ST BURYAN ACADEMY PRIMARY SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2017

Company Registration No. 07342848 England and Wales

ST BURYAN ACADEMY PRIMARY SCHOOL

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ST BURYAN ACADEMY PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	AM George (Chair) PM Hersant (Vice Chair) DM Hardy Rev. AH Burlton JM Piper MN Murrish (Chief Financial Officer) S Reid (Chief Financial Officer) (Resigned 25 January 2017) A Semmens
Members	AM George PM Hersant DM Hardy Rev. AH Burlton JM Piper
Governors (not Trustees)	J Pascoe J McDonald
Senior management team	
- Principal (Accounting Officer)	J Pascoe
- Clerk to the Governors	T Care
Company registration number	07342848 (England and Wales)
Principal address	Rectory Road St Buryan PENZANCE Cornwall TR19 6BB
Registered office	Rectory Road St Buryan PENZANCE Cornwall TR19 6BB
Independent auditor	Robinson Reed Layton Peat House Newham Road TRURO Cornwall TR1 2DP

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers	NatWest Bank 31 Alverton Street PENZANCE Cornwall TR18 2QQ

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in St Buryan. It has a pupil capacity of 140 and had a roll of 87 in the school census in October 2017.

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 charitable company is known as St Buryan Academy Primary School.

The trustees of St Buryan Academy Primary School are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1. The governors employed by the company are not trustees or directors.

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

In accordance with normal commercial practice the charitable company has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on the charitable company's business. The insurance provides cover up to £5 million on any one claim.

Method of recruitment and appointment or election of trustees

The first governors are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Other governors are appointed as follows:

a) By members - The members may appoint up to 10 governors, save that there shall be no more than three employees of the academy trust (including the Principal).

b) Local Authority - The Local Authority may appoint the Local Authority Governor.

c) Ex-Officio Governor - Shall be the Principal.

d) By parents - The parent governors shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when elected.

e) Governing body - Can appoint parent governors if the number of parents standing for election is less than the number of vacancies.

f) The Governors - The governors may appoint up to 3 co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the academy trust would exceed 3 (including the Principal).

g) The Secretary of State - May appoint Additional Governors in the following circumstances:

i) If the governors have received a warning notice and the governors have failed to comply with the notice.

ii) Where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in the Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by St Buryan Academy Primary School shall be regarded as the grade received by the academy.

iii) The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors, any governors appointed under Article 50 of the Memorandum and Articles of Association and holding office immediately preceding the appointment of such governors, shall resign immediately and the Members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

The term of office for any governor except the Principal shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

Policies and procedures adopted for the induction and training of trustees

All governors are related to the academy in some way and are therefore familiar with the academy. All governors have the opportunity to go on training courses and receive guidance and training from existing governors.

Organisational structure

The decisions relating to the running of the school are made by the Board of Governors, who meet on a regular basis. Academy policies and recommendations for future action can be put to the Board of Governors by any governor, although the majority of the recommendations are by the three governors employed by the academy. The day to day running of the academy is delegated to the principal. The Clerk to the Governors, who is also the Academy Secretary, supports the Principal in the day to day management of the academy.

Arrangements for setting pay and remuneration of key management personnel
The process for paying the executive headteacher is linked to HT Performance Management outcomes.

Related parties and other connected charities and organisations
There were no connected organisations at 31 August 2017. Details of related party transactions are referred to in the accounts.

Objectives and activities

Objects and aims
The object of the academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The academy's mission statement is 'Believe, Imagine, Aspire',

The academy's aims are:

HIGH STANDARDS: Our whole school community strives for our best in all aspects of school life.

ENJOYMENT in LEARNING: Our school was one of the first schools nationally to recognise the importance of a creative curriculum to ensure enjoyment in the learning process. We believe that school should be fun and exciting for everyone in order for our children to understand how they learn and to develop a love for lifelong learning.

RESPECT: We encourage respect for everyone, regardless of who they are or what they have. We respect the environment as a source of life and inspiration.

At St Buryan Academy we believe in making children's learning relevant and do all we can to link our learning to the world around us.

Objectives, strategies and activities
Construct and implement new Maths Curriculum to improve attainment and progress and participation in this area of the curriculum

Training with Cornwall and West Devon Maths Hub to be undertaken by 2 teaching staff members (one KS1, one KS2) in order to:

Support mathematics teaching across phase to improve attainment, progress and participation in mathematics through high quality teaching, learning and leadership. Taking forward activities which can help to:

- Construct and implement new maths curriculum throughout school
- Focus on mastery pedagogy for primary mathematics in the China-England research & innovation project
- Explore mastery pedagogy for primary mathematics in the use of high quality text books

Complete new building in garden area/ extend school's offer to accommodate pre-school children from 2 years and to provide additional outdoor learning opportunities for rest of school

- New outdoor learning area to be furnished to flexibly accommodate early years learning, outdoor learning for whole school age range and be suitable for rental opportunities as well as community use
- Further extend outdoor learning to include, to a greater degree, our youngest learners within EYFS. It has been proposed that our Early Years children should be taken off site on a regular basis to engage with our local environment, regardless of seasonal weather challenges. We have received offers of the use of an area of ancient woodland as well as meadows for adventurous and forest school type learning.

Extend Assessment Opportunities

- MAPPIX whole school assessment system has now been embedded throughout the school and is regularly used to generate the data required to successfully monitor all pupils on school system; greater emphasis is now to be given to self-assessment and peer assessment in an effort to raise standards across all age groups.

Public benefit
The academy benefits the public by being open to all children with no fee being charged for admittance to the school. The academy is also an important central part of the local community.

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

The expected standard is a scaled score of 100 or more while the higher standard is a scaled score of 110 or more. There were 18 pupils in our cohort (6 girls, 12 boys).

18 pupils St Buryan	Reading	Grammar, Punctuation, Spelling	Mathematics
Expected Standard	13	13	13
Higher Standard	5	3	5
Expected Standard National %	71	77	75
Expected Standard St Buryan %	72	72	72
Higher Standard National %	25	31	23
Higher Standard St Buryan %	28	17	28

Key performance indicators

Nationally girls continue to outperform boys. The biggest gender gap in the expected standard is in writing, the smallest is in mathematics. At the higher standard, nationally girls outperform boys in all subjects except in mathematics. *St Buryan in 2017 did not fit this pattern. We had twice as many boys in the cohort as girls.* As a group the boys achieved higher results overall.

GIRLS (6 pupils)

Expected Standard National %	75	81	75
Expected Standard St Buryan %	50	67	50

BOYS (12 pupils)

Expected Standard National %	68	73	74
Expected Standard St Buryan %	83	75	83

GIRLS (6 pupils)

Higher Standard National %	28	35	21
Higher Standard St Buryan %	17	0	0

BOYS (12 pupils)

Higher Standard National %	21	27	24
Higher Standard St Buryan	33	25	42

Attainment by School Type

In England, of the 14,976 state-funded primary schools with KS2 results, 2,173 were converter academies. Within the overall academies group, converter academies had a higher proportion of pupils reaching the expected standard than the average for all state-funded mainstream schools. They also had a greater proportion of pupils achieving the higher standard. This may be explained by the fact that the schools that choose to convert to academies are typically high performing schools. For both sponsored and converter academies the percentage of pupils reaching the expected standard was greatest for academies, like ours, open for six or more academic years (and, of the two types of academy, it was higher in converter than in sponsored academies).

Comparing 2017 results with 2016:

	2017 Reading	2016 Reading
Expected Standard National %	71	66
Expected Standard St Buryan %	72	83
Difference	+1	+17

Higher Standard National %	25	15
Higher Standard St Buryan %	28	12
Difference	+3	-3

	2017 Maths	2016 Maths
Expected Standard National %	75	70
Expected Standard St Buryan %	72	65
Difference	-3	-5

Higher Standard National %	23	17
Higher Standard St Buryan %	28	6
Difference	-5	-11

The years 2013-2015 had seen an overall improvement in results:

% achieving Level 4 or above in Reading, Writing, Maths:

	2015	2014	2013
National (England)	74	72	70
LA	71	65	65
St Buryan	100	67	63

In 2016 girls did less well than boys in Reading while boys did less well than girls in Writing and Mathematics. It was not generally a good year for us. Compared with schools across England whose pupils had similar assessment results at the end of Key Stage 1, St Buryan was 106th out of 125 schools. We were in the bottom 10% of schools for progress in maths.

While we acknowledged that maths needed to be a focus for improvement, we put forward two arguments in our defence. The first was that this cohort had been the object of concentrated intervention at the end of KS1, so their results then were inflated. (Perhaps we should be more muscular in our interventions across the age range.) The second was that the small size of the year group makes assumptions about trends unreliable. The latter argument could be applied to the 2017 girls' results, but its repeated use weakens our case. It still looks as though we need more intense and precise monitoring of all pupils.

Y1 Phonics Screening Test

100% of the Year 1 cohort either reached or exceeded the pass mark in the check, placing St Buryan Academy in the top 3% of all primary schools in the country, a great achievement which has been recognised in a congratulatory letter from the Minister of State for School Standards, the Rt Hon Nick Gibb MP.

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 the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The academy's accounting period is the year to 31 August 2017.

Most of the academy's income is derived from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year to 31 August 2017 and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The academy also received grants for fixed assets from the ESFA. Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

The financial performance and positions of the academy are monitored monthly during the year end reviewed by the full governing body termly.

The biggest factor likely to affect the academy going forward is the amount of GAG funding received relating to pupil numbers. Succession planning strategies are currently being considered.

Reserves policy

The trustees aim to control reserves to an agreed level to ensure excessive balances are not held at any one time. Trustees will ensure that delegated funds are spent appropriately on the pupils of St Buryan Academy Primary School and that government balances policies will always be adhered to.

However, trustees are also aware of their responsibilities to ensure sufficient reserves are kept to ensure good financial practice and to maintain a safe financial future for St Buryan Academy Primary School. Any future financial trends are identified early by good financial planning and regular monitoring.

The trustees consider the financial year end position of £809,387 (2016: £750,811) comprising £769,763 (2016: £714,744) of restricted fixed asset funds, £(89,000) (2016: £(114,072)) of restricted funds and £128,624 (2016: £150,139) of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to £(89,000) (2016: £(128,000)) and general restricted funds of £Nil (2016: £13,928).

The level of free reserves held by the charitable company are £128,624 (2016: £150,139).

The Local Government Pension Scheme (LGPS) fund is currently in deficit. The academy has entered into an agreement with the LGPS trustees to make additional annual contributions of £600 in addition to normal funding levels in respect of this deficit.

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

Reserves of £85,000 had been ring-fenced for a new building, which was part complete at year end. The plan is for the building to be used for pre-school children, extended school activities and outdoor learning. This should encourage families into the school, so that having become familiar with the school, those children will progress into the main school and boost numbers on roll.

Investment policy and powers

The academy retains surplus funds in its bank accounts. The Board of Governors monitor the type of bank accounts held and decide to either close or open additional accounts if necessary.

The governors have the power to invest any funds of the academy not immediately required for the furtherance of its objects, but to invest only after obtaining such advice from a financial expert as the governors consider necessary and having regard to the suitability of investments and the need for diversification.

Principal risks and uncertainties

Pension Deficit Figures - each year this issue is considered and advice taken from Cornwall Council. The academy has been advised that no further action is necessary or required at this time.

Plans for future periods

Multi Academy Trust (MAT) Proposal

The Governors of the school have been carefully monitoring the changing educational landscape for several years. It has now been decided to look at the possibility of applying to join a small, local MAT best matched to the needs of St Buryan Academy. This process is still within its formative stages but the expectation is that our school will form part of a MAT within the next academic year.

Succession Planning

The school's present Headteacher is due to retire at the end of this academic year. Much consideration has been directed towards the possibilities for replacing this position. No outcomes have yet been finalised but the Governors are looking into the possibility of appointing a Head of School who may well be an existing staff member.

New Learning Area

Located within the school's garden area, this new build is now nearing completion.

It will be used in the mornings to accommodate children from the age of 2, hopefully attracting young children into the school who will then progress through the rest of the school.

The building will be used by the school in the afternoon for practical learning activities.

It is also proposed that the stand alone building is used for community inter-generational activities.

It will also be available for hire by members of the community.

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Robinson Reed Layton be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 27.11.17 and signed on its behalf by:

....

AM George (Chair)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St Buryan Academy 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 principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Buryan Academy 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 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
AM George (Chair)	6	6
PM Hersant (Vice Chair)	3	6
DM Hardy	6	6
Rev. AH Burlton	4	4
JM Piper	5	6
MN Murrish (Chief Financial Officer)	6	6
S Reid (Chief Financial Officer) (Resigned 25 January 2017)	2	2
A Semmens	5	6

The board of trustees carry out a review of governance on an annual basis.

Review of value for money

I accept that as accounting officer of St Buryan Academy Primary School I am responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. I am aware of the guide to academy value for money statements published by the Education and Skills Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The governing body is accountable for the way in which the school's resources are allocated in order to meet the objectives set out in the school's development plans. Governors need to secure the best possible outcome for pupils, in the most efficient but effective way, at a reasonable cost. This will lead to continuous improvement in our school's achievements and services.

The Governors and school managers will apply the principles of best value when making decisions about:

•the allocation of resources to best promote the aims and values of the school

•the targeting of resources to best improve standards and the quality of provision.

•the use of resources to best support the various educational needs of all pupils.

Governors, and the school leadership team, will:

•make comparisons with other/similar schools using data provided by the LEA and the Government, e.g. benchmarking tools such as Raiseonline, quality of teaching & learning, etc.,levels of expenditure
•challenge proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual pupil achievement targets, extended schools provision
•require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup
•consult individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers, e.g.Energy Management, lease of photocopiers etc.

This will apply in particular to:
•staffing
•use of resources
•quality of teaching
•quality of learning
•purchasing
•pupils' welfare
•health and safety

Governors and school leadership team:
•will not waste time and resources on investigating minor areas where few improvements can be achieved
•will not waste time and resources to make minor savings in costs
•will not waste time and resources by seeking tenders for minor supplies and services
The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

Staffing

Governors and school managers will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult pupil ratio, and curriculum management.

When a resignation is accepted an analysis carried out by the Academy's staffing committee determines if replacement is necessary. This procedure resulted in school restructure requiring less teaching staff this year, thus reducing costs.

Use of Premises

Governors and school managers will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources. The services of an architect and structural engineer have been bought in to advise Governors re. proposed building projects, including bid to Academies Annual Maintenance Fund.

Use of Resources

Governors and school managers will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

Teaching

Governors and school managers will review the quality of curriculum provision and quality of teaching, learning and progress to provide parents and pupils with:
•a curriculum which meets the requirements of the National Curriculum, National Literacy Strategy and National Numeracy Strategy, the LEA Agreed RE Syllabus, and the individual needs of pupils
•teaching which builds on previous learning and has high expectations of children's achievement

Learning

Governors and school managers will review the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve nationally expected progress, e.g. setting of annual pupil achievement targets and striving to improve on or maintain previous years exam results and attendance.

A whole school tracking system was purchased last year to enable whole staff to ensure continual progress by all pupils; the system is updated each term. If a child's progress is shown to plateau identified intervention strategies are put in place.

Purchasing

Governors and school managers will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost.

Measures already in place include

•competitive tendering procedures
•procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
•procedures which minimise office time by the purchase of goods or services under £750 direct from known, reliable suppliers (e.g. stationery, small equipment)

Pupils' Welfare

Governors and school managers will review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.

Economy of Scale

The Academy has taken steps to organise staff training (i.e. Safeguarding, Food Hygiene, Minibus Driving Improvement) with other schools in order to reduce costs.

Health & Safety

Governors and school managers will review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

Monitoring

These areas will be monitored for best value by:
1. In house monitoring by the Headteacher and curriculum managers, e.g.
classroom practice, work sampling, progress made each term
2. Termly target setting meetings between the Headteacher and class teachers
3. Staff Appraisal
4. Annual Budget Planning
5. Headteacher's regular finance review
6. Visits by school bursar (monthly)
7. Analysis of school pupil performance data against similar LEA schools
and Analysis of LEA financial data against bench mark data for similar schools
8. Analysis of DCFS pupil performance data
9. OFSTED Inspection reports
10. Governors' termly sub-committee meetings
11. Governors' full half termly meetings
12. Governors' Annual Finance Review
13. Governors' Annual SATs Target Setting Meeting
14. Responsible Officer's half termly Finance Meeting with Bursar and Accounting Officer (minuted)

The Governing Body will
discuss "Best Value" at each Autumn Term meeting of the Finance Committee.
review their "Best Value" statement at each Spring Term Full Governing Body meeting.
consider best value when arranging proposed building projects or the potential cost of any necessary maintenance.

Lessons Learned
Vision for the Future

St Buryan Academy is considering becoming a member of a local Multi Academy Trust. As a member we will increase the scale of our purchasing power in aspects such as the procurement of support services e.g. HR Services, as well as all other aspects of general school spending.

An additional building has recently been built within the school garden area. Quotes and Tenders were carefully assessed before contractors were chosen. The whole process has closely complied with our VfM policies.

As resignations are received, procedures are in place to evaluate whether the vacated position needs to be replaced (either wholly/part-time contract), bearing in mind our decreasing NOR. The structure of the school will be closely looked at by the school's trustees in the forthcoming months before decisions are taken concerning the structure of the school for the next academic year.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Buryan Academy Primary School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of 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 period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. 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 local governing body of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the trustees have appointed MN Murrish, a trustee, to carry out a programme of internal checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- review of bank reconciliations
- review of management accounts
- review of the annual budget

The reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

Review of effectiveness

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

- the work of the internal reviewer;
- 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 general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 27.11.17 and signed on its behalf by:

AM George (Chair)

J Pascoe (Accounting Officer)

ST BURYAN ACADEMY PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees (who also act as governors for St Buryan Academy Primary School and are also the directors of St Buryan Academy Primary School for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, 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 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 27.11.17 and signed on its behalf by:

AM George (Chair)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST BURYAN ACADEMY PRIMARY SCHOOL

Opinion

We have audited the accounts of St Buryan Academy Primary School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

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 accounts' 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 accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 our audit:

- the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST BURYAN ACADEMY PRIMARY SCHOOL (CONTINUED)

Matters on which we are required to report by exception
In the light of the 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 Trustees' Report, including the incorporated strategic 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 accounts 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 Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Robinson Reed Layton

Mark Williams (Senior Statutory Auditor)
for and on behalf of Robinson Reed Layton

1 December 2017

Chartered Accountants
Statutory Auditor

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

ST BURYAN ACADEMY PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST BURYAN ACADEMY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 March 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Buryan Academy Primary School during the period 1 September 2016 to 31 August 2017 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 St Buryan Academy Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St Buryan Academy Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Buryan Academy Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Buryan Academy Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Buryan Academy Primary School's funding agreement with the Secretary of State for Education dated 28 July 2010 and the Academies Financial Handbook, extant 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 2016 to 2017. 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by 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.

The work undertaken to draw to our conclusion includes:

- a review of minutes of all trustees' meetings;
- an evaluation of internal control procedures and reporting lines and a check on the implementation of such controls;
- a review of items purchased with credit cards to ensure they are not used for personal benefit;
- a review of financial transactions for any unusual transactions which may be improper;
- a review of all the activities of the academy to ensure that they are in keeping with the academy's framework and the charitable objectives;
- a review of pecuniary interest forms to ensure all key staff and trustees have declared their interest in related parties, as well as discussion and testing of these forms;
- a review of expenditure to ensure it does not contravene the funding agreement; and
- a review of procurement procedures to ensure activity is in accordance with Annex 4.4 of Managing Public Money.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST BURYAN ACADEMY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Robinson Reed Layton

Mark Williams (Senior Statutory Auditor)
Reporting Accountant
Robinson Reed Layton

Dated: 01 December 2017

ST BURYAN ACADEMY PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted	Restricted funds:		Total	Total
		Funds	General	Fixed asset	2017	2016
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	1,647	334	7,822	9,803	27,856
Charitable activities:						
- Funding for educational operations	4	41,536	486,585	-	528,121	497,727
Other trading activities	5	1,718	-	-	1,718	14,870
Total income and endowments		44,901	486,919	7,822	539,642	540,453
Expenditure on:						
Charitable activities:						
- Educational operations	7	18,441	501,371	21,254	541,066	541,325
Total expenditure	6	18,441	501,371	21,254	541,066	541,325
Net income/(expenditure)		26,460	(14,452)	(13,432)	(1,424)	(872)
Transfers between funds		(47,975)	(20,476)	68,451	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	60,000	-	60,000	(67,000)
Net movement in funds		(21,515)	25,072	55,019	58,576	(67,872)
Reconciliation of funds						
Total funds brought forward		150,139	(114,072)	714,744	750,811	818,683
Total funds carried forward		128,624	(89,000)	769,763	809,387	750,811

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016	Notes	Unrestricted Funds £	Restricted funds: General £	 Fixed asset £	Total 2016 £
Income and endowments from:					
Donations and capital grants	3	19,566	1,480	6,810	27,856
Charitable activities:					
- Funding for educational operations	4	5,643	492,084	-	497,727
Other trading activities	5	14,870	-	-	14,870
Total income and endowments		40,079	493,564	6,810	540,453
Expenditure on:					
Charitable activities:					
- Educational operations	7	25,833	493,440	22,052	541,325
Total expenditure	6	25,833	493,440	22,052	541,325
Net income/(expenditure)		14,246	124	(15,242)	(872)
Transfers between funds		(145)	(5,150)	5,295	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	19	-	(67,000)	-	(67,000)
Net movement in funds		14,101	(72,026)	(9,947)	(67,872)
Reconciliation of funds					
Total funds brought forward		136,038	(42,046)	724,691	818,683
Total funds carried forward		150,139	(114,072)	714,744	750,811

ST BURYAN ACADEMY PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	11		766,645		727,226
Current assets					
Stocks	13	-		610	
Debtors	14	14,732		16,739	
Cash at bank and in hand		143,587		157,638	
		158,319		174,987	
Current liabilities					
Creditors: amounts falling due within one year	15	(26,577)		(23,402)	
Net current assets			131,742		151,585
Net assets excluding pension liability			898,387		878,811
Defined benefit pension liability	19		(89,000)		(128,000)
Net assets			809,387		750,811
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			769,763		714,744
- Restricted income funds			-		13,928
- Pension reserve			(89,000)		(128,000)
Total restricted funds			680,763		600,672
Unrestricted income funds	17		128,624		150,139
Total funds			809,387		750,811

The accounts set out on pages 24 to 47 were approved by the board of trustees and authorised for issue on ....27.11.17.. and are signed on its behalf by:

AM George (Chair)

Company Number 07342848

ST BURYAN ACADEMY PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Net cash provided by operating activities	**20**		38,800		11,452
Cash flows from investing activities					
Capital grants from DfE and EFA		5,148		5,130	
Capital funding from sponsors and others		2,674		1,680	
Payments to acquire tangible fixed assets		(60,673)		(24,587)	
			(52,851)		(17,777)
Change in cash and cash equivalents in the reporting period			(14,051)		(6,325)
Cash and cash equivalents at 1 September 2016			157,638		163,963
Cash and cash equivalents at 31 August 2017			143,587		157,638

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Buryan Academy Primary School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts 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 accounts.

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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 there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

1 Accounting policies **(Continued)**

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.

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'.

Donated fixed assets
Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

1.4 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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

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

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

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets and depreciation

Assets costing £500 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 that require 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/reducing balance] basis over its expected useful life, as follows:

Freehold land and buildings	Equally over 50 years
Computer equipment	Equally over 3 years
Fixtures, fittings & equipment	Equally over 10 years
Motor vehicles	On a reducing balance basis at 25% per year

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

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods of services it must provide.

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 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.

<u>Financial assets</u>

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

1 Accounting policies **(Continued)**

Financial liabilities
Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.9 Stock
Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

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

1.11 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 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.

1 Accounting policies **(Continued)**

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2017. 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	-	5,148	5,148	5,130
Other donations	1,647	3,008	4,655	22,726
	1,647	8,156	9,803	27,856

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	422,053	422,053	410,888
Other DfE / ESFA grants	-	37,516	37,516	44,660
	-	459,569	459,569	455,548
Other government grants				
Local authority grants	-	27,016	27,016	20,266
Other funds				
Other incoming resources	41,536	-	41,536	21,913
Total funding	41,536	486,585	528,121	497,727

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
After school club and music tuition	-	-	-	14,392
Other income	1,718	-	1,718	478
	1,718	-	1,718	14,870

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
- Direct costs	328,980	-	33,933	362,913	365,782
- Allocated support costs	93,036	48,538	36,579	178,153	175,543
	422,016	48,538	70,512	541,066	541,325

6 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2017	2016
	£	£
Fees payable to auditor for:		
- Audit	5,260	4,500
- Other services	400	1,818
Operating lease rentals	-	1,052
Depreciation of tangible fixed assets	21,254	22,052
Net interest on defined benefit pension liability	3,000	2,000

7 Charitable activities

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Direct costs - educational operations	8,759	354,154	362,913	365,782
Support costs - educational operations	9,682	168,471	178,153	175,543
	18,441	522,625	541,066	541,325

	2017	2016
	£	£
Analysis of support costs		
Support staff costs	93,036	80,436
Depreciation and amortisation	21,254	22,052
Premises costs	18,439	24,945
Other support costs	39,764	35,997
Governance costs	5,660	12,113
	178,153	175,543

8 Staff costs

	2017	2016
	£	£
Wages and salaries	321,520	330,749
Social security costs	23,229	17,216
Operating costs of defined benefit pension schemes	72,159	56,750
Staff costs	416,908	404,715
Supply staff costs	3,342	6,093
Staff development and other staff costs	1,766	1,330
Total staff expenditure	422,016	412,138

8 Staff costs **(Continued)**

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2017 Number	2016 Number
Teachers	9	9
Administration and support	13	14
	22	23

Higher paid staff

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

	2017 Number	2016 Number
£60,000 - £65,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £114,187 (2016: £96,830).

9 Trustees' remuneration and expenses

One or more of the trustees or governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees/governors only receive 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 services as trustees/governors. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

J Pascoe (principal):
- Remuneration £60,000 - £65,000 (2016: £55,000 - £60,000)
- Employer's pension contributions £10,000 - £15,000 (2016: £5,000 - £10,000)

O Connell (staff governor)):
- Remuneration £Nil (2016: £5,000 - £10,000)
- Employer's pension contributions £Nil (2016: £0 - £5,000)

LJ Sullivan (staff governor):
- Remuneration £Nil (2016: £0,000 - £5,000)
- Employer's pension contributions £Nil (2016: £Nil)

J McDonald (staff governor):
- Remuneration £30,000 - £35,000 (2016: £15,000 - £20,000)
- Employer's pension contributions £5,000 - £10,000 (2016: £0 - £5,000)

During the year, no travel and subsistence payments were reimbursed or paid directly to trustees (2016: none).

Other related party transactions involving the trustees are set out within the related parties note.

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £251 (2016: £224).

11 Tangible fixed assets

	Freehold land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2016	720,372	34,798	56,262	26,500	837,932
Additions	56,113	4,560	-	-	60,673
At 31 August 2017	776,485	39,358	56,262	26,500	898,605
Depreciation					
At 1 September 2016	38,420	33,176	29,052	10,058	110,706
Charge for the year	9,017	2,500	5,626	4,111	21,254
At 31 August 2017	47,437	35,676	34,678	14,169	131,960
Net book value					
At 31 August 2017	729,048	3,682	21,584	12,331	766,645
At 31 August 2016	681,952	1,622	27,210	16,442	727,226

12 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,297	3,675
Carrying amount of financial liabilities		
Measured at amortised cost	5,829	15,880

13 Stocks

	2017	2016
	£	£
School uniform	-	400
Catering stock	-	100
Books and stationery	-	110
	-	610

14 Debtors

	2017	2016
	£	£
Trade debtors	-	3,323
VAT recoverable	3,673	2,073
Other debtors	-	3,675
Prepayments and accrued income	11,059	7,668
	14,732	16,739

15 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	77	476
Other creditors	13,631	-
Accruals and deferred income	12,869	22,926
	26,577	23,402

16 Deferred income

	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	7,117	7,521
Deferred income at 1 September 2016	7,521	10,585
Released from previous years	(7,521)	(10,585)
Amounts deferred in the year	7,117	7,521
Deferred income at 31 August 2017	7,117	7,521

At the year end the academy trust was holding funds received in advance for free school meals in the autumn term 2017.

17 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	422,053	(401,577)	(20,476)	-
Other DfE / ESFA grants	13,310	37,516	(50,826)	-	-
Other government grants	-	27,016	(27,016)	-	-
Other restricted funds	618	334	(952)	-	-
Funds excluding pensions	13,928	486,919	(480,371)	(20,476)	-
Pension reserve	(128,000)	-	(21,000)	60,000	(89,000)
	(114,072)	486,919	(501,371)	39,524	(89,000)
Restricted fixed asset funds					
Transferred on conversion	573,470	-	(7,118)	-	566,352
DfE / ESFA capital grants	31,659	5,148	(3,104)	-	33,703
Capital expenditure from GAG	94,610	-	(9,226)	68,451	153,835
Big Lottery Grant	8,909	-	(198)	-	8,711
Academies Capital Maintenance	4,631	-	(96)	-	4,535
FOSBS	1,465	2,674	(1,512)	-	2,627
	714,744	7,822	(21,254)	68,451	769,763
Total restricted funds	600,672	494,741	(522,625)	107,975	680,763
Unrestricted funds					
General funds	150,139	44,901	(18,441)	(47,975)	128,624
Total funds	750,811	539,642	(541,066)	60,000	809,387
General unrestricted funds include the following designated funds:					
Unrestricted designated fund	85,000	-	-	(56,113)	28,887
Balance of general funds	65,139	44,901	(18,441)	8,138	99,737
	150,139	44,901	(18,441)	(47,975)	128,624

17 Funds **(Continued)**

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

General Annual Grant - This is the main source of funding for the academy to fund its educational operations.

Other DfE/ESFA Grants - Pupil premium gunding is allocated to schools to close the gap in attainment between children from lower income families and their peer group. Funding received in the year to 31 August 2017 was used to fund breakfast and after school clubs, to subsidise educational visits and provide additional teaching support and mentoring for these pupils.

Other restricted funds - These have been received for and expended on the purposes described.

Restricted fixed asset funds - These have been expended for the purpose described.

The designated reserves have been ring fenced by the Governors for the new build project.

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 2017.

17 Funds **(Continued)**

Movements in funds - previous year

	Balance at 1 September 2015	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
General Annual Grant	-	410,888	(405,738)	(5,150)	-
Other DfE / ESFA grants	9,336	44,660	(40,686)	-	13,310
Other government grants	-	20,266	(20,266)	-	-
Universal Infant Free School Meals	618	-	-	-	618
School Development	-	16,270	(16,270)	-	-
Other restricted funds	-	1,480	(1,480)	-	-
Funds excluding pensions	9,954	493,564	(484,440)	(5,150)	13,928
Pension reserve	(52,000)	-	(9,000)	(67,000)	(128,000)
	(42,046)	493,564	(493,440)	(72,150)	(114,072)
Restricted fixed asset funds					
Transferred on conversion	580,677	-	(7,207)	-	573,470
DfE / ESFA capital grants	29,528	5,130	(8,149)	5,150	31,659
Capital expenditure from GAG	100,652	-	(6,402)	145	94,395
Big Lottery Grant	9,107	-	(198)	-	8,909
Academies Capital Maintenance	4,727	-	(96)	-	4,631
Private sector capital sponsorship	-	1,680	-	-	1,680
	724,691	6,810	(22,052)	5,295	714,744
Total restricted funds	682,645	500,374	(515,492)	(66,855)	600,672
Unrestricted funds					
General funds	136,038	40,079	(25,833)	(145)	150,139
Total funds	818,683	540,453	(541,325)	(67,000)	750,811

18 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds: General	Fixed asset	Total 2017
	£	£	£	£
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	766,645	766,645
Current assets	155,201	-	3,118	158,319
Creditors falling due within one year	(26,577)	-	-	(26,577)
Defined benefit pension liability	-	(89,000)	-	(89,000)
	128,624	(89,000)	769,763	809,387

	Unrestricted Funds	Restricted funds: General	Fixed asset	Total 2016
	£	£	£	£
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	15,600	-	711,626	727,226
Current assets	150,420	21,449	3,118	174,987
Creditors falling due within one year	(15,881)	(7,521)	-	(23,402)
Defined benefit pension liability	-	(128,000)	-	(128,000)
	150,139	(114,072)	714,744	750,811

19 Pensions and similar obligations

The academy trust'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 Cornwall Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year. Contributions amounting to £1,737 (2016: £Nil) were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

19 Pensions and similar obligations **(Continued)**

Valuation of the Teachers' 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 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 consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost 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 nominal 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 16.4%, 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 employer's pension costs paid to the TPS in the period amounted to £35,013 (2016: £36,303).

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 contributions are as noted below. The agreed contribution rates for future years are 17.8% for employers and 5.5% to 12.5%% for employees. The estimated value of employer contributions for the forthcoming year is £22,000.

The academy has entered into an agreement with the LGPS trustees to make additional annual contributions of £5,400 in addition to normal funding levels, over a period of 20 years, in order to bridge the scheme deficit.

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.

19 Pensions and similar obligations **(Continued)**

Total contributions made	**2017**	**2016**
	£	**£**
Employer's contributions	21,000	21,000
Employees' contributions	5,000	5,000
Total contributions	26,000	26,000

Principal actuarial assumptions	**2017**	**2016**
	%	**%**
Rate of increases in salaries	2.5	4.1
Rate of increase for pensions in payment	2.4	2.1
Discount rate	2.5	2.1

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

	2017	**2016**
	Years	**Years**
Retiring today		
- Males	22	22
- Females	25	24
Retiring in 20 years		
- Males	24	24
- Females	26	27

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions as at 31 August 2017:

0.5% decrease in Real Discount Rate - 11% approximate increase to Employer Liability equating to approximately £34,000.
0.5% increase in the Salary Increase Rate - 2% approximate increase to Employer Liability equating to approximately £5,000.
0.5% increase in the Pension Increase Rate - 9% approximate increase to Employer Liability equating to approximately £28,000.

19 Pensions and similar obligations **(Continued)**

The academy trust's share of the assets in the scheme	2017 Fair value £	2016 Fair value £
Equities	98,000	88,000
Bonds	89,000	79,000
Property	15,000	13,000
Other assets	6,000	3,000
Total market value of assets	208,000	183,000
Actual return on scheme assets - gain/(loss)	-	16,000

Amounts recognised in the statement of financial activities	2017 £	2016 £
Current service cost	39,000	28,000
Interest income	(4,000)	(6,000)
Interest cost	7,000	8,000
Total operating charge	42,000	30,000

Changes in the present value of defined benefit obligations	2017 £	2016 £
Obligations at 1 September 2016	311,000	193,000
Current service cost	39,000	28,000
Interest cost	7,000	8,000
Employee contributions	5,000	5,000
Actuarial (gain)/loss	(64,000)	77,000
Benefits paid	(1,000)	-
At 31 August 2017	297,000	311,000

19 Pensions and similar obligations (Continued)

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

	2017 £	2016 £
Assets at 1 September 2016	183,000	141,000
Interest income	4,000	6,000
Actuarial loss/(gain)	(4,000)	10,000
Employer contributions	21,000	21,000
Employee contributions	5,000	5,000
Benefits paid	(1,000)	-
At 31 August 2017	208,000	183,000

20 Reconciliation of net expenditure to net cash flows from operating activities

	2017 £	2016 £
Net expenditure for the reporting period	(1,424)	(872)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(7,822)	(6,810)
Defined benefit pension costs less contributions payable	18,000	7,000
Defined benefit pension net finance cost	3,000	2,000
Depreciation of tangible fixed assets	21,254	22,052
Decrease/(increase) in stocks	610	(60)
Decrease/(increase) in debtors	2,007	(7,196)
Increase/(decrease) in creditors	3,175	(4,662)
Net cash provided by operating activities	38,800	11,452

21 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the accounts	29,789	-

22 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 trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

Mrs M Burlton - wife of Rev AH Burlton (trustee). Transactions totalling £8,216 (2016: £8,450) relating to employment as a teaching assistant (including employer's pension contributions) took place in the year. There were £Nil amounts outstanding at 31 August 2017 (2016: £Nil).

In entering into the transaction the trust has complied with the requirement of EFA's Academies Financial Handbook.

Trelawny Citroen Limited - MN Murrish (trustee) is a director and controlling shareholder of the company. A school minibus was purchased during the previous year, and further maintenance services were provided throughout the year as required. Transactions totalling £1,483 (2016: £25,669) relating to services provided to St Buryan Academy Primary School took place in the year. £Nil was outstanding at 31 August 2017 (2016: £Nil).

In entering into the transaction in 2017 the trust has complied with the requirement of EFA's Academies Financial Handbook.

NSN Electrical Ltd - son of L Sullivan is a director and 50% shareholder of the company. NSN Electrical Ltd supplied electrical repairs services to St Buryan Academy Primary School. Transactions totalling £405 (2016: £1,444) relating to services provided to St Buryan Academy Primary School took place in the year. £Nil was outstanding at 31 August 2017 (2016: £Nil).

In entering into the transaction the trust has complied with the requirement of EFA's Academies Financial Handbook.

Mrs L Reid - wife of S Reid (trustee until 25 January 2017). Transactions totalling £Nil (2016: £730) relating to modern language tuition at the academy took place in the year. There were £Nil amounts outstanding at 31 August 2017 (2016: £Nil).

In entering into the transaction the trust has complied with the requirement of EFA's Academies Financial Handbook.

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.