

IVANHOE COLLEGE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

IVANHOE COLLEGE
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Academy, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 10
Governance Statement	11 - 14
Statement on Regularity, Propriety and Compliance	15
Trustees' Responsibilities Statement	16
Independent Auditor's Report to the Board of Trustees of Ivanhoe College	17 - 18
Independent Reporting Accountants's Assurance Report on Regularity to Ivanhoe College and the Education Funding Agency	19 - 20
Statement of Financial Activities incorporating Income & Expenditure Account	21 - 22
Balance Sheet	23 - 24
Cash Flow Statement	25
Notes to the Financial Statements, incorporating Statement of Accounting Policies & other notes to the Financial Statements	26 - 48

IVANHOE COLLEGE
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members

Sharon Creber
James Eddy
Rowena Barnwell
Graham McKay

Trustees

Anne-Marie Blewitt, Principal and Accounting Officer^{1,2}
Eddie Shephard
Norma Morris-Chapman
Graham McKay, Chair of Finance^{1,2}
James Eddy^{1,2}
Sharon Creber, Chair of Trustees¹
Rowena Barnwell¹
Alison Allford
Susan Tarrant (resigned 30 June 2014)
Alison Barlow
Carol Eyley
Marie Fitzgerald^{1,2}
Alan Bell
David Rushton
Helen Wardle, Clerk to Governors
Mary Webster
Karen Westwood
Neal Malkin (resigned 3 October 2013)
Geraint Jones (resigned 3 October 2013)
Emma Boussida (appointed 1 January 2014)
Jacqui Robinson (appointed 3 December 2013)
Jez Longhurst (appointed 3 December 2013)¹

¹ Finance Committee

² Audit Committee

Company registration number

08100518

Principal and registered office

Ivanhoe College
North Street
Ashby De La Zouch
Leicestershire
LE65 1HX

IVANHOE COLLEGE
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Administrative details (continued)

Company secretary

Tracy Winfield

Accounting officer

Anne-Marie Blewitt

Senior management team

Anne-Marie Blewitt, Principal
Greg Bellmore, Vice Principal
David Berrow, Assistant Principal
Sarah Lane, Assistant Principal
Richard Narraway, Assistant Principal
Alison Allford, Assistant Principal
Tracy Winfield, Business Manager

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

NatWest Bank Plc
54 Market Street
Ashby-de-la Zouch
Leicestershire
LE65 1BB

Solicitors

Walker Morris
Kings Court
12 King Street
Leeds
LS1 2HL

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Ivanhoe College (the Academy) for the year ended 31 August 2014. The Trustees confirm that the Annual Report and financial statements of the Academy comply with current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The Trust operates an Academy for pupils aged 11 to 14 serving a catchment area in Leicestershire. It has a pupil capacity of 948 and had a roll of 822 in the school census on 16 January 2014.

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 Trustees of Ivanhoe College are also the directors and Governors of the charitable company for the purposes of company law. The charitable company is known as Ivanhoe College.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

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

TRUSTEES' INDEMNITIES

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,243.

PRINCIPAL ACTIVITIES

The principal activity of Ivanhoe College is to improve learning outcomes and life chances for all students attending our school.

Our vision statement describes us being on a 'Journey to Excellence'.

On our journey we will:

- Learn together, ensuring everyone experiences success
- Build a rich and creative learning community enhanced by technology
- Value everyone and embrace diversity
- Provide a safe and caring environment
- Build strong partnerships and look to the future

We work in close partnership with parents and other schools for the benefit of all the young people in our area.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Our aspirations, expectations and commitment are relentlessly high for all members of the college community.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Recruitment of Governors is outlined in the Articles of Association. The Members may appoint up to 24 Governors. The number of Governors shall be not less than three and shall be subject to a maximum of 24. Subject to Articles 48-49 and 64, the Academy Trust shall have the following Governors:

- up to 3 Staff Governors, if appointed under Article 50A; The appointment of staff Governors is via a process of a staff ballot;
- up to 11 Community Governors appointed under Article 59;
- A minimum of 2, and up to 9 Parent Governors (appointed under Articles 53-58), (Appointment of Parent Governors is made via parent ballot);
- the Principal;
- any Additional Governors, if appointed under Article 62, 62A or 68A; and
- any Further Governors, if appointed under Article 63 or Article 68A.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Governor induction training alongside a menu of extensive specialised training is available through the local network of schools to support all new Governors. The Academy buys into the Local Authority Governor Development Service who across the Governing Body offer further Governor training. A skills matrix is being developed to identify areas of strength and weakness.

ORGANISATIONAL STRUCTURE

The Academy Trust management structure consists of the Governors, the Senior Leadership Team and Middle Leaders.

The Governors are responsible for the strategic development of the Academy, adopting an annual School Development Plan and budget, monitoring the Academy by the use of budgets and management accounts and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

To facilitate the work of the Governing Body some of the functions are delegated to committees, the Principal and the Senior Leadership Team. The Committees are Finance, Curriculum and Learning, Personnel, Health and Safety, Audit and Under 5s.

The Senior Leadership Team comprises of the Principal (who is the Accounting Officer), the Vice Principal, four Assistant Principals and the Business Manager (who is the Principal Finance Officer and Company Secretary).

The Accounting Officer has overall executive responsibility for the financial management of the Charitable Company, while the Principal Finance Officer assists in carrying out financial responsibilities. A system of financial control is in place to manage the process.

The Principal, supported by the Senior Leadership Team, manages the college, implementing the strategic direction and policies set by the Governing Body. Regular meetings are held to monitor and evaluate the work of the college. The college has a range of leadership groups at middle leader level to ensure consistent leadership and management across the college.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Ivanhoe College is a single Academy, financially independent. It is also a member of the ACE Partnership (the Ashby & Coalville Educational Partnership), comprising the six main secondary schools in Ashby, Coalville and Ibstock (11-14 high schools: Ibstock Community College, Ivanhoe College, Castle Rock High School, Newbridge High School; 14-19 upper schools: Ashby School, King Edward VII Science and Sport College). The partnership was formed in 2011 and its main purpose is to improve learning outcomes and life chances for all secondary aged students attending our schools.

The aims of the ACE partnership are:

- To support each young person to develop potential and thus raise aspirations and achievement across the region.
- To create cost-effective, structured and coherent opportunities for schools to learn from one another and elsewhere and to work together including the open sharing of best practice in order to provide the best possible range of educational experiences for all.
- To maximize the opportunity provided by any agreed pooled funding to help address local and national agendas through working collaboratively and enriching opportunities to learn.

The six ACE headteachers meet regularly to ensure the shared vision and objectives are being embedded consistently across all six schools. The partnership work and the linked strategic plan are co-ordinated by a senior educational consultant who is employed part time by ACE. This collaborative approach filters down to senior leadership teams, who are increasingly working together on joint projects and via shared CPD sessions, to improve quality assurance across the partnership.

Together with all of the ACE schools and most of the partnership's feeder primary schools, the college is also an active member of the Forest Way Teaching School Alliance, and makes extensive use of its programmes for training and development. The college is a member of the highly effective North West Leicestershire School Sports Partnership.

Ivanhoe College is also a member of the Ashby Learning Community with its feeder primary schools, to ensure that transition from primary to secondary education benefits all students.

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The core purpose of Ivanhoe College is to improve learning outcomes and life chances for all students attending our school.

Our vision statement describes us being on a 'Journey to Excellence'.

On our journey we will:

- Learn together, ensuring everyone experiences success.
- Build a rich and creative learning community enhanced by technology.
- Value everyone and embrace diversity.
- Provide a safe and caring environment.
- Build strong partnerships and look to the future.

We work in close partnership with parents and other schools for the benefit of all the young people in our area. Our aspirations, expectations and commitment are relentlessly high for all members of the college community.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

OBJECTIVES, STRATEGIES AND ACTIVITIES

Ivanhoe College has a continuous programme of self-evaluation and this is summarized in our Self Evaluation Document. Areas for action and improvement are clearly identified and used to form our Key Priorities for the College Improvement Plan.

Key Priorities 2013-14

To be the best that we can be on our 'Journey to excellence' by:

- Increasing the percentage of good and outstanding teaching, from 94% to 100%, and increasing the percentage of outstanding teaching further.
- Increasing the progress of students on the 'Steps to Success' programme, in the Pupil Premium group (FSM) and other vulnerable groups, so that we are closing the attainment gap at the end of Key Stage 3.
- Improving the learning and progress of all students through a focus on differentiation, SMSC and RWMC in all lessons and learning activities.
- Continuing to develop our whole college culture of improvement through highly effective self-evaluation in all areas and targeted improvement actions.
- Actively promoting our inclusive and enriching ethos across the college which results in a wide range of high quality learning and personal development opportunities for all Ivanhoe students.

PUBLIC BENEFIT

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. We ensure that all activities undertaken using our education funding are to further the Academy Trust's purpose in providing education and are used for the Public Benefit and not for making profit.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

ACTIVITIES FOR ACHIEVING OBJECTIVES

The standards achieved by students at Ivanhoe College have improved each year.

The results of our End of Key Stage 3 Teacher Assessments in core subjects for Summer 2014 were well above the national average in English and Maths. For all other subjects our students' results were above the country averages in similar schools.

The progress made by students is also high and exceeds expected progress, 1.5 levels progress, for all students nationally across Key Stage 3. Our average progress for English and Maths for Summer 2014 was 2.2 levels progress. Progress in all other subjects is similarly strong.

Girls outperform boys at Ivanhoe College in English, although the gender gap is significantly narrower than the performance gap nationally. In Maths boys perform as well as girls at Ivanhoe.

Students with Special Educational Needs (SEN) make the same or better progress in English and Maths as all other students, SEN students make very good progress in all subjects, achieving well compared with county averages.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The attainment of students for whom the school receives the Pupil Premium has increased over the last three years and this group achieve well compared to national and county averages for all students. Pupil Premium students attained below but made very similar progress when compared with other students at the college.

KEY FINANCIAL PERFORMANCE INDICATORS

Ivanhoe College has received funding from The Education Funding Agency which was reduced by 1.5%, in line with cuts to funding for other schools nationally, for 2013-14 when compared with the previous year. Because of this we have taken the following actions to ensure high standards of education have been maintained:

- Reduced cost of teaching staff
- Improved financial planning
- Secured additional funding for development of the building and facilities
- Invested in partnership working with other schools re school improvement
- Maintained staff training and professional development leading to continued improvements in student outcomes

Ofsted inspection March 2014:

- Ivanhoe College was inspected by Ofsted in March 2014 and was judged to be 'Good' in all areas with a very favourable report which showed that many improvements had been made since the previous inspection.

Student attendance:

- has risen each year and for 2013-14 was 95.4%, which was a significant increase from 94.6% for the previous year.

Student intake numbers:

- numbers of students joining us in Year 7 were lower for 2013-14 due to reduced numbers in our feeder primary schools, however our projected numbers for the future are showing an increase year on year. The intake for August 2014 was 316, up to our maximum and we were oversubscribed, with a waiting list.

Student achievement:

- Attainment in English and maths at level 5=, level 6+, level 7+ and average point score has steadily increased over the last 3 years and is significantly above national levels.
- Levels of progress for all students in English and maths over Key Stage 3 are also significantly above the national levels.
- Attainment of students for who we receive the Pupil Premium has increased over the last 3 years and is above the national levels for all students for 2014. The progress of this group is similar to the progress for all students although their attainment is still lower overall.

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.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

FINANCIAL REVIEW

REVIEW OF ACTIVITIES

Ivanhoe College has used the income for the year ended 31 August 2014 to support learning and progress. During the year Ivanhoe College has taken the catering in house to support the School Food Plan and to generate further income to support our aims, this has been a success and continues to grow.

RESERVES POLICY

At 31 August 2014 total funds comprised:	£000's
Unrestricted	179
Restricted: Fixed Asset Fund	6,173
GAG	3
Pension Reserve	(1,127)
Other	(32)
	<u>5,196</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 27. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors, and represent 2 weeks worth of Academy expenditure. The aim of the Governors is to increase this reserve to meet future working capital requirements.

INVESTMENT POLICY

Governors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk.

The Academy manages its cash balances to provide for the day-to-day working operational requirements and longer term priorities, whilst protecting the real value of any surplus cash funds. The objective is to optimise returns, but also ensure that investments are such that there is no risk of loss to these funds and capital invested is protected against inflation.

No investment of funds was made during this accounting period.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Academy are:

- Reputational risk – mitigated by Academy Code of Conduct and monitoring and review by SLT and Governors of Risk Management Register.
- Performance risk – mitigated by regular monitoring by Principal and Governors and relevant CPD.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by regular monitoring of Cash Flow and Projected Budgets by Finance Governors.
- Risks associated with personnel – mitigated by regular review and monitoring of HR Policies, Attendance, Recruitment and Personnel Appraisals.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

PLANS FOR FUTURE

FUTURE DEVELOPMENTS

As part of our improvement work for the next year, the Academy will continue to strive:

To be the best that we can be on our 'Journey to excellence' by:

- Building on the strengths of teaching so that more is outstanding through a CPD focus (all classroom staff) on highest quality marking and questioning.
- Review of 'how we judge teaching' in light of national changes, so that leaders are sharper and more focused in monitoring quality of teaching.
- Continue to raise achievement for all students, ensuring that achievement of disadvantaged students is in line with that of other students.
- Work in partnership with ACE schools to introduce new curriculum and assessment structure for all subjects 11-16, in place for Autumn 2015.
- Clear focus on our whole college culture of high expectations and high standards for all in terms of respect, attitudes and behaviour, including development of House pastoral leadership and improvements to our rewards system.
- Further develop our inclusive and enriching ethos across the college which results in a wide range of high quality learning and personal development opportunities for all Ivanhoe students.
- Close monitoring of cash flow and budget projections, and to promote and encourage community use of the premises to generate additional income.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no funds held as Custodian Trustee on behalf of others.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

AUDITOR

The auditor, MHA MacIntyre Hudson, have indicated their willingness to continue in office.
The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report, incorporating the Strategic Report, was approved by order of the Board of Trustees,
as the company directors, on 4 December 2014 and signed on the board's behalf by:

.....
Sharon Creber
Chair of Trustees

.....
Anne-Marie Blewitt
Accounting Officer

IVANHOE COLLEGE
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Ivanhoe College 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Ivanhoe College 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 Trustees' Responsibilities Statement. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Anne-Marie Blewitt, Principal	4	4
Eddie Shephard	4	4
Norma Morris-Chapman	4	4
Graham McKay, Chair of Finance	3	4
James Eddy	4	4
Sharon Creber, Chair of Trustees	3	4
Rowena Barnwell	4	4
Alison Allford	3	4
Susan Tarrant	3	3
Alison Barlow	3	4
Carol Eyley	3	4
Marie Fitzgerald	2	4
Alan Bell	3	4
David Rushton	3	4
Helen Wardle, Clerk to Governors	4	4
Mary Webster	4	4
Karen Westwood	3	4
Neal Malkin	0	0
Geraint Jones	0	0
Emma Boussida	1	2
Jacqui Robinson	2	3
Jez Longhurst	3	3

IVANHOE COLLEGE
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor the financial operations of the college in accordance with the Ivanhoe College Funding Agreement and associated Academy Handbook, to keep the Governing Body fully informed on financial issues and to support the Principal on matters relating to the finances of the college.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Anne-Marie Blewitt, Principal	4	4
Graham McKay, Chair of Finance	4	4
James Eddy	3	4
David Berrow, Staff Trustee	0	1
Rowena Barnwell	4	4
Marie Fitzgerald	1	4
Jez Longhurst	2	2

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

Review the findings of the audits, monitor planned actions as a result of recommendations from the audit and review the Anti-fraud policy.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Rowena Barnwell	3	3
Anne-Marie Blewitt, Principal	3	3
Graham McKay, Chair of Finance	3	3
James Eddy	2	3
Marie Fitzgerald	1	2
Jez Longhurst	1	1

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Ivanhoe College for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The 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 ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year ended to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On an annual basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy 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 Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Governing Body of Ivanhoe College have a programme of self-evaluation and use the Local Authority GSET evaluation tool to monitor and improve the effectiveness of its work. Several Governors are involved in the process. The Governing Body also checks the skills of Governors through a skills audit and uses this to inform decisions when recruiting for new Governors. There have been improvements in the work of the whole Governing Body and the role and delegated powers of the committees which have helped the school to move forward.

The Governing Body works with an external leadership consultant to ensure that they are well informed about the changes and expectations of governance by the DfE and Ofsted on a regular basis.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Ofsted inspection report for Ivanhoe College, March 2014, reviewed the effectiveness of governance:

“The governance of the academy:

The governing body is business-like and professional. There is a clear vision and ambition for the future development of the academy, and governors have demonstrated the capacity to make improvements quickly. They evaluate their own strengths and areas for development and make every effort to develop their skills to best support and challenge academy leaders. Governors are experienced in managing financial resources and ensure that budgets and additional funding are used effectively to raise achievement. Governors check how pupil premium funding is spent and the impact it has on students’ learning, although they have not identified why it has not proven more effective in narrowing the attainment gap for eligible students. Governors are well informed, supportive and positive in their oversight of the academy, but are also effective in acting as a critical friend to the principal and holding the academy and themselves to account. Governors use data to evaluate the performance of the academy and work closely with the principal to develop plans for improvement. Members of the governing body are rigorous in using performance data and their knowledge of the academy to ensure that teachers are rewarded for good performance and to challenge underperformance.”

Ivanhoe College is currently reviewing financial procedures and plan to have these implemented by Spring 2015.

Approved by order of the members of the Board of Trustees on 4 December 2014 and signed on its behalf, by:

.....
Sharon Creber
Chair of Trustees

.....
Anne-Marie Blewitt
Accounting Officer

IVANHOE COLLEGE
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Ivanhoe College I have considered my responsibility to notify the Academy 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 Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook.

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

.....
Anne-Marie Blewitt
Accounting Officer

Date: 4 December 2014

IVANHOE COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

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

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

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

The 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 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 and signed on its behalf by:

.....
Sharon Creber
Chair of Trustees

Date: 4 December 2014

IVANHOE COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF IVANHOE COLLEGE

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

This report is made solely to the Academy's Trustees, 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 Trustees 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 its Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

IVANHOE COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF IVANHOE COLLEGE

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.

Robert Nelson BA FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
LE19 1RJ
17 December 2014

IVANHOE COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO IVANHOE COLLEGE AND THE EDUCATION FUNDING AGENCY

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

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

RESPECTIVE RESPONSIBILITIES OF IVANHOE COLLEGE'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Ivanhoe College's funding agreement with the Secretary of State for Education dated 29 June 2012, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by 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's income and expenditure.

The work undertaken to draw our conclusions includes:

- reviewing the information in the Financial Management and Governance Self-assessment (FMGS) return and making appropriate enquiries of the Accounting Officer;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of grants received and other income streams;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of payroll payments to staff;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and

IVANHOE COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO IVANHOE COLLEGE AND THE EDUCATION FUNDING AGENCY (continued)

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.

CONCLUSION

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

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
LE19 1RJ

17 December 2014

IVANHOE COLLEGE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	As restated 14 month period ended 31 August 2013 £000
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfers on conversion	2	-	-	-	-	5,174
Voluntary income	2	8	-	-	8	22
Activities for generating funds	3	193	-	-	193	89
Investment income	4	1	-	-	1	4
Funding for the Academy's educational operations	5	-	4,161	109	4,270	5,419
TOTAL INCOMING RESOURCES		202	4,161	109	4,472	10,708
RESOURCES EXPENDED						
Costs of activities for generating funds						
Costs of activities for generating funds	6	155	-	-	155	55
Charitable activities	7	-	4,269	255	4,524	4,723
Governance costs	8	-	10	-	10	45
TOTAL RESOURCES EXPENDED	9	155	4,279	255	4,689	4,823
NET INCOMING/(OUTGOING) RESOURCES BEFORE REVALUATIONS		47	(118)	(146)	(217)	5,885

IVANHOE COLLEGE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	As restated 14 month period ended 31 August 2013 £000
	Note					
Actuarial losses on defined benefit pension schemes		-	(327)	-	(327)	(145)
NET MOVEMENT IN FUNDS FOR THE YEAR		47	(445)	(146)	(544)	5,740
Total funds at 1 September 2013		132	(659)	6,319	5,792	-
Prior year adjustment	20	-	(52)	-	(52)	-
TOTAL FUNDS AT 31 AUGUST 2014		179	(1,156)	6,173	5,196	5,740

All activities relate to continuing operations.

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

The notes on pages 26 to 48 form part of these financial statements.

IVANHOE COLLEGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08100518

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£000	2014 £000	£000	As restated 2013 £000
FIXED ASSETS					
Tangible assets	15		6,173		6,319
CURRENT ASSETS					
Stocks	16	2		2	
Debtors	17	378		426	
Cash at bank		23		78	
			<u>403</u>	<u>506</u>	
CREDITORS: amounts falling due within one year	18	(224)		(295)	
NET CURRENT ASSETS			<u>179</u>		<u>211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,352</u>		<u>6,530</u>
CREDITORS: amounts falling due after more than one year	19		(29)		(32)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>6,323</u>		<u>6,498</u>
Defined benefit pension scheme liability	27		(1,127)		(758)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>5,196</u>		<u>5,740</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	21	(29)		47	
Restricted fixed asset funds	21	6,173		6,319	
			<u>6,144</u>	<u>6,366</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,127)		(758)	
			<u>5,017</u>	<u>5,608</u>	
Total restricted funds			<u>5,017</u>		<u>5,608</u>
Unrestricted funds	21		179		132
TOTAL FUNDS			<u>5,196</u>		<u>5,740</u>

IVANHOE COLLEGE
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2014

The financial statements were approved by the Trustees, and authorised for issue, on 4 December 2014 and are signed on their behalf, by:

.....
Sharon Creber
Chair of Trustees

.....
Anne-Marie Blewitt
Accounting Officer

The notes on pages 26 to 48 form part of these financial statements.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	year 31 August 2014 £000	As restated 14 month period ended 31 August 2013 £000
Net cash flow from operating activities	23	48	795
Returns on investments and servicing of finance	24	1	4
Capital expenditure and financial investment	24	(101)	(802)
Cash transferred on conversion to an Academy Trust		-	87
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(52)	84
Financing	24	(3)	(6)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(55)	78

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/(DEBT)
FOR THE YEAR ENDED 31 AUGUST 2014

	year 31 August 2014 £000	As restated 14 month period ended 31 August 2013 £000
(Decrease)/Increase in cash in the year	(55)	78
Cash outflow from decrease in debt and lease financing	3	6
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	(52)	84
Local Authority loan on conversion	-	(42)
MOVEMENT IN NET FUNDS/(DEBT) IN THE YEAR	(52)	42
Net funds at 1 September 2013	42	-
NET (DEBT)/FUNDS AT 31 AUGUST 2014	(10)	42

The notes on pages 26 to 48 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 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 funders where the asset acquired or created is held for a specific purpose.

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

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

1.3 Incoming resources

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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.

1.6 Tangible fixed assets and depreciation

All assets costing more than £3,000 are capitalised.

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

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

Leasehold land	-	not depreciated
Long leasehold property	-	2% straight line per annum
Plant and machinery	-	20% straight line per annum
Furniture and equipment	-	10% straight line per annum
Computer equipment	-	33.33% straight line per annum
Property improvements	-	10% straight line per annum

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 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.

1.10 Pensions

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.

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits. Actuarial gains and losses are recognised immediately in other gains and losses.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	14 month period ended 31 August 2013 £000
Local Authority surplus transferred on conversion	-	-	-	61
School fund transferred on conversion	-	-	-	26
Fixed assets transferred on conversion	-	-	-	5,718
Pension deficit on conversion	-	-	-	(589)
Borrowing obligations on conversion	-	-	-	(42)
	<hr/>	<hr/>	<hr/>	<hr/>
Transfers on conversion	-	-	-	5,174
	<hr/>	<hr/>	<hr/>	<hr/>
Donations	8	-	8	22
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	8	-	8	5,196
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	14 month period ended 31 August 2013 £000
Hire of facilities	11	-	11	16
Catering income	166	-	166	49
Other income	-	-	-	4
Classroom resales	16	-	16	20
	<hr/>	<hr/>	<hr/>	<hr/>
	193	-	193	89
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	14 month period ended 31 August 2013 £000
Interest receivable	1	-	1	4
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	14 month period ended 31 August 2013 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	3,616	3,616	4,409
Pupil Premium	-	175	175	144
Capital grants	-	19	19	269
Start up grants	-	-	-	25
Other DfE/EFA grants	-	25	25	20
	-	3,835	3,835	4,867
Other government grants				
Local Authority grants	-	30	30	167
	-	30	30	167
Other funding				
School trips and parental contributions	-	138	138	122
Other non government grants	-	3	3	-
Section 106 funding	-	264	264	263
	-	405	405	385
	-	4,270	4,270	5,419

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	14 month period ended 31 August 2013 £000
Kitchen staff salaries	82	-	82	27
Catering costs	73	-	73	28
	155	-	155	55

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

7. CHARITABLE ACTIVITIES

	Total funds 2014 £000	As restated 14 month period ended 31 August 2013 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	2,246	2,528
National insurance	154	181
Pension costs	325	345
Depreciation	255	219
Educational supplies	46	52
Staff development	13	18
Travel and subsistence	5	4
Other direct costs	139	116
Bad debt written off	5	-
	3,188	3,463
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	423	437
National insurance	21	23
Pension costs	76	73
Pension finance costs (note 14)	28	28
Recruitment and support	10	6
Maintenance of premises and equipment	300	254
Cleaning	70	71
Rent and rates	22	12
Energy costs	61	72
Insurance	51	71
Legal and professional	185	111
Other support costs	84	99
Bank charges and interest	5	3
	1,336	1,260
	4,524	4,723

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

8. GOVERNANCE COSTS

	Total funds 2014 £000	14 month period ended 31 August 2013 £000
Legal and professional fees	-	33
Auditors' remuneration	9	9
Governance costs	1	3
	<u>10</u>	<u>45</u>

9. TOTAL RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	2014 £000	2014 £000	2014 £000	2014 £000	2013 £000
Costs of generating voluntary income	75	-	80	155	55
Costs of generating funds	<u>75</u>	<u>-</u>	<u>80</u>	<u>155</u>	<u>55</u>
Educational Operations	2,725	218	245	3,188	3,460
Support costs	548	453	335	1,336	1,260
Charitable activities	<u>3,273</u>	<u>671</u>	<u>580</u>	<u>4,524</u>	<u>4,720</u>
Governance	<u>-</u>	<u>-</u>	<u>10</u>	<u>10</u>	<u>45</u>
	<u>3,348</u>	<u>671</u>	<u>670</u>	<u>4,689</u>	<u>4,820</u>

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Depreciation of fixed assets	255	219
Auditors' remuneration	9	9
Auditors' remuneration - non-audit	-	3
Operating lease rentals	12	32
	<u> </u>	<u> </u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Wages and salaries	2,617	2,901
Social security costs	177	205
Other pension costs	409	421
	<u> </u>	<u> </u>
	3,203	3,527
Supply teacher costs	107	77
Compensation payments	10	12
Pension finance costs (note 14)	28	28
	<u> </u>	<u> </u>
	<u>3,348</u>	<u>3,644</u>

b. Staff severance payments

Included in compensation payments are non-statutory/non-contractual special severance payments totalling £10,196. This reflected one non-statutory/non-contractual payment exceeding £5,000 individually, and this was for £10,196.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

11. STAFF (continued)

c. Staff numbers

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

	Year ended 31 August 2014 No.	14 month period ended 31 August 2013 No.
Teaching	39	42
Administration and support	52	41
Management	7	6
	<u>98</u>	<u>89</u>

d. Higher paid staff

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

	Year ended 31 August 2014 No.	14 month period ended 31 August 2013 No.
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0
	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. The annualised pension contributions amounted to £12,917 (2013 - £12,394).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

12. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other 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, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration (including employer's pension contributions) over the 14 month period fell within the following bands:

	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Anne-Marie Blewitt, Principal	100-105	115-120
Staff Governor 1	15-20	65-70
Staff Governor 2	-	15-20
Staff Governor 3	50-55	55-60
Staff Governor 4	30-35	-

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

Other related party transactions involving the Trustees are set out in note 29.

13. 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 £3,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,243 (2013 - £1,380). The cost of this insurance is included in the total insurance cost.

14. PENSION FINANCE COST

	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Expected return on pension scheme assets	39	26
Interest on pension scheme liabilities	(67)	(54)
	(28)	(28)

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

15. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Property improvements £000	Plant and machinery £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2013	5,352	935	86	52	113	6,538
Additions	-	103	-	6	-	109
At 31 August 2014	<u>5,352</u>	<u>1,038</u>	<u>86</u>	<u>58</u>	<u>113</u>	<u>6,647</u>
Depreciation						
At 1 September 2013	82	80	15	4	38	219
Charge for the year	70	124	18	6	37	255
At 31 August 2014	<u>152</u>	<u>204</u>	<u>33</u>	<u>10</u>	<u>75</u>	<u>474</u>
Net book value						
At 31 August 2014	<u>5,200</u>	<u>834</u>	<u>53</u>	<u>48</u>	<u>38</u>	<u>6,173</u>
At 31 August 2013	<u>5,270</u>	<u>855</u>	<u>71</u>	<u>48</u>	<u>75</u>	<u>6,319</u>

Included in long leasehold property is land at a valuation £1,838,000 (2013 - £1,838,000) which is not depreciated.

16. STOCKS

	2014 £000	2013 £000
Catering stock	<u>2</u>	<u>2</u>

17. DEBTORS

	2014 £000	2013 £000
Trade debtors	1	10
VAT recoverable	38	70
Other debtors	13	34
Prepayments and accrued income	326	312
	<u>378</u>	<u>426</u>

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

18. CREDITORS:
Amounts falling due within one year

	2014	2013
	£000	£000
Other loans	4	4
Trade creditors	67	101
Other taxation and social security	55	56
Other creditors	52	50
Accruals and deferred income	46	84
	<u>224</u>	<u>295</u>
		£000
Deferred income		
Deferred income at 1 September 2013		12
Amounts released from previous years		(12)
Deferred income at 31 August 2014		<u>-</u>

At the 31 August 2013 the Academy Trust was holding funds received in advance for a school trip.

19. CREDITORS:
Amounts falling due after more than one year

	2014	2013
	£000	£000
Other loans	29	32
	<u>29</u>	<u>32</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2014	2013
	£000	£000
Repayable by instalments	14	18
	<u>14</u>	<u>18</u>

20. PRIOR YEAR ADJUSTMENT

The Academy Trust's LGPS FRS 17 valuation for the period ended 31 August 2013 has been revised by the actuary. A prior year adjustment has been made in relation to the LGPS FRS 17 valuation of £52,000 additional actuarial losses and £3,000 additional current services costs. This has increased actuarial losses by £52,000 to £145,000 and increased pension costs by £3,000.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

21. STATEMENT OF FUNDS

	Brought forward £000	Incoming resources £000	Resources expended £000	Gains/ (losses) £000	Carried forward £000
Unrestricted funds					
General funds	132	202	(155)	-	179
Restricted funds					
General Annual Grant (GAG)	64	3,616	(3,677)	-	3
Other EFA grants	18	25	(43)	-	-
Pupil Premium	-	175	(175)	-	-
Capital grants	-	11	(11)	-	-
Other income	1	304	(305)	-	-
Local Authority grant	-	30	(30)	-	-
Local Authority loan on conversion	(36)	-	4	-	(32)
LGPS Defined Benefit Pension Scheme	(758)	-	(42)	(327)	(1,127)
	(711)	4,161	(4,279)	(327)	(1,156)
Restricted fixed asset funds					
Restricted fixed asset funds	6,319	109	(255)	-	6,173
Total restricted funds	5,608	4,270	(4,534)	(327)	5,017
Total of funds	5,740	4,472	(4,689)	(327)	5,196

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

21. STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG)

Funds from the Education Funding Agency for the provision of education, in line with the funding agreement.

Other DfE/EFA Grants

Other funds provided by the DfE/EFA for particular purposes within the academy's educational operations.

Pupil Premium

Additional funds from the Education Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Capital grants

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Other Local Authority grants

These are funds and grants received from the local authority and other institutions for use on specific educational projects.

Other income

These consist of income from all other sources to be used primarily for the Academy's educational operations.

Local Authority loan on conversion

This fund consists of a loan from the Local Authority which was taken out prior to conversion to an Academy. The fund is in deficit and the balance is being paid off through the GAG over the term of the loan.

LGPS Defined Benefit Pension Scheme

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately.

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 2014.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	14 month period ended 31 August 2013 £000
Tangible fixed assets	-	-	6,173	6,173	6,319
Current assets	179	224	-	403	506
Creditors due within one year	-	(224)	-	(224)	(295)
Creditors due in more than one year	-	(29)	-	(29)	(32)
Provisions for liabilities and charges	-	(1,127)	-	(1,127)	(758)
	<u>179</u>	<u>(1,156)</u>	<u>6,173</u>	<u>5,196</u>	<u>5,740</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Net incoming resources before revaluations	(217)	5,885
Returns on investments and servicing of finance	(1)	(4)
Pension transferred from Local Authority on conversion	-	589
Fixed assets transferred on conversion	-	(5,718)
Depreciation of tangible fixed assets	255	219
Capital grants	(8)	(18)
Increase in stocks	-	(2)
Decrease/(increase) in debtors	48	(426)
(Decrease)/increase in creditors	(71)	291
Borrowings transferred on conversion	-	42
Cash transferred from LA on conversion	-	(87)
FRS 17 adjustments	42	24
Net cash inflow from operations	<u>48</u>	<u>795</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Returns on investments and servicing of finance		
Interest received	1	4
	<u>1</u>	<u>4</u>
	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(109)	(820)
Capital grants	8	18
	<u>(101)</u>	<u>(802)</u>
Net cash outflow capital expenditure	(101)	(802)
	Year ended 31 August 2014 £000	14 month period ended 31 August 2013 £000
Financing		
Repayment of other loans	(3)	(6)
	<u>(3)</u>	<u>(6)</u>

25. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	1 September 2013 £000	Cash flow £000	Other non-cash changes £000	31 August 2014 £000
Cash at bank and in hand	78	(55)	-	23
Debt:				
Debts due within one year	(4)	-	-	(4)
Debts falling due after more than one year	(32)	3	-	(29)
	<u>42</u>	<u>(52)</u>	<u>-</u>	<u>(10)</u>
Net funds/(debt)	42	(52)	-	(10)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

26. CAPITAL COMMITMENTS

At 31 August 2014 the Academy had capital commitments as follows:

	2014	2013
	£000	£000
Contracted for but not provided in these financial statements	-	24
	<u> </u>	<u> </u>

27. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £51,314 were payable to the scheme at 31 August 2014 (2013 - £48,713) and are included within creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

27. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>)

Teachers' Pension Scheme Changes

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

27. PENSION COMMITMENTS (continued)

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £185,000, of which employer's contributions totalled £143,000 and employees' contributions totalled £42,000. The agreed contribution rates for future years are 18.2% for employers and 6.1% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

27. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £000
Equities	6.30	625	6.60	392
Bonds	3.30	152	3.80	159
Property	4.50	89	4.70	55
Cash	3.30	27	3.60	6
Total market value of assets		<u>893</u>		<u>612</u>
Present value of scheme liabilities		<u>(2,020)</u>		<u>(1,370)</u>
Deficit in the scheme		<u><u>(1,127)</u></u>		<u><u>(758)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	year 31 August 2014 £000	14 month period ended 31 August 2013 £000
Present value of funded obligations	(2,020)	(1,370)
Fair value of scheme assets	<u>893</u>	<u>612</u>
Net liability	<u><u>(1,127)</u></u>	<u><u>(758)</u></u>

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

	year 31 August 2014 £000	As restated 14 month period ended 31 August 2013 £000
Current service cost	(157)	(126)
Interest on pension liabilities	(67)	(54)
Expected return on pension scheme assets	39	26
Total	<u><u>(185)</u></u>	<u><u>(154)</u></u>
Actual return on scheme assets	<u><u>83</u></u>	<u><u>66</u></u>

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

27. PENSION COMMITMENTS (continued)

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

	year 31 August 2014 £000	As restated 14 month period ended 31 August 2013 £000
Opening defined benefit obligation	1,370	968
Current service cost	157	126
Interest cost	67	54
Contributions by scheme participants	42	39
Actuarial Losses	406	183
Benefits paid	(22)	-
	<u>2,020</u>	<u>1,370</u>

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

	year 31 August 2014 £000	As restated 14 month period ended 31 August 2013 £000
Opening fair value of scheme assets	612	379
Expected return on assets	39	26
Actuarial gains and (losses)	79	38
Contributions by employer	143	130
Contributions by employees	42	39
Benefits paid	(22)	-
	<u>893</u>	<u>612</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses since the adoption of FRS17 was £472,000 losses (2013 - £145,000 losses).

The Academy expects to contribute £155,000 to its Defined Benefit Pension Scheme in 2015.

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

	2014	2013
Equities	70.00 %	64.00 %
Bonds	17.00 %	26.00 %
Property	10.00 %	9.00 %
Cash	3.00 %	1.00 %

IVANHOE COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

27. PENSION COMMITMENTS (continued)

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.50 %	5.70 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.80 %

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

	2014	2013
Retiring today		
Males	22.2	20.9
Females	24.3	23.3
Retiring in 20 years		
Males	24.2	23.3
Females	26.6	25.6

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014	2013
	£000	£000
Defined benefit obligation	(2,020)	(1,370)
Scheme assets	893	612
Deficit	(1,127)	(758)
Experience adjustments on scheme liabilities	(406)	(183)
Experience adjustments on scheme assets	79	38

28. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2014	2013	2014	2013
	£000	£000	£000	£000
Expiry date:				
Within 1 year	-	-	3	10
Between 2 and 5 years	-	-	17	15
After more than 5 years	-	-	1	1

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations 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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

At the year end Ivanhoe College was owed £11,148 (2013 - £34,338) by Ivanhoe Under 5s Limited, a nursery operated on the college site.

30. CONTROLLING PARTY

The Academy is ultimately controlled by the Governing Body, which includes the Headteacher.

31. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by Guarantee and does not have share capital.

32. 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.