achieve their full potential.

Activities provided include:

- opportunities for all students to gain appropriate academic qualifications through consistently good teaching and on-going support;
- training and development opportunities for all staff;
- teaching staff professional development initiative to improve teaching & learning;
- a programme of enrichment activities for all students;
- careers advisory scheme to help students progress to further education, higher education, employment or training.

Public Benefit

The activities undertaken to further the academy trust's purposes for the public benefit are:

- Plume School has provided education to all registered students;
- Partnerships with local Primary schools have been established and maintained. Primary school students have attended educational activities at the Academy; including various sporting activities hosted by the Academy, and continued sharing of facilities, such as the mini bus.
- Leisure and sports facilities have been provided to the community through our continued partnership with Maldon District Council on the 3G artificial sports pitch and other school facilities in particular the performing arts.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

STRATEGIC REPORT

Achievements and Performance

Total student numbers in the year ended 31st August 2016 were 1709 (2015: 1,757).

2016 GCSE, BTEC & Vocational Examination Results:

The Academy was absolutely delighted that the students of Plume Academy achieved record breaking examination results this year. An incredible 27 of the Year 11 cohort secured 8 or more A*/A grades, double the number achieved last year, with 8 of these students actually achieving 8 or more A* grades

There is however a great deal more positive news:

- 63% A*-C achieved in both English and Mathematics.
- A significant increase in both the Progress 8 and Attainment 8 outcomes, the government's new key indicators of performance. This equates to the Academy moving from achieving slightly above national average to significantly above national average. It also equates to every GCSE grade awarded being on average half a grade higher than last year.
- A 4% increase in the number of students achieving the English Baccalaureate.

TRUSTEES' REPORT

- An 8% increase in the percentage of students securing 5A*-C including English and Mathematics equalling our best ever total of 58%.
- An 11% increase in the percentage of students securing an A*-C grade in Mathematics.
- 96% of the year group achieving 5A*-G grades, up 12% on last year.
- A 3% increase and consequently over 1/5th of all entries securing an A*/A grade
- From an entry of 41.1%, 26.1% of students gained the Ebacc qualification

These results are even more encouraging given the national context where the government is keen to ensure that GCSE examinations are harder and where it is increasingly difficult to gain good grades, especially in English and Mathematics.

The highest performing GCSE courses were:

- RE, with an incredible 42 students securing A* grades,
- Computing, with 100% of students achieving an A*-C grade, and
- Biology, Chemistry and Physics which all saw over 90% of students entered achieving an A*-C grade.
- All in all, 70% of all GCSE entries secured an A*-C outcome.

Vocational students also achieved fantastically well this year with virtually every student securing the required grades to move on to their desired next steps.

2016 A-level Examination Results:

Plume Academy once again celebrated in 2016 the excellent A level examination results which very much reflect the hard work and commitment shown by the students' throughout their time in the 6th form College.

A level results released today show that Plume secured it's best ever A*-E pass rate at 98.3% as well as the highest ever total points score per student.

Other notable achievements secured by the 2015/16 cohort were:

- An increase in the average points score per student
- An increase in the percentage of students securing 3A*-A grades
- An increase in the percentage of students securing 4A*-B grades
- 41% of all entries resulting in A*-B grades

Understandably, The Academy was immensely proud as to how well the College students performed, especially when taking into consideration the overall national picture. This is also whilst noting that Plume has one of the largest Sixth Forms in Essex offering a huge range of courses. Many of our students have surpassed their target grades set by their performance at GCSE and the increases highlighted above provide direct evidence to support this. In addition to these extremely pleasing results, an increased number of students (and from a smaller cohort) have applied for a place at university, with a record number applying for the highly sought after and prestigious 'Russell Group' universities.

The Year 13 cohort this year totalled 143 students. To put these results into context, advanced level results at Plume have improved year on year for a decade and this record-breaking year is no exception. Once again there is an enormous amount for our students to celebrate. These results are the schools' best ever in several areas and, in particular, the significant increase in the points score is excellent.

These results represent tremendous levels of achievement by the large numbers of students that choose to continue their education at Plume School after their GCSE's. They will enable our students to succeed and take advantage of the improving economic climate.

Many of the students have achieved excellent results which can be attributed to their ability, their subject choices and their commitment over the duration of the courses.

Despite the costs involved in attending university, a large number of Plume students are planning to study at degree level and I am very pleased that most students who have applied to university have achieved or exceeded the required grades and that those who have chosen not to apply have carefully considered their career options.

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TRUSTEES' REPORT

Plume has maintained its funding of the Aim Higher scheme, which encourages students as young as Year 8 to consider higher education after school, and this continues to have a positive effect on the number of students wishing to take this route.

To ensure that raising standards continue to be a central focus, the Academy operates an extensive staff development programme including both teaching and support staff. Our progress is evaluated through an internal review process (Raising Achievement Plan). The Academy has continued its robust approach to discipline; the continuation of a 'shifted school' for short term exclusions, and other interventions have been seen to have a pronounced effect on the schools attendance figures.

Key Performance Indicators

The Trustees regularly review Plume School's actual income and expenditure against the authorised budget. Changes to the budget to reflect new information with regard to income or expenditure are approved in line with the authorisation limits established in the Plume School Financial Regulations.

Ratio analysis and benchmarking is performed annually to ensure that the Academy is applying its resources efficiently and effectively to achieve the best possible educational outcomes.

- a) Unrestricted income (excludes income from grants & delegated funding) as a percentage of total income: 5.8% (2015: 5.0%)
- b) Staff costs as a percentage of total costs: 73.1% (2015: 76.3%)
Investing in quality staff has been fundamental in recruiting and retaining the right staff to raise pupil performance and improve teaching & learning standards.
- c) Salary Expenditure 2015-16: £7,898,549 (2015: £8,823,466)
Total Income Grants: £9,399,842 (2015: £9,723,949)
Staff costs as a percentage of grant income: 84.0% (2015: 90.7%)
- d) Net outgoing resources (before transfers and pension adjustments): £475,963 (2015: £1,005,010)
- e) Current Ratio (current assets/current liabilities) 3.43:1 (2015: 2.49:1)
- f) Liquidity: £1,446,886 cash at bank and in hand (2015: £1,350,903)

When seeking non-financial KPI's the academy seeks to review areas where under the formal scrutiny of benchmarking, it is clear that improvements can be made. One area the Academy has been striving to make substantial improvements is the area of student attendance. In 2011 the Academy was rated as 77th out of 80 secondary schools in Essex for attendance rates, this has turned around by 2015-16 to being within the top 15. Significant resource has been expended in this area with the assistance of external advisors and the appointment of an attendance officer, leading to a whole school ethos of good attendance. Attendance has improved from:

- 2011/12 – 92.7%
- 2012/13 – 93.0%
- 2013/14 – 92.6%
- 2014/15 – 93.7%
- 2015/16 – 95.3%

Going Concern

After making appropriate enquiries, the board of trustees 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.

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TRUSTEES' REPORT

Financial Review

The majority of Plume School's income is derived from the Education Funding Agency (EFA), an agent of the Department for Education (DfE), in the form of recurrent grants, the use of which is limited to specific purposes. The grants received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In times of public sector austerity it is only right and proper to ensure that all funds are utilised in the most efficient way possible. When reviewing the academy reserve position, it became very clear to the senior leadership team during 2015/16 that the level of expenditure was unsustainable and as a result in the summer term of 2016 a whole school staff restructure was completed to ensure the academy was on a stable financial footing. As a result of this restructure no staff members were made involuntarily redundant, with all staff losses coming from natural turnover and voluntary redundancy.

The reduction in staff expenditure can be seen from the reduction of 34 members of staff from 2015 to 2016 resulting in a reduction in staff costs of £845,000 (see Notes to the Accounts – Section 8; Staff), during a time of increased pension contributions and staff cost inflation.

The Academy continues to project a balanced budget for the following year (2016-17), through the use of £350,000 of the reserves, and continues to review all areas of spend to ensure value for money and sound financial management.

Reserves Policy

The Trustees review the reserve levels of Plume School annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The level of reserves will be kept under review and is necessary to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and planned changes such as managing the declining income from post 16 funding in a sustainable fashion. Reserves may be used to achieve the objectives of the Academy at any time at the discretion of the trustees.

As experienced nationally, the trustees are aware of a net deficit on both the teachers and local government pension funds. However this doesn't present an immediate liability and drain on reserves, as the deficit is being addressed by means of an actuarially calculated long term increase in the employer's contribution towards the fund. This increase will have an effect on the cash flow of the school annually, but will not result in a direct impact on the free reserves.

As previously noted, the Academy has set its budget for 2016-17 utilising £350,000 of reserves which will substantially reduce both the restricted and unrestricted reserves. Current work to reduce the level of revenue spend in the 2015-16 financial year have seen a slight improvement on GAG reserves.

Current restricted general funds have moved from £(2,284,722), to £(4,343,650); however this is primarily attributable to the negative swing of £1,678,166 on the Local Government Pension Fund, which has been assessed with a significant increase in the deficit due to the poor performance of the pension fund investments.

Unrestricted reserves have improved by £309,925 to £427,164 during the year as a result of the in-year savings. These reserves will be used to fund the 2016-17 assumed revenue deficit.

Investment Policy

Within the Plume School investment policy, the Trustees agree all investments made by Plume School are in line with the Charity Commission guidance. Investments are currently restricted to deposit accounts held with UK banks.

Financial and Risk Management Objectives and Policies

The Academy has a formal risk management process in place to identify and assess all risks associated with the organisation; this enables the instigation of risk mitigation strategies. A Risk Register is in place which is subject to regular review and made available to all staff. Key members of staff and Trustees are involved in the preparation of the Risk Register, overseen by the Finance and Estates committee. All members of staff are aware of the risk management policy and the controls in place to limit exposure to risk. The Risk Register identifies the types of risk the Academy might encounter and rates the risks in terms of likelihood and impact. This ensures that the most significant risks are highlighted, appropriate strategies to be implemented and the allocation of resources.

As the majority of the Academy's funding is derived from the EFA, via the Department for Education, the Trustees consider this element of funding to be reasonably secure. The most significant risks relating to this income result from changing government policy on school funding (primarily around post 16 funding), the effect of increasing contribution rates for stakeholder pensions and NI rebate deletion, and the effect of changing pupil numbers. The Trustees have laid out their strategies for dealing with these risks within the Academy's risk register.

Principal Risks and Uncertainties

The education sector is one in which there is constant change and therefore there is continual need to identify and address risks and uncertainty. The responsibility to identify and react to risk rests with the Trustees and Senior Leadership Team.

The Trust has adopted a policy whereby risks are monitored on a likelihood and impact basis. As such, the key risks facing the Trust are detailed below:

Pupil numbers

Plume School is currently a popular Academy; however the Trustees are aware of falling student numbers feeding through from local primary schools as a result of reduced birth rates within the local area. Available data indicates that this is a relatively short term issue, and in the current financial year the intake is oversubscribed, however the Academy is reviewing its policies on intake and school promotion accordingly. Longer term the school is reviewing how it may grow substantially to accommodate increased student numbers from proposed residential development within the locality. In addition to this, as a result of positive marketing and the academy achieving a highly positive perception from within the local community, the academy is optimistic about sustaining high student numbers as current popularity have resulted in a Yr 7 intake well above of the planned admission number.

Reserve balances

The Academy has carried forward a significant sum from the previous period; this has been essential to contend with the expected short term changes with pupil intake and reduced post 16 funding. Furthermore as a split site school, with an aging building stock, reserves are being retained to address known building condition issues especially surrounding disability access and under the grounds of health and safety.

Other risks

The academy's risk register also considers the operational and reputational risks involved in the running of the school within the risk register. Whilst it has been identified that the likely occurrence of these risks is low, it is also accepted that the impact if they were to occur is potentially high, therefore the trustees seek professional advice whenever necessary to mitigate against these risks.

Financial Instruments

Credit Risk

With the vast majority of the academy funding coming from the EFA, the academy is confident in its primary source of funding, this is backed up by positive and consistent student numbers. In order to expand its appeal both financially and for community involvement, the academy markets and hires out its premises where suitable and beneficial. Clearly this presents a risky form of credit, and is mitigated by sound marketing and ensuring customer satisfaction to continue with all lets and hires. Where previously unknown, all hirers are asked to pay in advance of use to ensure reduced bad credit.

PLUME SCHOOL

TRUSTEES' REPORT

Cash flow and liquidity

The Trust continues to maintain significant cash balances which represent a high degree of liquidity. With most cash paid regularly and equally to the academy from the EFA, the academy regularly reviews its cash-flow position to ensure it can meet its immediate and longer term liabilities.

Equal Opportunities and Disabled persons policies (Equalities Policy)

The schools policy on equal opportunities outlines the commitment of the staff and Governors of Plume School to ensure that equality of opportunity is available to all members of the School community. For our School this means, not simply treating everybody the same but, understanding and tackling the different barriers which could lead to unequal outcomes for different groups of students in the School. It also means celebrating and valuing the equal opportunity achievements and strengths of all members of the School community. These include: -

- Students
- Teaching staff
- Support staff
- Parents/carers
- Community governors
- Multi-agency staff linked to the School
- Visitors to the School
- Students on placement

The trustees believe that equality at the School should permeate all aspects of School life and is the responsibility of every member of the School and wider community. Every member of the School community should feel safe, secure, valued and of equal worth.

At Plume School, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.

Plume School is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. Plume School provides training and development for all its employees, including people with disabilities, tailored where appropriate, to ensure they have the opportunity to achieve their potential. If a Plume School employee becomes disabled while in our employment, Plume School will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

Employee Information Policy

Plume School includes 2 staff trustees on its board and has the Principal as ex-officio Governor. This ensures that:

- employees views are taken into account on decisions affecting their interests; and
- there is a common awareness on the part of all employees of all factors that affect the academy's performance

Plume School also undertakes discussions with employees and their unions when making decisions that affect employee interests to ensure that employee's views are reflected in decisions made and their interests are protected.

Plans for Future Periods

In setting our objectives and planning activities the Trustees have given careful consideration to the Charity Commissions general guidance on public benefit. The Academy will continue to work to raise both the aspirations and outcomes of all its students at whatever age, closing gaps between the performances of different groups, where this is needed, and ensuring they are able to proceed successfully to the next stage of their education.

The Academy has plans to continue the premises improvements to the school buildings, including the restoration of deteriorating Victorian building elements, making improvements to the sporting facilities and recladding existing buildings to make both environmental and energy efficiency improvements.

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TRUSTEES' REPORT

The Academy also continues to review its asset holding with regard to making best use of the freehold property at its disposal.

Funds held as Custodian Trustee on behalf of others

Neither Plume School nor any of its Trustees act as a custodian trustee.

Auditor

In so far as the Trustees are aware:

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

Approved by order of the members of the governing body on 7th December 2016 and signed on its behalf by:



Joan Binder
Chair of Trustees

PLUME SCHOOL

GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Plume School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the 'Trustees' Report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Trustees | Meetings attended | Out of a possible |
|--------------|-------------------|-------------------|
| Barbrook, R | 1 | 4 |
| Binder, J | 4 | 4 |
| Everard, J | 4 | 4 |
| Goldsmith, P | 3 | 3 |
| Howell, M | 3 | 4 |
| Marshall, L | 3 | 4 |
| McKinnell, J | 4 | 4 |
| Morcombe, R | 4 | 4 |
| Nagle, P | 3 | 4 |
| Pond, C | 3 | 4 |
| Purdy, C | 4 | 4 |
| Sims, L | 2 | 3 |
| Thomas, D | 4 | 4 |
| Wakefield, C | 4 | 4 |

Changes to the Board in the financial year include the resignations of 3 trustees; Louisa Sims, Paul Goldsmith and Laura Marshall. There was just 1 new appointment made during the financial year; Adrian Stead was appointed to the Board.

The Finance and Estates Committee is a sub-committee of the main governing body. The purpose of the Finance and Estates Committee is to share the workload of the Accounting Officer in managing and monitoring the organisation's finances and premises matters. The Finance and Estates Committee has formally met 4 times during the year; 3 times for monitoring meetings and 1 extraordinary meeting to approve the annual accounts. An Audit Committee exists to oversee the year-end audit process.

This Finance and Estates Committee provides an opportunity for detailed discussion and consideration of financial and property matters, with regular reporting to the full board of trustees. It is given delegated authority for most financial decision-making, but the full board of trustees as a whole remains accountable and must still remain actively engaged in financial and premises matters.

PLUME SCHOOL

GOVERNANCE STATEMENT

Benefits of the finance and estates committee include:

- Helping to prevent fraud by ensuring that all tasks associated with the finance function are not performed by one person without supervision from others (segregation of duties).
- Allowing the Full Governing Body meetings to focus on a wider range of issues, as detailed financial and property discussions can take place within the sub-committee.
- Enabling more democratic control of the organisation's finances and estate.
- Spreading the burden of financial and premises management, thereby also potentially improving its quality.
- Helping train new committee members in financial and premises related matters.

Matters discussed during the year to 31 August 2016 include:

- Full review of finance and estates policies
- Agreement of financial regulations and scheme of delegation
- Regular review of the current financial position
- Review of long term (3-5 years) financial position
- Assurance work on health and safety matters relating to the estate
- Investigations into furthering the trusts charitable aim through community involvement
- Continuation of the audit committee to meet statutory needs
- Review of capital grants received in year for the improvement of the estate
- Consideration of the schools assets and fulfilment of the Trusts charitable obligations to maximise the benefit of those assets with regard to asset disposal and reinvestment
- Monitoring of a Trading Subsidiary of the school to monitor income generated from activities that are outside of the normal scope of the charitable purpose of the trust.

Attendance at Finance and Estates Committee meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|--------------|-------------------|-------------------|
| Binder, J | 4 | 4 |
| Everard, J | 0 | 2 |
| McKinnell, J | 4 | 4 |
| Morcombe, R | 2 | 2 |
| Nagle, P | 3 | 4 |
| Pond, C | 2 | 2 |
| Purdy, C | 4 | 4 |
| Thomas, D | 4 | 4 |
| Wakefield, C | 4 | 4 |

The Audit Committee is also a sub-committee of the main board of trustees. Its purpose is to:

- Recommend the appointment of the auditors
- Remove the burden of audit matters from the Finance & Estates Committee
- Act as the investigating body in the event of any accusation of fraud
- Oversee the year end process
- Receive the response from the appointed Auditors
- Recommend adjustments to the practice of the finance function based on the auditors findings
- Receive and recommend the adoption or rejection of the Annual Accounts to the Board of Trustees

PLUME SCHOOL

GOVERNANCE STATEMENT

Membership of the Audit Committee in the year was:

- Mark Howell (Chairman)
- John Everard
- Chris Pond

Review of Value for Money

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

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

- **Whole Staff restructure:**
Long term budget reviews indicated that the Academy was working towards unsustainably high levels of staffing. The academy took a whole school approach and reviewed both teaching and support staff areas. By taking a strategic long term view, the Academy was able to adjust its teaching staff to suit a revised timetable for the following year by without any redundancies at all, only using natural turnover of teachers. Due to the lower level of turnover in the support staff group, some voluntary redundancies were accepted (none involuntary) which has brought the staffing levels down to more sustainable and cost effective levels.
- **Re-sourcing uniform suppliers:**
Following a move the previous year to outsource its uniform supply, the academy took a further step in 2015-16 to re-tender for its whole uniform. This choice was made to significantly improve the customer experience received by parents and carers and to improve the quality and appearance of the uniform on offer. Following a rapid, yet comprehensive review, looking at the qualitative merits of alternative suppliers, the Academy appointed a new supplier which has saved money for every parent, whilst ensuring the garments are better quality and represent best value.
- **Utility contracts retenders:**
In line with all contracts when due for review, on this occasion as a specialist product, the academy sought the assistance of specialist advisors, Zenergi, to assist in the retender for the supply of utilities. This exercise took place in the early part of 2016, and has resulted in a substantial reduction in the unit cost of both gas and electricity.
- **Tender for architects:**
With the imminent expansion of the academy to accommodate both the gains from increasing local popularity and from housing expansion in the natural catchment, the academy embarked on a full spec. tender for architects and project managers to assist with the process. This involved OJEU publication due to the anticipated size of the contract, and the trustees embarked on a rigorous exercise to identify suitable partners, finally selecting a company with the ability to provide the services required, and able to provide exceptional service and best value through future basic need funding negotiation and procurement exercises, whilst also dramatically reducing the academies current fee paying rate for these services.

GOVERNANCE STATEMENT

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Plume School for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that have been in place for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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 trustees;
- regular reviews by the finance and estates 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 trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr A Gothard, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

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

- testing of payroll systems
- testing of purchase systems
- testing of control / bank reconciliations

On a termly basis, the RO reports to the board of trustees, through the Finance and Estates Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The RO has completed 2 out of the 3 planned visits during 2015-16, with 1 session being postponed to the following session. The program of works missed was intended to ensure that prior comments and recommendations had been implemented, and the 2 prior checks had shown that this had occurred on all other areas with very few issues being raised to show concern. The only issue raised was a suggestion to standardise the descriptions within the financial regulations in relation to the bank signatories.

PLUME SCHOOL

GOVERNANCE STATEMENT

Review of Effectiveness

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

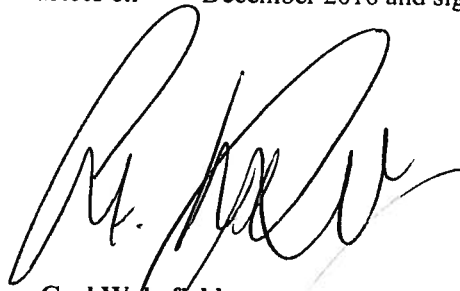
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Estates 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 trustees on December 2016 and signed on its behalf by:

Joan Binder

Joan Binder
Chair of Trustees



Carl Wakefield
Accounting Officer

PLUME SCHOOL

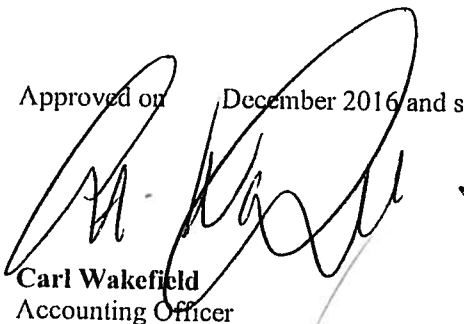
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Plume School I have considered my responsibility to notify the academy trust board of trustees 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on December 2016 and signed by:



Carl Wakefield
Accounting Officer

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as governors of Plume School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Trustees 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 Trustees 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 the EFA/DfE have been applied for the purposes intended.

The Trustees 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 trustees on December 2016 and signed on its behalf by:



Joan Binder
Chair of Trustees

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLUME SCHOOL

We have audited the financial statements of Plume School for the year ended 31 August 2016 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the academy'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'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 and the academy's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, the Trustees (who are also the directors of the charitable company 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and the academy's affairs as at 31 August 2016 and of the group's and the academy's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PLUME SCHOOL (continued)**

Matters on which we are required to report by exception

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

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



Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young LLP, Statutory Auditor

Quadrant House
4 Thomas More Square
London
E1W 1YW

15 December 2016

UHY Hacker Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF PLUME SCHOOL AND THE EDUCATING FUNDING AGENCY

In accordance with the terms of our engagement letter dated 30 April 2012 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Plume School during the year to 31 August 2016 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 Plume School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Plume School and the EFA those matters we are required to state to it 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 Plume School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Plume School's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Plume School's funding agreement with the Secretary of State for Education dated 18 October 2011 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. 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 to 31 August 2016 have not been applied to purposes intended by Parliament or that financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016, 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.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF PLUME SCHOOL AND THE EDUCATING FUNDING AGENCY (continued)

The work undertaken to draw our conclusion includes:

- Evaluation of the general control environment
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education
- Review of the declaration of interests to ensure completeness
- Review of minutes for evidence of declaration of interest
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities
- A sample of cash payments were reviewed for unusual transactions
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement
- Formal representations have obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety

Conclusion

In the course of our work, nothing has come to our attention which suggests that, in all material respect, the expenditure disbursed and income received during the year to 31 August 2016, has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young

UHY Hacker Young
Reporting Accountant

Quadrant House
4 Thomas More Square
London
E1W 1YW

15 December 2016

PLUME SCHOOL

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2016 (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES)

| | Notes | Unrestricted fund £ | General funds £ | Restricted funds Fixed asset fund £ | 2016 Total £ | 2015 Total £ |
|--|-------|---------------------------|-----------------------|--|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 2 | 34,811 | - | 231,290 | 266,101 | 106,940 |
| <i>Charitable activities</i> | | | | | | |
| Funding for the Academy Trust's educational operations | 3 | - | 9,168,552 | - | 9,168,552 | 9,621,642 |
| Other trading activities | 4 | 558,524 | 337,781 | - | 896,305 | 906,997 |
| Investments | 5 | 1,514 | - | - | 1,514 | 1,041 |
| Total income and endowments | | 594,849 | 9,506,333 | 231,290 | 10,332,472 | 10,636,620 |
| Expenditure on: | | | | | | |
| Raising funds | | 309,925 | 541,244 | - | 851,169 | 715,447 |
| <i>Charitable activities:</i> | | | | | | |
| Educational operations | | - | 9,345,851 | 611,415 | 9,957,266 | 10,756,494 |
| Total resources expended | | 309,925 | 9,887,095 | 611,415 | 10,808,435 | 11,560,195 |
| Net incoming/(outgoing) resources before transfers | | 284,924 | (380,762) | (380,125) | (475,963) | (1,005,010) |
| Gross transfers between funds | | - | 106,834 | (106,834) | - | - |
| Net income/(expenditure) for the year | | 284,924 | (273,928) | (486,959) | (475,963) | (1,005,010) |
| Other recognised gains and losses | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | | - | (1,785,000) | - | (1,785,000) | 101,000 |
| Net movement in funds | | 284,924 | (2,058,928) | (486,959) | (2,260,963) | (904,010) |
| Total funds brought forward at 31 August 2015 | | 142,240 | (2,284,722) | 25,955,034 | 23,812,552 | 24,716,562 |
| Total funds carried forward at 31 August 2016 | | 427,164 | (4,343,650) | 25,468,075 | 21,551,589 | 23,812,552 |

All of the academy's activities derive from continuing operations during the financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

PLUME SCHOOL

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2016 (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES)

| Comparative year information | | | Unrestricted funds | Restricted funds | | |
|---|-------|--|--------------------|------------------|------------------|-------------|
| | Notes | | fund | General funds | Fixed asset fund | 2015 |
| | | | £ | £ | £ | Total |
| | | | | | | £ |
| Income and endowments from: | | | | | | |
| Donations and capital grants | 2 | | 4,633 | - | 102,307 | 106,940 |
| <i>Charitable activities</i> | | | | | | |
| Funding for the Academy Trust's educational operations | 3 | | - | 9,621,642 | - | 9,621,642 |
| Other trading activities | 4 | | 526,722 | 380,270 | - | 906,997 |
| Investments | 5 | | 1,041 | - | - | 1,041 |
| | | | | | | |
| Total income and endowments | | | 532,396 | 10,001,917 | 102,307 | 10,636,620 |
| | | | | | | |
| Expenditure on: | | | | | | |
| Raising funds | | | 384,650 | 500,484 | - | 715,447 |
| <i>Charitable activities:</i> | | | | | | |
| Educational operations | | | - | 10,150,431 | 606,063 | 10,756,494 |
| | | | | | | |
| Total resources expended | | | 384,650 | 10,650,917 | 606,063 | 11,560,195 |
| | | | | | | |
| Net incoming/(outgoing) resources before transfers | | | 147,746 | (649,000) | (503,756) | (1,005,010) |
| | | | | | | |
| Gross transfers between funds | | | (1,199,161) | 1,105,704 | 93,457 | - |
| | | | | | | |
| Net income/(expenditure) for the year | | | | | | |
| Other recognised gains and losses | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | | | - | 101,000 | - | 101,000 |
| | | | | | | |
| Net movement in funds | | | (1,051,415) | 557,704 | (410,299) | (904,010) |
| | | | | | | |
| Total funds brought forward at 31 August 2014 | | | 1,193,655 | (2,842,426) | 26,365,333 | 24,716,562 |
| | | | | | | |
| Total funds carried forward at 31 August 2015 | | | 142,240 | (2,284,722) | 25,955,034 | 23,812,552 |
| | | | | | | |

All of the academy's activities derive from continuing operations during the financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

PLUME SCHOOL

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2016**

| | Notes | 2016 £ | 2015 £ |
|--|-------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 25,468,075 | 25,955,034 |
| | | <u>25,468,075</u> | <u>25,955,034</u> |
| Current assets | | | |
| Stock | 13 | - | 7,964 |
| Debtors | 15 | 97,412 | 92,667 |
| Cash in hand and at bank | 26 | 1,446,886 | 1,350,903 |
| | | <u>1,544,298</u> | <u>1,451,534</u> |
| Liabilities | | | |
| Creditors: amounts falling due within one year | 16 | (449,784) | (584,016) |
| Net current assets | | <u>1,094,514</u> | <u>867,518</u> |
| Net assets excluding pension liability | | <u>26,562,589</u> | <u>26,822,552</u> |
| Pension scheme liability | 29 | (5,011,000) | (3,010,000) |
| Net assets including pension liability | | <u>21,551,589</u> | <u>23,812,552</u> |
| The funds of the Academy Trust: | | | |
| Restricted funds | | | |
| Fixed asset funds | 17 | 25,468,075 | 25,955,034 |
| Restricted income funds | 17 | 667,350 | 725,278 |
| Pension reserve | 17 | (5,011,000) | (3,010,000) |
| Total restricted funds | | <u>21,124,425</u> | <u>23,670,312</u> |
| Unrestricted income fund | | | |
| General fund | 17 | 427,164 | 142,240 |
| Total funds | | <u>21,551,589</u> | <u>23,812,552</u> |

The financial statements on pages 25 to 53 were approved by the Board of Trustees, and authorised for issue on 7th December 2016 and are signed on their behalf by:


Carl Wakefield
Accounting Officer
Company registration no: 07849731

PLUME SCHOOL

ACADEMY BALANCE SHEET AS AT 31 AUGUST 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 25,468,075 | 25,955,034 |
| Investments | 12 | 1 | 1 |
| | | <u>25,468,076</u> | <u>25,955,035</u> |
| Current assets | | | |
| Stock | 13 | - | 7,964 |
| Debtors | 15 | 150,611 | 124,954 |
| Cash in hand and at bank | | 1,384,686 | 1,318,615 |
| | | <u>1,535,297</u> | <u>1,451,533</u> |
| Liabilities | | | |
| Creditors: amounts falling due within one year | 16 | (440,784) | (584,016) |
| Net current assets | | <u>1,094,513</u> | <u>867,517</u> |
| Net assets excluding pension liability | | <u>26,562,589</u> | <u>26,822,552</u> |
| Pension scheme liability | 29 | (5,011,000) | (3,010,000) |
| Net assets including pension liability | | <u>21,551,589</u> | <u>23,812,552</u> |
| The funds of the academy: | | | |
| Restricted income funds | | | |
| Fixed asset funds | 18 | 25,468,075 | 25,955,034 |
| Restricted income funds | 18 | 667,350 | 725,278 |
| Pension reserve | 18 | (5,011,000) | (3,010,000) |
| Total restricted funds | | <u>21,124,425</u> | <u>23,670,312</u> |
| Unrestricted income fund | | | |
| General fund | 18 | 427,164 | 142,240 |
| Total funds | | <u>21,551,589</u> | <u>23,812,552</u> |

The financial statements on pages 25 to 53 were approved by the Board of Trustees, and authorised for issue on 7th December 2016 and are signed on their behalf by:


Carl Wakefield
 Accounting Officer
 Company registration no: 07849731

PLUME SCHOOL

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|------------------|------------------|
| Cash flows from operating activities | 23 | (12,365) | 809,036 |
| Cash flows from investing activities | | | |
| Capital grants from DfE and EFA | 25 | 231,290 | 102,307 |
| Payments to acquire tangible fixed assets | | (124,456) | (195,764) |
| | | 106,834 | (93,457) |
| Cash flows from financing activities | 24 | 1,514 | 1,041 |
| Change in cash and cash equivalents in the reporting period | | 95,983 | 716,620 |
| Cash and cash equivalents at 1 September 2015 | | 1,350,903 | 634,283 |
| Cash and Cash equivalents at 31 August 2016 | | <u>1,446,886</u> | <u>1,350,903</u> |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies

Company Information

Plume School is a company limited by guarantee, incorporated in England and Wales. The registered office is Plume School, Fambridge Road, Maldon, Essex, CM9 6AB.

Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Plume School meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of consolidation

These financial statements consolidate on a line-by-line basis the results of the Academy Trust and its wholly owned subsidiary, Plume Trading Limited. A separate statement of financial activities (incorporating an income and expenditure account) for the Company itself is not presented because the Company has taken advantage of the exemptions afforded by section 230 of the Companies Act 2006 and paragraph 397 of SORP 2015. The Academy Trust's net expenditure for the year was £2,260,963.

Going concern

The Trustees 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 to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditor as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies (continued)

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

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

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

Donated goods, services and gifts in kind

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

On becoming an academy, the land and property of the predecessor school was transferred to the academy for nil consideration. The valuation of the land and buildings as at the date of conversion was prepared by Lambert, Smith Hampton on a depreciated replacement cost basis.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies (continued)

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost or donated market value and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, 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 directly to the restricted fixed asset fund in the Statement of Financial Activities.

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 buildings | 2% |
| Freehold building improvements | 5-10% |
| Artificial pitch | 10% |
| Fixtures, fittings and equipment | 20% |
| Motor vehicles | 20% |

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

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Academy Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies (continued)

Financial instruments

The academy Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Investments

The academy's shareholding in the wholly owned subsidiary, Plume Trading Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The academy 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 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.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension benefits

Retirement benefits to employees of the academy 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 quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies (continued)

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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency, the Department for Education or other 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 Education Funding Agency.

Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Pension Liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 31, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The Trustees estimate the useful economic lives and residual values of Buildings, Building Improvements, the Artificial Pitch, Furniture and Equipment and Motor Vehicles in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the profit and loss account and the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1 Statement of accounting policies (continued)

The Trustees have reviewed the carrying values of the Trust's Buildings, Building Improvements, Artificial Pitch, Furniture and Equipment and Motor Vehicles.

Critical areas of judgement

The Trustees do not consider that they have made any critical judgements in the preparation of the financial statements.

| 2 Donations and capital grants | Unrestricted fund £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 231,290 | 231,290 | 102,307 |
| Other donations | 34,811 | - | 34,811 | 4,633 |
| | <u>34,811</u> | <u>231,290</u> | <u>266,101</u> | <u>106,940</u> |

3 Funding for the Academy Trust's educational operations

| | Unrestricted fund £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|---------------------------|--------------------------|-------------------------|-------------------------|
| DfE / EFA grants | | | | |
| - General Annual Grant (GAG) | - | 8,648,907 | 8,648,907 | 9,497,558 |
| - Other DfE / EFA grants | - | 378,457 | 378,457 | 22,212 |
| | <u>-</u> | <u>9,027,364</u> | <u>9,027,364</u> | <u>9,519,770</u> |
| Other Government grants | | | | |
| - Local authority grants | - | 141,188 | 141,188 | 101,872 |
| | <u>-</u> | <u>141,188</u> | <u>141,188</u> | <u>101,872</u> |
| | <u><u>-</u></u> | <u><u>9,168,552</u></u> | <u><u>9,168,552</u></u> | <u><u>9,621,642</u></u> |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

4. Other trading activities

| | Unrestricted fund £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 104,713 | - | 104,713 | 115,045 |
| Catering income | 52,789 | 337,781 | 390,570 | 381,370 |
| Fees charged for music tuition | 35,020 | - | 35,020 | 35,814 |
| Trip income | 147,899 | - | 147,899 | 146,909 |
| Sale of school uniform | 13,649 | - | 13,649 | 31,561 |
| Other income | 204,454 | - | 204,454 | 196,298 |
| | <u>558,524</u> | <u>337,781</u> | <u>896,305</u> | <u>906,997</u> |

5 Investment income

| | Unrestricted fund £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Bank interest receivable | 1,514 | - | 1,514 | 1,041 |
| | <u>1,514</u> | <u>-</u> | <u>1,514</u> | <u>1,041</u> |

6 Expenditure

| | Staff costs £ (note 8) | Non pay expenditure Premises £ | Other costs £ | Total 2016 £ | Total 2015 £ |
|---|---------------------------------|--------------------------------------|---------------------|--------------------|--------------------|
| Academy's educational operations (note 7) | | | | | |
| - direct costs | 6,788,605 | - | 417,765 | 7,206,370 | 8,068,216 |
| - allocated support costs | 1,141,660 | 997,225 | 612,011 | 2,750,896 | 2,688,278 |
| | <u>7,930,265</u> | <u>997,225</u> | <u>1,029,776</u> | <u>9,957,266</u> | <u>10,756,494</u> |
| Expenditure on raising funds | 184,284 | - | 666,885 | 851,169 | 885,136 |
| | <u>8,114,549</u> | <u>997,225</u> | <u>1,696,661</u> | <u>10,808,435</u> | <u>11,641,630</u> |

Net income / expenditure for the year includes:

| | 2016 £ | 2015 £ |
|---------------------------------------|----------------|----------------|
| Operating lease rentals | 48,640 | 48,640 |
| Fees paid to auditor for: | | |
| - audit services | 14,000 | 14,000 |
| - other services | 11,800 | 11,750 |
| Depreciation of tangible fixed assets | 611,415 | 606,063 |
| | <u>685,855</u> | <u>680,453</u> |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

| | Total 2016 £ | Total 2015 £ |
|--|-----------------------------|-----------------------------|
| Direct costs – educational operations | 7,206,370 | 8,068,216 |
| Support costs – educational operations | 2,750,896 | 2,610,044 |
| | <hr/> | <hr/> |
| | 9,957,266 | 10,678,260 |
| | <hr/> | <hr/> |
| | Total 2016 £ | Total 2015 £ |
| Analysis of support costs | | |
| Support staff costs | 925,660 | 1,023,090 |
| Depreciation (fixed asset restricted fund) | 611,415 | 606,063 |
| Technology costs | 240,282 | 137,086 |
| Premises costs | 385,810 | 301,230 |
| Other support costs | 497,008 | 464,340 |
| Governance costs | 90,721 | 78,235 |
| | <hr/> | <hr/> |
| Total support costs | 2,750,896 | 2,610,044 |
| | <hr/> | <hr/> |

8 Staff costs

Staff costs during the year were:

| | 2016 Total £ | 2015 Total £ |
|---------------------------|-----------------------------|-----------------------------|
| Wages and salaries | 6,327,576 | 7,002,895 |
| Social security costs | 488,848 | 482,489 |
| Pension costs | 956,325 | 1,175,126 |
| | <hr/> | <hr/> |
| | 7,772,749 | 8,660,510 |
| Supply teacher costs | 82,646 | 162,956 |
| Staff restructuring costs | 43,154 | - |
| | <hr/> | <hr/> |
| | 7,898,549 | 8,823,466 |
| | <hr/> | <hr/> |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs (continued)

| | 2016 £ | 2015 £ |
|-------------------------------------|---------------|-----------|
| Staff restructuring costs comprise: | | |
| Redundancy payments | 43,154 | - |
| | <u>43,154</u> | <u>-</u> |

Staff restructuring costs in the year did not include any non-statutory/non-contractual payments.

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

| | 2016 Number | 2015 Number |
|----------------------------|----------------|----------------|
| Teachers | 107 | 127 |
| Administration and support | 192 | 205 |
| Management | 12 | 15 |
| | <u>311</u> | <u>345</u> |

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

| | 2016 Number | 2015 Number |
|---------------------|----------------|----------------|
| £ 60,001 - £ 70,000 | 2 | 2 |
| £ 70,001 - £ 80,000 | 1 | 1 |
| £100,001 - £110,000 | 1 | 1 |
| | <u>4</u> | <u>4</u> |

Four of the above employees participated in the Teachers' Pension Scheme (2015: four). During the year ended 31 August 2016, pension contributions for these staff amounted to £52,114 (2015: £42,944).

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

9 Trustees' remuneration and expenses

The Principal and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the academy in respect of their role as Trustees. The value of trustees' remuneration was as follows:

| | |
|----------------------------------|-------------------|
| Carl Wakefield (Principal) | 105,000 – 110,000 |
| Laura Marshall (staff trustee) | 30,000 – 35,000 |
| Rachael Barbrook (staff trustee) | 20,000 – 25,000 |

During the year ended 31 August 2016, travel and subsistence expenses totalling £87.30 were reimbursed to trustees (2015: £Nil).

10 Trustees' and Officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 (2015: £5,000,000) on any one claim and the cost for the year ended 31 August 2016 was £Nil (2015: £1,195).

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

11 Tangible fixed assets – Group & Academy

| | Freehold Land and Buildings £ | Building Improvements £ | Artificial Pitch £ | Furniture & Equipment £ | Motor Vehicles £ | Total £ |
|------------------------|--|-------------------------------|--------------------------|-------------------------------|------------------------|------------|
| Cost | | | | | | |
| At 1 September 2015 | 25,658,370 | 1,736,029 | 487,455 | 245,249 | 8,000 | 28,135,103 |
| Additions | - | 121,271 | - | 3,185 | - | 124,456 |
| | | | | | | |
| At 31 August 2016 | 25,658,370 | 1,857,300 | 487,455 | 248,434 | 8,000 | 28,259,559 |
| | | | | | | |
| Depreciation | | | | | | |
| At 1 September 2015 | 1,634,400 | 263,925 | 186,802 | 88,810 | 6,132 | 2,180,069 |
| Charge in year | 363,200 | 148,183 | 48,745 | 49,689 | 1,600 | 611,415 |
| | | | | | | |
| At 31 August 2016 | 1,997,600 | 412,108 | 235,457 | 138,497 | 7,732 | 2,791,484 |
| | | | | | | |
| Net book values | | | | | | |
| At 31 August 2016 | 23,660,770 | 1,445,192 | 251,908 | 109,937 | 268 | 25,468,075 |
| At 31 August 2015 | 24,023,970 | 1,472,104 | 300,653 | 156,439 | 1,868 | 25,955,034 |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

12 Investments - Academy

| | Total 2016 £ | Total 2015 £ |
|----------------------------------|--------------------|--------------------|
| Shares in subsidiary undertaking | 1 | 1 |
| | <hr/> | <hr/> |
| | 1 | 1 |
| | <hr/> | <hr/> |

Holdings of more than 20%

The company holds more than 20% of the share capital of the following company:

| Company | Country of registration or incorporation | Shares held Class | % |
|-----------------------|---|----------------------|--------|
| Plume Trading Limited | England and Wales | Ordinary | 100.00 |

Plume Trading Limited carries out the trading activities of the Academy Trust such as lettings and uniform sales.

The results of the subsidiary for the year ended 31 August 2016 were as follows:

| | |
|--|----------|
| Turnover | £ |
| Operating expenses | 124,351 |
| Gift aid payment made to the Academy Trust | (72,913) |
| | (51,438) |
| | <hr/> |
| Net profit before taxation | - |
| Taxation charge | - |
| | <hr/> |
| Retained profit for the year | - |
| | <hr/> |

At 31 August 2016 the aggregate amount of net assets and reserves was as follows:

| | |
|---------------------|----------|
| | £ |
| Current assets | |
| Current liabilities | 69,981 |
| | (69,980) |
| | <hr/> |
| | 1 |
| | <hr/> |
| Represented by: | |
| Share capital | 1 |
| Reserves | - |
| | <hr/> |
| | 1 |
| | <hr/> |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

| | | | | |
|-----------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| 13 Stock | Group 2016 £ | Group 2015 £ | Academy 2016 £ | Academy 2015 £ |
| Catering | - | 7,964 | - | 7,964 |
| | - | 7,964 | - | 7,964 |

| | | | | |
|---|---------------------------------------|---------------------------------------|---|---|
| 14 Financial instruments | Group Total 2016 £ | Group Total 2015 £ | Academy Total 2016 £ | Academy Total 2015 £ |
| Carrying amount of financial assets | | | | |
| Debt instruments measured at amortised cost | 23,479 | 19,296 | 76,763 | 57,583 |
| Carrying amount of financial liabilities | | | | |
| Measured at amortised cost | 183,689 | 209,045 | 174,689 | 209,045 |

The trustees have considered the Academy Trust's exposure to credit, cash flow and liquidity risks as part of its annual risk assessment procedures. Risks are assessed within the Academy Trust's risk register and monitored throughout the year. The trustees do not consider the Academy Trust to be materially exposed to credit, cash flow or liquidity risk, owing to sufficient bank balances and limited debtor exposures

| | | | | |
|--------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| 15 Debtors | Group 2016 £ | Group 2015 £ | Academy 2016 £ | Academy 2015 £ |
| Trade debtors | 20,835 | 18,094 | 13,139 | 10,656 |
| VAT recoverable | 73,932 | 31,283 | 73,847 | 31,283 |
| Amounts due for subsidiary | - | - | 60,980 | 46,927 |
| Prepayments and accrued income | 2,645 | 43,290 | 2,645 | 36,088 |
| | 97,412 | 92,667 | 150,611 | 124,954 |

| | | | | |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| 16 Creditors: amounts falling due within one year | Group 2016 £ | Group 2015 £ | Academy 2016 £ | Academy 2015 £ |
| Trade creditors | 14,625 | 10,122 | 14,625 | 10,122 |
| Other taxation and social security | 255,853 | 277,128 | 255,853 | 277,128 |
| Accruals and deferred income (see below) | 179,114 | 296,621 | 170,114 | 296,621 |
| Other creditors | 192 | 145 | 192 | 145 |
| | 449,784 | 584,016 | 440,784 | 584,016 |

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

16 Creditors: amounts falling due within one year (continued)

| Deferred income | Group 2016 £ | Group 2015 £ | Academy 2016 £ | Academy 2015 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Deferred income at 1 September | 97,843 | 64,639 | 97,843 | 64,639 |
| Income deferred in the year | 11,948 | 97,843 | 11,948 | 97,843 |
| Amounts released from previous years | (97,843) | (54,639) | (97,843) | (54,639) |
| Deferred income at 31 August 2016 included in accruals and deferred income above | <u>11,948</u> | <u>97,843</u> | <u>11,948</u> | <u>97,843</u> |

At the balance sheet date the academy was holding funds of £11,948 received in advance for school trips.

17 Funds – Group

| | Balance at 31 August 2015 £ | Incoming resources £ | Resources expended £ | Gains, losses & transfers £ | Balance at 31 August 2016 £ |
|-------------------------------------|--------------------------------------|----------------------------|----------------------------|-----------------------------------|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 725,278 | 8,648,907 | (8,813,669) | 106,834 | 667,350 |
| Other DfE/EFA grants | - | 378,457 | (378,457) | - | - |
| Other government grants | - | 141,188 | (141,188) | - | - |
| Activities generating funds | - | 337,781 | (337,781) | - | - |
| Pension reserve (note 31) | (3,010,000) | - | (216,000) | (1,785,000) | (5,011,000) |
| Total restricted general funds | <u>(2,284,722)</u> | <u>9,506,333</u> | <u>(9,887,095)</u> | <u>(1,678,166)</u> | <u>(4,343,650)</u> |
| Restricted fixed asset funds | | | | | |
| Acquired on conversion | 24,427,183 | - | (363,200) | - | 24,063,983 |
| DfE/EFA capital grants | 1,527,851 | 231,290 | (248,215) | (106,834) | 1,404,092 |
| Total restricted fixed asset funds | <u>25,955,034</u> | <u>231,290</u> | <u>(611,415)</u> | <u>(106,834)</u> | <u>25,468,075</u> |
| Total restricted funds | <u>23,670,312</u> | <u>9,737,623</u> | <u>(10,498,510)</u> | <u>(1,785,000)</u> | <u>21,124,425</u> |
| Unrestricted fund | | | | | |
| Unrestricted fund | 142,240 | 594,849 | (309,925) | - | 427,164 |
| Total funds | <u>23,812,552</u> | <u>10,332,472</u> | <u>(10,808,435)</u> | <u>(1,785,000)</u> | <u>21,551,589</u> |

17 Funds – Group (continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Other DfE/EFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 29).

Transfer between funds

A transfer from fixed asset funds to the restricted funds was necessary to fund assets purchased below the capitalisation limit.

PLUME SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

| 18 Funds – Academy | Balance at 31 August 2015 £ | Incoming resources £ | Resources expended £ | Gains, losses & transfers £ | Balance at 31 August 2016 £ |
|---|--------------------------------------|----------------------------|----------------------------|-----------------------------------|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 725,278 | 8,648,907 | (8,813,669) | 106,834 | 667,350 |
| Other DfE/EFA grants | - | 378,457 | (378,457) | - | - |
| Other government grants | - | 141,188 | (141,188) | - | - |
| Activities generating funds | - | 337,781 | (337,781) | - | - |
| Pension reserve (note 31) | (3,010,000) | - | (216,000) | (1,785,000) | (5,011,000) |
| Total restricted general funds | (2,284,722) | 9,506,333 | (9,887,095) | (1,678,166) | (4,343,650) |
| Restricted fixed asset funds | | | | | |
| Acquired on conversion | 24,427,183 | - | (363,200) | - | 24,063,983 |
| DfE/EFA capital grants | 1,527,851 | 231,290 | (248,215) | (106,834) | 1,404,092 |
| Total restricted fixed asset funds | 25,955,034 | 231,290 | (611,415) | (106,834) | 25,468,075 |
| Total restricted funds | 23,670,312 | 9,737,623 | (10,498,510) | (1,785,000) | 21,124,425 |
| Unrestricted fund | | | | | |
| Unrestricted fund | 142,240 | 646,287 | (361,363) | - | 427,164 |
| Total funds | 23,812,552 | 10,383,910 | (10,859,873) | (1,785,000) | 21,551,589 |

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Other DfE/EFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 29).

Transfer between funds

A transfer from fixed asset funds to the restricted funds was necessary to fund assets purchased below the capitalisation limit.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

19 Analysis of net assets between funds – Group

Fund balances at 31 August 2016 are represented by:

| | Unrestricted funds £ | Restricted general funds £ | Restricted fixed asset funds £ | Total funds 2016 £ | Total funds 2015 £ |
|--------------------------|----------------------------|-------------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | 25,468,075 | 25,468,075 | 25,955,034 |
| Current assets | 448,112 | 1,096,186 | - | 1,544,298 | 1,451,534 |
| Current liabilities | (20,948) | (428,836) | - | (449,784) | (584,016) |
| Pension scheme liability | - | (5,011,000) | - | (5,011,000) | (3,010,000) |
| Total net assets | 427,164 | (4,343,650) | 25,468,075 | 21,511,589 | 23,812,552 |

20 Analysis of net assets between funds - Academy

Fund balances at 31 August 2016 are represented by:

| | Unrestricted funds £ | Restricted general funds £ | Restricted fixed asset funds £ | Total funds 2016 £ | Total funds 2015 £ |
|--------------------------|----------------------------|-------------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | 25,468,075 | 25,468,075 | 25,955,034 |
| Investment in subsidiary | 1 | - | - | 1 | 1 |
| Current assets | 439,111 | 1,096,186 | - | 1,535,297 | 1,451,533 |
| Current liabilities | (11,948) | (428,836) | - | (440,784) | (584,016) |
| Pension scheme liability | - | (5,011,000) | - | (5,011,000) | (3,010,000) |
| Total net assets | 436,164 | (4,352,650) | 25,468,075 | 21,551,589 | 23,812,552 |

21 Capital commitments

| | Freehold land & buildings 2016 £ | Freehold land & buildings 2015 £ |
|--|---|---|
| Contracted for, but not provided in the financial statements | 93,763 | - |

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

22 Financial commitments

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2016 £ | 2015 £ |
|--------------------------|-----------|-----------|
| Due within one year | 43,735 | 43,735 |
| Due in one to five years | 38,592 | 80,692 |
| Due after five years | - | - |
| | ===== | ===== |

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

| | 2016 £ | 2015 £ |
|--|-----------------|----------------|
| Net income for the year | (2,260,962) | (904,010) |
| Depreciation (note 11) | 611,415 | 606,063 |
| Capital grants from DfE and other capital income | (231,290) | (102,307) |
| Interest receivable (note 5) | (1,514) | (1,041) |
| Defined benefit pension scheme cost less contributions payable (note 29) | 1,886,000 | 35,000 |
| Defined benefit pension scheme finance cost (note 29) | 115,000 | 97,000 |
| Decrease in stocks | 7,964 | 28,733 |
| (Increase) / Decrease in debtors | (4,746) | 918,580 |
| (Decrease) / increase in creditors | (134,232) | 131,018 |
| | ===== | ===== |
| Net cash (used in) / provided by Operating Activities | (12,365) | 809,036 |

24 Cash flows from financing activities

| | 2016 £ | 2015 £ |
|--|--------------|--------------|
| Bank interest | 1,514 | 1,041 |
| | ===== | ===== |
| Net cash provided by financing activities | 1,514 | 1,041 |

25 Cash flows from investing activities

| | 2016 £ | 2015 £ |
|--|----------------|----------------|
| Capital grants from DfE / EFA | 231,290 | 102,307 |
| | ===== | ===== |
| Net cash provided by investing activities | 231,290 | 102,307 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

26 Analysis of cash and cash equivalents

| | At 31 August 2015 £ | At 31 August 2016 £ |
|--------------------------|---------------------------|---------------------------|
| Cash in hand and at bank | 1,446,886 | 1,350,903 |
| | <u>1,446,886</u> | <u>1,350,903</u> |

27 Contingent liabilities

There are no contingent liabilities at 31 August 2016 (2015: £Nil).

28 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the academy in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 (2015: £10) for the debts and liabilities contracted before he/she ceases to be a member.

29 Pension 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 Essex 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 was 31 March 2012 and of the LGPS was 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2015: £Nil).

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

29 Pension and similar obligations (continued)

| Principal Actuarial Assumptions: | At 31 August 2016 £ | At 31 August 2015 £ |
|--------------------------------------|---------------------------|---------------------------|
| Rate of increase in salaries | 4.1% | 4.5% |
| Rate of increase for pensions | 2.3% | 2.7% |
| Discount rate for scheme liabilities | 2.2% | 4.0% |
| Inflation assumption (CPI) | 2.3% | 2.7% |
| Retail price index assumption (RPI) | 3.2% | 3.6% |

The below table, as produced by Barnett Waddingham (actuary) sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1 year age rating adjustment to the mortality assumption.

| | £'000 + 0.1% | £'000 0.00% | £'000 - 0.1% |
|---|-------------------------|------------------------|-------------------------|
| Adjustment to discount rate | | | |
| Present Value of Total Obligation | 7,014 | 7,175 | 7,339 |
| Projected Service Cost | 591 | 605 | 619 |
| Adjustment to mortality age rating assumption | + 1 Year | None | - 1 Year |
| Present Value of Total Obligation | 7,363 | 7,175 | 6,992 |
| Projected Service Cost | 620 | 605 | 590 |
| Adjustment to long term salary increase | £'000 + 0.1% | £'000 0.00% | £'000 - 0.1% |
| Present Value of Total Obligation | 7,315 | 7,175 | 7,039 |
| Projected Service Cost | 619 | 605 | 592 |
| Adjustment to pension increases and deferred revaluation | £'000 + 0.1% | £'000 0.00% | £'000 - 0.1% |
| Present Value of Total Obligation | 7,199 | 7,175 | 7,151 |
| Projected Service Cost | 605 | 605 | 605 |

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

29 Pension and similar obligations (continued)

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

| | 2016 £ | 2015 £ |
|-------------------------|-----------|-----------|
| At 1 September | 4,562,000 | 3,948,000 |
| Current service cost | 418,000 | 460,000 |
| Interest cost | 183,000 | 165,000 |
| Employee contributions | 98,000 | 110,000 |
| Actuarial gain / (loss) | 1,975,000 | (106,000) |
| Benefits paid | (61,000) | (15,000) |
| | <hr/> | <hr/> |
| At 31 August | 7,175,000 | 4,562,000 |
| | <hr/> | <hr/> |

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

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| At 1 September | 1,552,000 | 1,070,000 |
| Return on plan assets (excluding net interest on the net defined pension liability) | 68,000 | 68,000 |
| Actuarial gains / (loss) | 190,000 | (5,000) |
| Employer contributions | 317,000 | 324,000 |
| Employee contributions | 98,000 | 110,000 |
| Benefits paid | (61,000) | (15,000) |
| | <hr/> | <hr/> |
| At 31 August | 2,164,000 | 1,552,000 |
| | <hr/> | <hr/> |

30 Related party transactions

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

There are no related party transactions in the year other than those disclosed in note 9.