

**STONE WITH WOODFORD C OF E PRIMARY SCHOOL  
(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 AUGUST 2018**

***Company Limited by Guarantee  
Registration Number: 08576916  
(England & Wales)***

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS

<b>Members</b>	Mr B Williams Mr T White Rev R Avery, representative of The Diocese of Gloucestershire Education Trust
<b>Trustees</b>	Dr D Joyce *# (resigned 31 August 2018) Rev. R Avery ^% (resigned 13 April 2018) Mrs B Furnival ^% Mr S Warren (Responsible Officer) *# Mr T White ^% Mr B Williams (Chair) *# Mrs K McCalmont (Principal and Accounting officer) *#^% Mrs T O'Shea (Staff Trustee) (appointed 25 September 2018) # Mrs R Coombe ^% Mrs E Lewis ^% Mrs D Farr * Mr R Haverson (appointed 23 September 2017) *members of the finance and premises committee incorporating audit committee responsibilities # members of the leadership and management committee ^ members of the curriculum committee % Member of the Ethos Committee
<b>Company Secretary</b>	Mr S Warren
<b>Senior Management Team</b>	
<b>Headteacher</b>	Mrs K McCalmont
<b>Chair of Governors</b>	Mr. B. Williams
<b>Vice Chair of Governors</b>	Mr T White
<b>Principal and Registered Office</b>	Stone Berkeley Gloucestershire GL13 9JX
<b>Company Registration Number</b>	08576916 (England and Wales)
<b>Independent Auditor</b>	UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham B1 3ND
<b>Bankers</b>	Lloyds TSB Bank PLC 40 High St Chipping Sodbury Bristol BS37 6AW
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Bristol BS1 5WS

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018**

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 serving a catchment area of approximately 5 miles radius around the village of Stone. It has a pupil capacity of 105 and had a roll of 95 (2017: 94) in the school census on 1 October 2018.

**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 Stone with Woodford C of E Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Stone with Woodford C of E Primary School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 3.

**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**

The Academy provides indemnity insurance to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in negligence, default, breach of duty which they may be guilty of in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act of omission which the Trustees knew to be a breach of trust or breach of duty, or which was committed by the Trustees in reckless disregard of such breaches and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees.

**Method of Recruitment and Appointment or Election of Trustees**

Members have taken the decision to work with 10 trustees of the board with a long term maximum of 10 trustees should at any time there be a perceived need to recruit a further trustee. The members may appoint up to 2 Trustees save that there shall be no more than 3 employees of the Academy (including the Principal) appointed as Trustees. New parent trustees are recruited from parents being advised by letter of vacancies as they occur and at the New Parent Intake evening. A parent trustee must be a parent of a student at the Academy at the time when they are elected. Any election of parent trustees which is contested shall be held by secret ballot. Every person entitled to vote in the election will have the opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered student at the academy. In appointing a parent trustee the board of trustees shall appoint a person who is a parent of a registered student at the Academy.

The Foundation member, appointed by the Diocese, after consultation with the Parish Church Council may appoint 1 Trustee. Under certain circumstances, Trustees may be appointed by the Secretary of State.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Policies and Procedures Adopted for the Induction and Training of Trustees**

Trustees are appointed in accordance with the Memorandum and Articles of Association and Trustees may be appointed in recognition of specific skills and guidance they can bring for the benefit of the Academy. Each new Trustee is given a specific mandate to follow and supplied with appropriate training information. In addition Trustees may be sent on induction as well as training courses.

**Organisational Structure**

The trustees determine the general policy of the Academy. The day to day running of the Academy is delegated to the Principal, supported by other members of the staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions. The day to day administration is undertaken within the policies and procedures approved by the Trustees.

The Head teacher oversees the recruitment of all educational and classroom supply staff as well as all support staff in conjunction with the Leadership and Management Committee.

**Trade union facility time**

There were no relevant trade union officials during the year ended 31 August 2018.

**Arrangements for setting pay and remuneration of key management personnel**

No trustees or governors are paid a salary. The Headteacher receives a salary as set by the Dfe Pay and Conditions Document which is annually reviewed. On occasions, the Governing Body may decide, that senior members of staff at the top of the pay scale, receive a token payment in recognition of outstanding achievement and performance.

**Connected Organisations including Related Party Relationships**

While the Academy is not legally connected with any other school for administrative purposes it works alongside five other schools, which are not academies, but fall under an umbrella of schools known as The Tyndale Cluster. (Slimbridge Primary, North Nibley Primary, Hillesley Primary, Kingswood Primary and Coaley Primary Schools).

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****OBJECTIVES AND ACTIVITIES****Objects and Aims****We aim to make our School a caring and happy place where all staff will:**

- Plan learning opportunities which will support the School's aims for all children.
- Create a positive, safe and secure environment which will enable all children to learn and develop
- Work collaboratively and share expertise with colleagues in school and within the cluster with the aim of improving achievement, aspirations and expectations.
- Regularly and systematically monitor the progress of all learners and identify strategies for intervention where required.
- Evaluate their own work and contribute to the self-evaluation of the school to raise standards and achievement.
- Embrace feedback relating to their own standards of teaching and pupil engagement to improve the standards and achievement.
- Provide feedback to parents and carers and set achievable targets for learners.
- Embrace and take part in educational initiatives to ensure improved outcomes for children.
- Act as role models in this community in promoting the Christian values that underpin our Academy.
- Take initiatives and be proactive in their own professional development to enable them to be innovative and developmental.

**We aim to make our School a caring and happy place where all children will:**

- Be taught the Christian values which underpin our school.
- Develop basic skills and a positive attitude to learning.
- Have raised expectations, aspirations, standards and achievements.
- Receive a broad, balanced and relevant curriculum where first hand experiences and exploration are fundamental and creativity is promoted and valued.
- Be challenged and stimulated through well planned high quality teaching and effective use of resources.
- Have opportunities to develop creativity and express themselves through a variety of media.
- Work collaboratively and independently, build on their successes and have high expectations of themselves.
- Show care and respect for themselves, others, their school and their environment.
- Grow in self-esteem and confidence and develop high standards of behaviour.
- By providing these experiences within a Christian framework we will ensure that all children have the opportunity to develop their own personal spirituality and moral attitudes.

**We aim to make our School a caring and happy place where leadership will:**

- Uphold the Christian values which underpin our school.
- Plan for, monitor and evaluate the curriculum to ensure children have the skills, knowledge, confidence and positive attitudes ready for the next phase of their learning.
- Ensure that best quality teaching is available for all children within the resources available.
- Regularly monitor the quality of teaching across the school using the established appraisal and performance review system.
- Create a school where children and staff are safe and are aware of how to keep themselves and others safe.
- Regularly evaluate the schools performance, our values and learning environment and draw up action plans to improve and set challenging targets.
- Keep up-to-date with changes in education development and work with others to provide professional development to enable this.
- Monitor provision and progress towards targets across the year and endeavour to ensure children and staff receive appropriate support.
- Work with other schools to ensure the best provision possible for the children within our community.
- Develop links with our local community and explore and initiate opportunities to develop links further afield.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Public Benefit**

We have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission in relation to public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

**STRATEGIC REPORT****ACHIEVEMENTS AND PERFORMANCE**

The Academy promotes high achievement and learning for life by working with children to:-

- Work collaboratively and share expertise with colleagues in school and within the cluster with the aim of improving achievement, aspirations and expectations.
- Develop enquiring minds and a spirit of curiosity.
- Become highly motivated life-long learners.
- Be flexible and adaptable for the modern world.
- Have high self-esteem - respecting themselves, others, other children and the environment.
- Be able to work independently and collaboratively.
- Achieve high standards in all areas of the curriculum.
- Seek to extend themselves in mind, body and spirit.
- Liaise with incoming and outgoing education providers and the wider community.

**Key Performance Indicators**

Stone with Woodford C of E Primary School were judged as outstanding by Ofsted in July 2009.

As with all small schools, the data provided for attainment and progress is based on small cohorts of children and these cohorts vary in size each year. Therefore, this needs to be borne in mind when interpreting the data.

The attainment and progress data at the end of all the Key Stages the school is good. Attainment and progress measures continue to be high in comparison with both the local and national figures.

This year EYFS data shows that the majority of children reach a good level of development - 60% (compared with 57% Local Authority in 2016 - a high achieving authority).

Internal tracking shows that all children make at least expected progress and many make more than expected progress from baseline data on entry.

**Year 1 Phonics**

Our results have been high over several years but this year have dipped slightly reflecting the cohort. This year 94% met the Standard compared with 81% for the National Result.

**End of Key Stage 1**

Results at the end of Key Stage I

Key Stage 1	Reading		Writing		Maths	
	School	NAT	School	NAT	School	NAT
<b>% Meeting National Expectation</b>	86	76	80	68	86	75
<b>% Working at greater depth</b>	40	24	20	13	20	18

In school tracking shows that all children make good progress across the Key Stage.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**

**End of Key Stage 2** results show that attainment continues to be high and progress across the Key Stage is at least expected progress and the most make more than expected progress in all subjects.

Key Stage 2	Reading		Spelling & Grammar		Writing		Maths	
	School	NAT	School	NAT	School	NAT	School	NAT
% Meeting National Expectatio	92	75	92	78	92	76	100	76
% Working at greater depth	46	25	54	31	46	18	62	23

Combining Reading, Writing and Mathematics 92% met all three at National Expectations National 64%.

National Threshold was set at 67% therefore our school exceeded the national threshold by a significant amount.

**Comparing our School with National results 2016****PROGRESS**

Subject	Nationally	School
Reading	0	3.6
Writing	0	4.5
Mathematics	0	7.0

This shows that the majority of our pupils at KS2 make more than average progress.

KS2 Progress in all subjects was above average and significantly above in Reading and Mathematics. The vast majority of pupils met at least the national expectations in all subjects.

Disadvantaged Pupils at KS2 progress was at least average and all exceeded expected progress.

KS2 Pupils with Special Needs make at least or more than average expected progress in all subjects.

KS1 The majority of pupils achieved at least the expected standard in all subjects showing that they made good progress from the end of their baseline at the end of EYFS compared to national figures.

The school was in the top 10% of national Schools for Progress in Reading, Writing and Mathematics.

Source: Inspection Dashboard and A.S.P. 2017 (Invalidated)

From each starting point, the proportions of KS2 pupils making and exceeding expected progress in reading, in writing and in mathematics were above national figures.

From each starting point, the proportion of disadvantaged KS2 pupils making and exceeding expected progress in reading, in writing & in mathematics at least matched that of other pupils nationally.

School Development priorities:

- Build on Improved attainment and progress in mathematics across KS1.
- Improving teaching to raise attainment and progress in boy's writing across the school.
- Develop a reading for pleasure culture across the school through the Reading Teacher network.
- Extension of outdoor learning.
- Apply for a hall for sports and community use.
- Continued CPD for newly appointed teachers and other staff.
- Introduce the new Understanding Christianity and new RE Curriculum.
- Develop an understanding of mental health and well-being across the school.



**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****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.

**FINANCIAL REVIEW**

The principal source of funding for the Academy was provided by the Education and Skills Funding Authority (ESFA) which amounted to £436,000 for the year ended 31 August 2018 (2017: £388,000). A further £10,000 (2017: £5,000) in capital grants was provided and £2,000 (2017: £4,000) from the LA for SEN. Further income received to cover items such as meals, music tuition, swimming, residential activities, visits etc. brought the total income to £467,000 (2017: £420,000). After expenditure a surplus of £18,000 (2017: £36,000 deficit) has been made for the year, excluding the actuarial gain of £25,000. (2017: £48,000 gain).

The Academy recognises that in order for it to meet its objectives and commitments to the local area, the principal support function is the personnel and of the total expenditure £326,000 (2017: £333,000) was spent on staff and associated costs.

While the major funding is provided by the ESFA there are no unforeseen risks that could reasonably be expected to impact on its ongoing ability to perform its activities. There are however, a number of employees enrolled in a defined benefit pension scheme and at the balance sheet date there was a deficit in the funds ability to pay out all of the benefits due to the members. Given the nature of such schemes and the staggered retirement dates of the members, no immediate liability for the Academy is anticipated. Steps have been put in place to reduce the deficit over time.

**Reserves Policy**

As at 31 August 2018, the Academy had reserves of £98,000 (2017: £69,000) to carry forward, excluding the pension deficit carried forward of £133,000 (2017: £147,000). A small portion of these funds will be used to continue with the current policy of maintaining four classes in the morning. Of the £98,000 (2017: £69,000) held in reserve, £17,000 (2017: £13,000) relate to capital funds, £37,000 relate to general restricted funds (2017: Nil) and £44,000 (2017: £56,000) unrestricted. Currently the trustees are investigating the possibility of providing further improvements to the school premises. It is accepted that it will be necessary to apply for a grant in this respect.

**Investment Policy**

It follows that there are no specific long term plans for the current reserves but they do earn a small amount of interest. (£55 (2017:£66) for the year this report covers). Review will continue in the light of the money markets' activities.

**Principal Risks and Uncertainties**

Principal risks and uncertainties are centred upon 1.) Continued funding of the Academy's activities by the ESFA but there have been no indications that this will not continue and 2.) The level of pupil numbers but it is hoped that building activity in the locality will assist in increasing pupil numbers. The Academy Trust monitors the principal risks and has drawn up a risk register which is reviewed by the Trustees on an annual/quarterly basis. Comment is noted in the Academy's minutes of the Full Governing Board Meetings.

**Fundraising**

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the academy trust approach to fundraising practices is as follows:

- Our approach to fundraising is to raise funds to go towards a targeted project which will benefit the children in our school or an identified charity.
- We work with the following professional fundraisers: Children in Need, Hedgehog Rescue Trust, Inspire Sports, Royal British Legion, Geneiri Link - Gambia, Christian Aid, Save the Children, WWF.
- Our fundraising conforms to the following recognised standards;
  - a) A legal principle underpinning fundraising is that all funds raised for a particular cause MUST be used for that particular cause.
  - b) Fundraisers MUST NOT denigrate other individuals or organisations.
  - c) Organisations MUST NOT exaggerate facts relating to the potential beneficiary.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**

- d) Organisations MUST NOT take advantage of mistakes made by the donor.
- e) i) Fundraisers MUST take all reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This MUST include taking into account the needs of any potential donor who may be in a vulnerable circumstance or require additional care and support to make an informed decision.
- ii) Fundraisers MUST NOT exploit the credulity, lack of knowledge, apparent need for care and support or vulnerable circumstance of any donor at any point in time. There is more information available about responding to the needs of people in vulnerable circumstances and helping donors to make informed decisions in the Institute of Fundraising's 'Treating Donors Fairly' Guidance.
- iii) If a fundraiser knows or has reasonable grounds for believing that an individual lacks capacity to make a decision to donate, a donation MUST NOT be taken.
- iv) A donation given by someone who lacked capacity at the time of donating MUST be
- f) Our Trust WILL NOT engage in fundraising which:
- Is an unreasonable intrusion on a person's privacy
  - Is unreasonably persistent or places undue pressure on a person to donate.
- g) Fundraisers MUST NOT continue to ask an individual for support if: that person clearly indicates – by word or gesture – that they do not wish to continue to engage; or they have reasonable grounds for believing, in the course of their engagement with the individual, that they are in vulnerable circumstances which mean they are unable to make an informed decision to donate.
- The academy trust monitors fundraising carried out on its behalf.
  - The academy trust has a clear and transparent complaints procedure published on the website.
  - The academy trust protects the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate by following the standards above.

**Plans for Future Periods**

Capital funds will be required for the replacement of computers. Trustees are currently investigating the possibility of providing a more suitable hall space. Further work will be continued by the pupils within the community such as surveys, fairs and performances which will enhance the school curriculum in a practical way.

**Funds held by Custodian Trustee on behalf of others**

No such funds held by Stone with Woodford Primary School.

**Disclosure of information to Auditors**

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.

**Auditors**

The re-appointment of the Auditors, UHY Hacker Young, will be considered following the forthcoming Annual General Meeting.

Trustees report, incorporating a strategic report, approve by the board of trustees, as the company directors, on 27 November 2018 and signed on the board's behalf by:

.....  
**B Williams**  
**Chair of Trustees**

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018****Scope of Responsibility**

As trustees we acknowledge we have overall responsibility for ensuring Stone with Woodford C of E Primary 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 Head teacher, 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 Stone with Woodford C of E Primary 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 six times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Rev R Avery	2	4
Mrs B Fumival	5	6
Mrs D Farr	6	6
Dr D Joyce	3	6
Mrs K McCalmont (Principle & Accounting Officer)	6	6
Mr S Warren	6	6
Mr T White (Responsible Officer)	5	6
Mr B Williams (Chair)	6	6
Mrs R Coombe	6	6
Mr R Haverson	5	6

The Finance and Premises Committee is a sub-committee of the main board of trustees. Its purpose is to monitor expenditure against budget and seek reasons for any variance. The Committee reviews any exceptional expenditure that may be needed and report and make appropriate recommendations to the Full Governor Board meetings. Attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr T White (Committee Chair)	3	6
Mr D Joyce	4	6
Mrs K McCalmont	6	6
Mr S Warren	5	6
Mr R James	-	4
Mr B Williams	6	6

**Governance Review**

The Academy trust reviews its governance arrangements on an annual basis. The outcome of the governance review is as follows:

- During the year commencing January 2018 the trustees carried out an audit of members. This audit confirmed that we have a wide spread of experience coming from business, commerce and education. The audit was prompted by the imminent resignation of one of the foundation governors due to retirement in April 2018. Contact was made with the Diocese to try to ensure continuity. Due to the fact that a new vicar was not to be appointed until April 2019, we made an approach ourselves to the local PCC and recruited a temporary foundation governor who took up that position on 25 September 2018. This will run until the new incumbent is in post.

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Governance Review (cont'd)**

- A further evaluation was then carried out in June 2018 when another long serving community governor resigned and the Staff governor resigned her post at the school. The school staff nominated a new staff governor who is well established in the school and has considerable experience of administration; thus adding value in this respect to the board's expertise. The resigning Staff member, as a valued and long standing member of staff with a keen interest in the school, who is also an active member of the local community, was nominated to take the place of the resigning community governor. The new staff and community governor commenced their four year term of office on 25 September 2018.

An annual self review of governance has been performed as defined by the National College for Teaching and Leadership. The results of this review has identified the following:

- the character of the trust is preserved and developed;
- the activities of the trust are being undertaken in accordance with the academy trust deed;
- there is clarity of vision, ethos and strategic direction;
- the head teacher is held to account for the education of performance of the school and its pupils;
- the financial performance of the school is monitored and value for money obtained;
- governance by the Board of Trustees is effective.

As from July 2018 the Academy Trust is working with a government funded organisation under the name of Governor Space Entrust Ltd. It has been awarded funding to carry out a full self-evaluation, a development plan supported by an allocated mentor and identified online training based upon the needs. At the time of writing we are at the self-evaluation stage and a mentor telephone call has been booked. The process, funded by the DfE and based on the Competency Frameworks for Governors should offer the opportunity to enhance the quality of our governance. We are also exploring the possibility of securing funding for the same type of training for the Clerk.

**Review of Value for Money**

As accounting officer, the headteacher 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

Ensuring the operation of the Trust shows good value for money and efficient and effective use of resources.

- Stone with Woodford C of E Primary School required all suppliers to compete on grounds of cost and quality of products. The Academy actively sought out the best products at the best prices, regardless of how much the school aims to spend.
- For any order of £1,000 or over the Academy obtained three quotes. Successful companies were chosen on grounds of price, quality and previous track record. An example of this was the purchase and setting up of tablet technology with associated updates. Another example is the ongoing collection of at least three quotations for a range of building maintenance work that is required over the next two years. Once established, priority over the works will be set and funding allocated accordingly over an agreed period of time.

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Review of Value for Money**

- The Academy was always mindful that minor improvements or savings may not always be cost effective if the administration involves substantial time or costs. Time wasted on these minor improvements and savings may also distract management from more important or valuable areas. Therefore, the school used well known, reliable suppliers for small orders (e.g. stationery, small equipment) but still keeps a watchful eye for offers or discounts.
- The school has constantly searched for the best options when making purchases e.g. Photocopying paper, where economies of scale were had when linking with other local schools.

Another example was when Inset training needs were pooled to ensure high quality training at reduced shared cost across our Cluster.

- The Academy deployed human resources so that value for money was maximised in terms of quality of teaching and learning, adult-pupil ratio and curriculum management. A full-time apprentice Teaching Assistant was employed which gave us increased value for money over employing a part-time fully qualified TA. The academy has also made a greater use of help and support from the community where volunteers have been engaged in providing some additional support in the classroom. The Academy staffing structure was reviewed to ensure the most appropriate provision for our pupils. However, because of our small size and the needs of our children – we have a high proportion of children who have special educational need who do not qualify for high level funding – our staffing costs were high; this reflected our commitment to improving educational standards and results in high standards and excellent progress for all children. During the 2018 to 2019 academic year we are employing two apprentice Teaching Assistants. These will take the place of the experienced full-time TA that resigned her post at the end of 2017/2018 academic year.
- The Academy has maintained an asset register which manages the allocation of resources in terms of costing, effectiveness and depreciation.
- All orders have been viewed by the Headteacher and Finance Officer to ensure that money has been utilised and allocated wisely.

The school has targeted it's use of the Pupil Premium so that the school's most deprived or vulnerable pupils have had a range of opportunities to enable them to make excellent progress, raise their individual levels of attainment and, have access to wider opportunities; this has continued to improve results.

- The Academy has worked with other schools collaboratively to ensure that procurement costs are kept to a minimum (e.g. C.P.D.). The school has also shared good practice with a number of local schools which helps to drive up standards for the least cost. For example Headteachers from our Cluster have met each month to plan and organise a variety of shared opportunities for pupil, parents, staff and governors. The use of volunteer helpers from the community has reduced the cost of maintenance.
- The School benchmarked financial performance against other academy trusts to demonstrate that the Academy provides good value for money.

**The Purpose of the System for 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 Stone with Woodford C of E Primary School for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Capacity to Handle Risk**

The board of trustees have reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2018 and up to the date 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 Premises 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 and internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Mr T White, a trustee and the Chair of the Finance Committee, 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. The RO regularly reviews the finances on a monthly basis and reports at the Full Governing Board meetings as well as the Finance and Premises Committee meetings. These checks carried out have evolved over the period from conversion to date as the systems and procedures have matured.

As from November 2018 the Chair of Governors (in accordance with the New Financial Handbook) will also review the Chart of Accounts at the end of each month and a register of this event will be kept.

**Review of Effectiveness**

As accounting officer, the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- 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 Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the order of the members of the board of trustees on 27 November 2018 and signed on its behalf by:

.....  
**B Williams**  
Chair of Trustees

.....  
**K McCalmont**  
Head teacher

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2018**

As accounting officer of Stone with Woodford C of E Primary School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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 2017.

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 ESFA.

**K McCalmont**  
**Accounting Officer**

**27 November 2018**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2018**

The trustees (who act as governors of Stone with Woodford C of E Primary 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 and Skills 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 in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 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 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 ESFA /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 27 November 2018 and signed on its behalf by:

.....  
**B Williams**  
**Chair of Trustees**



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE WITH WOODFORD C OF E PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2018****Opinion**

We have audited the financial statements of Stone with Woodford C of E Primary School (the 'academy trust') for the year ended 31 August 2018 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2018, 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, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE WITH WOODFORD C OF E PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the trustees' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE WITH WOODFORD C OF E PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

.....  
**Malcolm Winston**  
**Senior Statutory Auditor**  
**UHY Hacker Young (Birmingham) LLP, Statutory Auditor**  
**9-11 Vittoria Street**  
**Birmingham**  
**B1 3ND**

**27 November 2018**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STONE WITH WOODFORD C OF E PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2018**

In accordance with the terms of our engagement letter dated 15 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the academy trust during the period 1 September 2017 to 31 August 2018 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 Stone with Woodford C of E Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stone with Woodford C of E Primary School and the ESFA 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 Stone with Woodford C of E Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Stone with Woodford C of E Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Stone with Woodford C of E Primary School's funding agreement with the Secretary of State for Education dated 29 July 2013 and the Academies Financial Handbook, extract from 1 September 2016, 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 2017 to 2018. We report to you whether, anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies: Accounts Direction 2017 to 2018 issued by the ESFA. 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 STONE WITH WOODFORD C OF E PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Approach (Cont'd)**

Summary of the work undertaken was as follows:

- Analytical review of the academy trust's general activities are within the academy trusts framework of authorities;
- Consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- Review of the general control environment for the academy trust on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the academy trust's delegated authorities;
- Formal representations obtained from the board of trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or trustees;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or trustees;
- Review of income received in accordance with the activities permitted within the academy trust's charitable objectives.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....

**Reporting Accountant**

**UHY Hacker Young (Birmingham) LLP**  
**9-11 Vittoria Street**  
**Birmingham**  
**B1 3ND**

**27 November 2018**

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018

(Including Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2018 £'000	Total 2017 £'000
<b>Income from:</b>						
Donations and capital grants	3	-	5	10	15	11
Charitable activities:						
- Funding for the academy trust's educational operations	4	-	438	-	438	392
Other trading activities	5	14	-	-	14	17
Investment income	6	-	-	-	-	-
<b>Total</b>		<b>14</b>	<b>443</b>	<b>10</b>	<b>467</b>	<b>420</b>
<b>Expenditure on:</b>						
Raising funds	7	26	-	-	26	20
Charitable activities:						
- Academy trust's educational operations	7 & 8	-	417	6	423	436
<b>Total</b>		<b>26</b>	<b>417</b>	<b>6</b>	<b>449</b>	<b>456</b>
<b>Net income/(expenditure)</b>		<b>(12)</b>	<b>26</b>	<b>4</b>	<b>18</b>	<b>(36)</b>
Transfers between funds		-	-	-	-	-
<b>Other recognised gains and losses</b>						
Actuarial gain on defined benefit pension schemes	24	-	25	-	25	48
<b>Net movement in funds</b>		<b>(12)</b>	<b>51</b>	<b>4</b>	<b>43</b>	<b>12</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	15 & 26	<b>56</b>	<b>(147)</b>	<b>13</b>	<b>(78)</b>	<b>(90)</b>
<b>Total funds carried forward</b>	15	<b>44</b>	<b>(96)</b>	<b>17</b>	<b>(35)</b>	<b>(78)</b>

All of the academy trust's activities derive from acquisitions and continuing operations during the above two financial periods.

**BALANCE SHEET AS AT 31 AUGUST 2018**

	Note	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Tangible assets	12	<u>12</u>	<u>13</u>
		<u>12</u>	<u>13</u>
<b>Current assets</b>			
Debtors	13	13	13
Cash at bank and in hand		<u>99</u>	<u>75</u>
		<u>112</u>	<u>88</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	<u>(26)</u>	<u>(32)</u>
<b>Net current assets</b>		<u>86</u>	<u>56</u>
<b>Total assets less current liabilities</b>		<u>98</u>	<u>69</u>
<b>Net assets excluding pension liability</b>		<u>98</u>	<u>69</u>
Defined benefit pension scheme liability	24	<u>(133)</u>	<u>(147)</u>
<b>Total Net Assets</b>		<u><u>(35)</u></u>	<u><u>(78)</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
- Fixed asset fund	15	17	13
- Restricted income fund	15	37	-
- Pension reserve	15	<u>(133)</u>	<u>(147)</u>
<b>Total restricted funds</b>		<u>(79)</u>	<u>(134)</u>
Unrestricted income fund	15	<u>44</u>	<u>56</u>
<b>Total unrestricted funds</b>		<u>44</u>	<u>56</u>
<b>Total Funds</b>		<u><u>(35)</u></u>	<u><u>(78)</u></u>

The financial statements on pages 22 to 41 were approved by the trustees and authorised for issue on 27 November 2018 and signed on their behalf by:

.....  
**B Williams**  
**Chair of Trustees**

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £'000	2017 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	19	19	(18)
Cash flows from investing activities	20	5	(1)
Cash flows from financing activities	21	-	-
Change in cash and cash equivalents in the reporting period		<u>24</u>	<u>(19)</u>
Cash and cash equivalents at 1 September		75	94
Cash and cash equivalents at 31 August	22	<u>99</u>	<u>75</u>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018****1 Statement of Accounting Policies**

A summary of 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 Preparation**

The financial statements 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Stone with Woodford C of E Primary School meets the definition of a public benefit entity under FRS 102.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue 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**

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 creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in creditors; amounts falling due within one year in deferred income.

**• Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

**• Donations**

Donations are recognised on a receivable basis where there is certainty of receipt 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 Academy Trust has provided the goods or services.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**

- **Donated goods, facilities and services**

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.

Details of the assets donated are provided in note 12 to the financial statements.

- **Transfers of leasehold property**

Leasehold property transferred to the Academy from the local authority at little or no consideration will be revalued at fair value in accordance with FRS 102. This value will be recognised as incoming resources in the Statement of Financial Activities and will be included in the appropriate fixed assets category and depreciated over the life of the lease.

**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.

- **Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

- **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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Tangible Fixed Assets**

Assets costing **£250** 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 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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 life, as follows:

Computer equipment 20% straight line

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

Where academies are operating under a licence to occupy, the land and buildings are not recognised as fixed assets in the financial statements.

The Trustees have chosen not to include the building valuations on the Balance Sheet. Stone with Woodford C of E Primary School does not own any of the school sites. The school sites are owned by Gloucester Diocesan Board of Finance and are made available to the school by a Church Supplemental Agreement. The site trustees can withdraw the school site at any time on two years notice. Stone with Woodford C of E Primary School cannot sell the 'asset' or mortgage the asset as security for any borrowing. The economic benefit to Stone with Woodford C of E Primary School is that it does have the use of the site for nil consideration, but only for the use as a church school. Therefore, Stone with Woodford C of E Primary School has concluded not to include the value of the sites and buildings they use. The risks and rewards of ownership have not been passed to Stone with Woodford C of E Primary School and therefore no value has been attributed to the land and buildings at 31 August 2018.

**Leased assets**

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

**Financial Instruments**

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

*Cash at bank* - is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****Taxation**

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

**Pensions Benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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 24, 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 recognised in the period to which they relate.

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 the 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 trust 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.

**Critical accounting estimates and areas of judgement**

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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)*****Critical accounting estimates and assumptions (cont'd)***

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

***Critical areas of judgement***

The critical judgements that the Trustees have made in the process of applying the Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

**2 GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018 (See note 15).

**3 DONATIONS AND CAPITAL GRANTS**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
Devolved formula capital grant	-	10	10	5
Voluntary donations	-	5	5	6
	<u>-</u>	<u>15</u>	<u>15</u>	<u>11</u>

The income from donations and capital grants was £15,000 (2017 : (£11,000)) of which £Nil (2017 : £2,000) was unrestricted, £5,000 restricted (2017 : £4,000) and £10,000 (2017 : £5,000) restricted fixed assets.

**4 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

DfE/ESFA grants	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
General annual grant (GAG) (note 2)	-	381	381	344
Pupil premium grant	-	23	23	19
PE & Sports Grant ESFA	-	17	17	8
Other DfE/ESFA grants	-	15	15	17
	<u>-</u>	<u>436</u>	<u>436</u>	<u>388</u>
<b>Other Government grants</b>				
Special educational needs grant	-	2	2	4
	<u>-</u>	<u>2</u>	<u>2</u>	<u>4</u>
	<u>-</u>	<u>438</u>	<u>438</u>	<u>392</u>

The income from the academy trusts' educational operations was restricted for both 2018 and 2017.

**5 OTHER TRADING ACTIVITIES**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
Other Income	14	-	14	17
	<u>14</u>	<u>-</u>	<u>14</u>	<u>17</u>

The income from the academy trusts' other trading activities was unrestricted for both 2018 and 2017.

**6 INVESTMENT INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
Bank interest received	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

## 7 EXPENDITURE

	Staff Costs £'000	Non Pay Expenditure		Total 2018 £'000	Total 2017 £'000
		Premises £'000	Other Costs £'000		
Expenditure on raising funds					
- Direct costs	-	-	26	26	20
- Allocated support costs	-	-	-	-	-
Academy's educational operations					
- Direct costs	288	-	33	321	329
- Allocated support costs	38	17	47	102	107
	<u>326</u>	<u>17</u>	<u>80</u>	<u>423</u>	<u>436</u>
	<u>326</u>	<u>17</u>	<u>106</u>	<u>449</u>	<u>456</u>

The expenditure was £449,000 (2017: £456,000) of which £26,000 (2017: £45,000) was unrestricted, £417,000 (2017: £406,000) restricted and £6,000 (2017: £5,000) restricted fixed assets.

	Total 2018 £'000	Total 2017 £'000
<b>Net income/(expenditure) for the year includes:</b>		
Operating leases rentals	2	2
Depreciation	6	5
Fees payable to auditor for:		
- Audit	5	5
- Other Services	2	2
	<u>2</u>	<u>2</u>

## 8 CHARITABLE ACTIVITIES

	Total 2018 £'000	Total 2017 £'000
Direct costs - educational operations	321	329
Support costs - educational operations	102	107
	<u>423</u>	<u>436</u>

	Total 2018 £'000	Total 2017 £'000
<b>Analysis of Support Costs</b>		
Support staff costs	38	36
Depreciation	6	5
Technology costs	5	17
Premises costs	11	9
Other support costs	25	22
Governance	17	18
	<u>102</u>	<u>107</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

**9 STAFF****a Staff costs**

	2018	2017
	£'000	£'000
Staff costs during the year were:		
Wages and salaries	251	243
Social security costs	13	19
Operating costs of defined benefit pension schemes	61	61
	<u>325</u>	<u>323</u>
Agency staff costs	1	10
Staff restructuring costs	-	-
	<u><u>326</u></u>	<u><u>333</u></u>

**b Staff severance payments**

Included in staff restructuring costs are non contractual severance payments totalling £Nil (2017: £Nil).

**c Staff numbers**

The average number of persons (including senior management team) employed by the Academy during the year ended 31 August 2018 expressed as whole persons was as follows:

	2018	2017
	No.	No.
Teachers	12	11
Administration and support	10	14
Management	1	1
	<u>23</u>	<u>26</u>

**d Higher paid staff**

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000 was:

	No	No
£60,001 - £70,000	<u>1</u>	<u>-</u>

**e Key management personnel**

The key management of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £93,563 (2017 : £94,314).

**10 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only received remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustee's remuneration and other benefits was as follows:

K McCalmont (principal and trustee):

Remuneration	£60,000 - £65,000	(2017: £55,000 - £60,000)
Employer's pension contributions	£10,000 - £15,000	(2017: £5,000 - £10,000)

D Farr (staff trustee - appointed 1 January 2017)

Remuneration	£10,000 - £15,000	(2017: £5,000 - £10,000)
Employer's pension contributions	£0 - £5,000	(2017: £0 - £5,000)

S Wright (staff trustee - resigned 1 January 2017):

Remuneration	£Nil	(2017: £10,000 - £15,000)
Employer's pension contributions	£Nil	(2017: £0 - £5,000)

A Jenner-Fust (Staff Trustee)

Remuneration	£0 - £5,000	(2017: £0 - £5,000)
Employer's pension contributions	£0 - £5,000	(2017: £0 - £5,000)

T O'Shea (staff trustee - appointed 1 September 2017)

Remuneration	£5,000 - £10,000	(2017: £Nil)
Employer's pension contributions	£Nil	(2017: £Nil)

During the year ended 31 August 2018 payments made to Trustees for travel and subsistence totalled £Nil (2017: £38).

Other related party transactions including trustees are set out in note 25.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

**11 TRUSTEES' AND OFFICERS INSURANCE**

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**12 TANGIBLE FIXED ASSETS**

	<b>Leasehold</b>		
	<b>Land &amp; Buildings</b>	<b>Computer Equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 September 2017	-	30	<b>30</b>
Additions	-	5	<b>5</b>
Disposals	-	-	-
At 31 August 2018	<u>-</u>	<u>35</u>	<u><b>35</b></u>
<b>Depreciation</b>			
At 1 September 2017	-	17	<b>17</b>
Charged in year	-	6	<b>6</b>
Disposals	-	-	-
At 31 August 2018	<u>-</u>	<u>23</u>	<u><b>23</b></u>
<b>Net book value</b>			
At 31 August 2018	<u>-</u>	<u>12</u>	<u><b>12</b></u>
At 31 August 2017	<u>-</u>	<u>13</u>	<u><b>13</b></u>

**13 DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
VAT recoverable	3	3
Prepayments and accrued income	10	9
Other debtors	-	1
	<u>13</u>	<u>13</u>

**14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Taxation and social security	8	10
Accruals and deferred income	18	22
	<u>26</u>	<u>32</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (cont'd)	2018 £'000	2017 £'000
Deferred income at 1 September	14	11
Resources deferred in the year	9	14
Amounts released from previous years	(14)	(11)
Deferred income at 31 August	<u>9</u>	<u>14</u>

At the balance sheet date the academy trust was holding funds received in advance for 2018/19 from the ESFA in relation to future capital projects £Nil (2017:£4,945) and in relation to Universal Infant School Meals for £8,923 (2017: £9,050).

## 15 MOVEMENT IN FUNDS

	Balance at 1 September 2017 £'000	Incoming Resources Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>				
General annual grant (GAG) (note i)	-	381	(344)	-
SEN grant (note ii)	-	2	(2)	-
Other DfE/ESFA (note iii)	-	55	(55)	-
Donations	-	5	(5)	-
	<u>-</u>	<u>443</u>	<u>(406)</u>	<u>-</u>
<b>Restricted fixed asset funds</b>				
Capital grant on conversion (note iv)	3	-	(3)	-
Devolved formula capital grant (note v)	9	10	(3)	-
Capital expenditure from GAG	1	-	-	-
	<u>13</u>	<u>10</u>	<u>(6)</u>	<u>-</u>
<b>Restricted pension scheme liability</b>				
Pension reserve (note vi)	(147)	-	(11)	25
	<u>(147)</u>	<u>-</u>	<u>(11)</u>	<u>25</u>
<b>Total restricted funds</b>	<b>(134)</b>	<b>453</b>	<b>(423)</b>	<b>25</b>
<b>Unrestricted funds</b>				
Unrestricted funds	56	14	(26)	-
<b>Total unrestricted funds</b>	<u>56</u>	<u>14</u>	<u>(26)</u>	<u>-</u>
<b>Total funds</b>	<u><b>(78)</b></u>	<u><b>467</b></u>	<u><b>(449)</b></u>	<u><b>25</b></u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

## 15 MOVEMENT IN FUNDS (cont'd)

## Notes

- i) The General Annual Grant (GAG) represents funding received from the ESFA during the period in order to fund the continuing activities of the academy trust. £381,000 has been received during the period, of which £343,000 has been identified as subsequent expenditure. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.
- ii) Special Educational Needs is funding received by the Local Authority to fund further support for students with additional needs. £2,000 was received during the period, all of which has been spent.
- iii) Other DfE/ESFA grants represents additional funding received from the ESFA for purposes such as pupil premium. The entire balance of the fund was fully expended during the year.
- iv) The capital grant on conversion was transferred to the academy on conversion. Depreciation charged for the year has been charged to the fund.
- v) The £10,000 received from the DfE/ESFA represents the devolved formula capital grant received during the year. Depreciation charged for the year has been charged to the fund. Of this amount received, £5,000 remains unspent at the year end.
- vi) The defined benefit pension scheme fund relates to the valuation of the Local Government Pension Scheme transferred on conversion. The deficit was revalued at the period end to £133,000 and this is included as a liability on the balance sheet (see note 24).

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 As Restated £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2017 £'000
<b>Restricted general funds</b>					
General annual grant (GAG) (note i)	-	344	(343)	(1)	-
SEN grant (note ii)	-	4	(4)	-	-
Other DfE/ESFA (note iii)	-	44	(44)	-	-
Donations	-	4	(4)	-	-
	<b>-</b>	<b>396</b>	<b>(395)</b>	<b>(1)</b>	<b>-</b>
<b>Restricted fixed asset funds</b>					
Capital grant on conversion (note iv)	6	-	(3)	-	3
Devolved formula capital grant (note v)	6	5	(2)	-	9
Capital expenditure from GAG	-	-	-	1	1
	<b>12</b>	<b>5</b>	<b>(5)</b>	<b>1</b>	<b>13</b>
<b>Restricted pension scheme liability</b>					
Pension reserve (note vi)	(184)	-	(11)	48	(147)
	<b>(184)</b>	<b>-</b>	<b>(11)</b>	<b>48</b>	<b>(147)</b>
<b>Total restricted funds</b>	<b>(172)</b>	<b>401</b>	<b>(411)</b>	<b>48</b>	<b>(134)</b>
<b>Unrestricted funds</b>					
Unrestricted funds	82	19	(45)	-	56
<b>Total unrestricted funds</b>	<b>82</b>	<b>19</b>	<b>(45)</b>	<b>-</b>	<b>56</b>
<b>Total funds</b>	<b>(90)</b>	<b>420</b>	<b>(456)</b>	<b>48</b>	<b>(78)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

## 15 MOVEMENT IN FUNDS (cont'd)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 As Restated £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>					
General annual grant (GAG) (note i)	-	725	(687)	(1)	37
SEN grant (note ii)	-	6	(6)	-	-
Other DfE/ESFA (note iii)	-	99	(99)	-	-
Donations	-	9	(9)	-	-
	-	<b>839</b>	<b>(801)</b>	<b>(1)</b>	<b>37</b>
<b>Restricted fixed asset funds</b>					
Capital grant on conversion (note iv)	6	-	(6)	-	-
Devolved formula capital grant (note v)	6	15	(5)	-	16
Capital expenditure from GAG	-	-	-	1	1
	<b>12</b>	<b>15</b>	<b>(11)</b>	<b>1</b>	<b>17</b>
<b>Restricted pension scheme liability</b>					
Pension reserve (note vi)	(184)	-	(22)	73	(133)
	<b>(184)</b>	<b>-</b>	<b>(22)</b>	<b>73</b>	<b>(133)</b>
<b>Total restricted funds</b>	<b>(172)</b>	<b>854</b>	<b>(834)</b>	<b>73</b>	<b>(79)</b>
<b>Unrestricted funds</b>					
Unrestricted funds	82	33	(71)	-	44
<b>Total unrestricted funds</b>	<b>82</b>	<b>33</b>	<b>(71)</b>	<b>-</b>	<b>44</b>
<b>Total funds</b>	<b>(90)</b>	<b>887</b>	<b>(905)</b>	<b>73</b>	<b>(35)</b>

## 16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restrictive Funds £'000	Total £'000
Tangible fixed assets	-	-	-	12	12
Current assets	44	-	63	5	112
Current liabilities	-	-	(26)	-	(26)
Pension scheme liability	-	(133)	-	-	(133)
	<b>44</b>	<b>(133)</b>	<b>37</b>	<b>17</b>	<b>(35)</b>

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restrictive Funds £'000	Total £'000
Tangible fixed assets	-	-	-	13	13
Current assets	56	-	32	-	88
Current liabilities	-	-	(32)	-	(32)
Pension scheme liability	-	(147)	-	-	(147)
	<b>56</b>	<b>(147)</b>	<b>-</b>	<b>13</b>	<b>(78)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

**17 CAPITAL COMMITMENTS**

	2018	2017
	£'000	£'000
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by governors, but not yet contracted	Nil	Nil

**18 COMMITMENTS UNDER OPERATING LEASES*****Operating leases***

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018	2017
	Other	Other
	£'000	£'000
Operating leases which expire:		
- Within one year	2	2
- Within two to five years	-	2
- Expiring in over five years	-	-
	<u>2</u>	<u>4</u>

**19 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2018	2017
	£'000	£'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	18	(36)
Adjusted for:		
Depreciation (note 12)	6	5
Fixed assets church land and buildings	-	-
Capital grants from DfE and other capital income	(10)	(5)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable (note 24)	7	7
Defined benefit pension scheme finance cost (note 24)	4	4
Increase in debtors	-	(2)
(Decrease)/increase in creditors	(6)	9
<b>Net cash provided by/(used in) operating activities</b>	<u>19</u>	<u>(18)</u>

**20 CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	-	-
Purchase of tangible fixed assets	(5)	(6)
Capital grants from DfE/EFA	10	5
Capital funding received from sponsors and others	-	-
Receipts from sale of tangible fixed assets	-	-
<b>Net cash provided by/(used in) investing activities</b>	<u>5</u>	<u>(1)</u>

**21 CASH FLOWS FROM FINANCING ACTIVITIES**

Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
<b>Net cash (used in)/provided by financing activities</b>	<u>-</u>	<u>-</u>

**22 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	At 31 Aug	At 31 Aug
	2018	2017
	£'000	£'000
Cash in hand and at bank	99	75
<b>Total cash and cash equivalents</b>	<u>99</u>	<u>75</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****23 MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up 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 for the debts and liabilities contracted before he/she ceases to be a member.

**24 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 Gloucestershire County Council Pension Fund. Both are defined multi-employer benefit schemes.

The total pension cost to the Academy during the year ended 31 August 2018 was £61,425 (2017: £61,197) of which £29,425 (2017: £31,849) relates to the TPS and £32,000 (2017: £29,331) relates to LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £4,445 (2017: £5,850) were payable to the schemes at 31 August 2018 and are included within creditors.

**TEACHERS' PENSION SCHEME (TPS)****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.

**Valuation of the Teacher's Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. 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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated costs of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed normal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.48% which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employers pension costs paid to TPS in the period amounted to £29,425 (2017: £31,849).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

## 24 PENSION AND SIMILAR OBLIGATIONS (cont'd)

**Valuation of the Teacher's Pension Scheme (cont'd)**

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2018 was £36,000 (2017: £32,331) of which employer's contributions totalled £32,000 (2017: £29,331) and employees' contributions totalled £4,000 (2017: £3,000). The agreed contribution rates for future years are 32.1% (2017: 30.3%) for employers and between 5.5% and 8.5% (2017 : 5.5% and 8.5%) 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.

**Principal Actuarial Assumptions**

	At 31 August 2018	At 31 August 2017
	% per annum	% per annum
The major assumptions used by the actuary were:		
Discount rate	2.8%	2.5%
Salary increases	2.7%	2.7%
Pension increase	2.4%	2.4%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 August 2018	At 31 August 2018	At 31 August 2017	At 31 August 2017
	Approx % Increase to Employers Liability	Approx £'000	Approx % Increase to Employers Liability	Approx £'000
Discount rate reduced by 0.5% per annum	11%	34	11%	32
Assumed pension increased by 0.5% per annum	9%	27	8%	24
Salary growth increased by 0.5% per annum	2%	7	2%	7

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

	At 31 August 2018	At 31 August 2017
Retiring today		
- Males	22.4	22.4
- Females	24.6	24.6
Retiring in 20 years		
- Males	24.0	24.0
- Females	26.4	26.4

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

## 24 PENSION AND SIMILAR OBLIGATIONS (cont'd)

The Academy's share of the assets in the scheme were:

	Fair value at 31 August 2018 £'000	Fair value at 31 August 2017 £'000
Equity instruments	124	107
Debt instruments	38	28
Property	14	10
Cash	4	3
<b>Total market value of assets</b>	<b>180</b>	<b>148</b>
<b>- Funded</b>	<b>(180)</b>	<b>(148)</b>
<b>- Unfunded</b>	<b>(133)</b>	<b>(147)</b>
<b>Total Liabilities</b>	<b>(313)</b>	<b>(295)</b>
<b>Deficit in the scheme</b>	<b>(133)</b>	<b>(147)</b>

The actual return on the scheme assets in the year was £9,000 (2017: £Nil).

## Amounts recognised in the Statement of Financial Activities

	2018 £'000	2017 £'000
Current service cost	28	25
Interest income	(4)	(3)
Interest cost	8	7
<b>Total operating charge</b>	<b>32</b>	<b>29</b>

## Changes in deficit during the year

## Deficit in the scheme at 1 September

Movement in year:

- Employer service cost (net of employee contributions)	28	25
- Employer contributions	(21)	(18)
- Expected return on scheme assets	(4)	(3)
- Interest cost	8	7
- Actuarial gain	(25)	(48)
<b>Deficit in the scheme at 31 August</b>	<b>133</b>	<b>147</b>

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

## At 1 September

Current service cost	28	25
Interest cost	8	7
Employee contributions	4	3
Actuarial gain	(20)	(51)
Benefits paid	(2)	(6)
Past service cost	-	-
Curtailements and settlements	-	-
<b>At 31 August</b>	<b>313</b>	<b>295</b>

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

## At 1 September

Expected return on assets	4	3
Actuarial gain/(loss)	5	(3)
Employer contributions	21	18
Employee contributions	4	3
Benefits paid	(2)	(6)
<b>At 31 August</b>	<b>180</b>	<b>148</b>

The estimated value of employer contributions for the year ended 31 August 2019 is £22,000 (2018: £20,000).



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)****25 RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy trust'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 the 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. No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

**26 PRIOR YEAR ADJUSTMENT**

Following a change to the Academies Accounts Direction 2016/17 land and buildings accounting policy, which concluded that where an Academy Trust does not have control over its land and buildings either because of the Church's ultimate right to determine access, or because of the Church's right to consent to works, then the land and buildings would not meet the definition of an asset. As a result the prior year reserves and primary statements have been restated to reflect the material change to the land and building accounting policy, of not including land and buildings owned by the Church on the Academy Trusts balance sheet.

The effect of the change in the land and buildings accounting policy for year ending 31 August 2017, has resulted in the cost of the land and buildings and accumulated depreciation being corrected by a prior year adjustment, which has decreased the fixed assets reserve by £906,000 and the net book value of land and buildings by the same amount.

**27 EVENTS AFTER THE END OF THE REPORTING PERIOD**

There are no material adjusting or non adjusting events arising after the balance sheet date.