

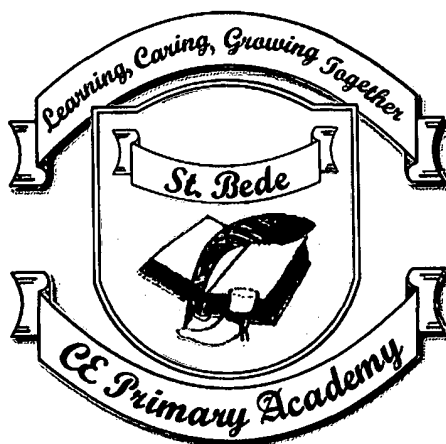
Company Registration No. 07628909 (England and Wales)

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2016



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ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

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ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members

PCC (Rev M Bristow) (Appointed - 1 August 2015)
Archdeacon of Bolton (Archdeacon D Bailey)
Manchester Diocesan Board of Education (M. Caine)

Trustees

Archdeacon D Bailey
Rev M Bristow
Mr M A Caine
Mrs L Cohen
Mr J Hatch OBE
Mrs M Fish
Mr H Hirst (Deceased 3 April 2016)
Mrs G Turner
Mr D Vause
Mr N Vekria
Mrs J Walsh (Resigned 31 August 2016)
Mrs N Cummins
Mrs R O'Brien
Mrs M Drake
Mr J Parker
Mrs A Horrocks
Mrs C Hardman

Senior management team

| | |
|--|---------------------------------------|
| - Executive Headteacher and Accounting Officer | Jack Hatch OBE |
| - Executive Deputy Headteacher | June Roberts (Clerk to the Governors) |
| - Head of School | Sarah Rostron |
| - Assistant Headteacher | Jill Dring |
| - Assistant Headteacher | Anna Black |
| - Assistant Headteacher | Nicola Whittaker |
| - Assistant Headteacher | Laura Taylor |
| - Assistant Headteacher | Lauren Hirst |
| - Director of Finance and Administration | Sarah Bagshaw |

Company registration number 07628909 (England and Wales)

Company name St Bede Church of England Primary Academy

Registered office Morris Green Lane
Bolton
BL3 3LJ

Independent auditor Moore and Smalley LLP
Richard House
9 Winckley Square
Preston
PR1 3HP

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Actuary

Hymans Robertson LLP
45 Church Street
Birmingham
B3 2RT

Solicitors

Widdows Pilling & Co
2b Memorial Road
Worsley
Manchester
M28 3AQ

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

The Academy operates for pupils aged 3 to 11 serving a catchment area in Bolton. It has a pupil capacity of 530 and had a roll of 548 in the school census in October 2016.

Structure, governance and management

Constitution

The Academy 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.

The trustees of St Bede Church of England Primary Academy 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 members of the Academy Trust comprise:

- a. The signatories to the Memorandum who are the Parochial Church Council of the Parish of St Bede Bolton le Moors, the Archdeacon of Bolton (in his corporate capacity) and the Manchester Diocesan Board of Education;
- b. Up to 3 person(s) who may be appointed by the Diocesan Board of Education;
- c. 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- d. The Chairman of the Governors; and
- e. Any person appointed under Article 16 of the Articles of Association.

The members act as the trustees for the charitable activities of the Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as St Bede Church of England Primary Academy.

The Governors are responsible for the running of the school. Details of the governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The Academy has purchased indemnity insurance to protect officers from claims arising in connection with Academy business. The insurance provides cover of up to £10,000,000 on any one claim.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Method of recruitment and appointment or election of trustees

The number of Governors shall be not less than three but, (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The Academy Trust shall have the following governors:

- a. Not less than 9 Governors, appointed by the Members;
- b. Up to 2 Staff Governors, if appointed through a process determined by the Members;
- c. Up to 4 Parent Governors if appointed, who are elected by parents of registered pupils at the Academy and must be a parent of a pupil at the Academy at the time when he is elected;
- d. The Principal;
- e. Any Further Governors, if appointed by the Secretary of State as he thinks fit (after consultation with the Diocesan Board of Education) if the Secretary of State has;
- f. Given the Governors a warning notice; and
- g. The Governors have failed to comply, or secure compliance with the notice to the Secretary of States satisfaction within the compliance period;
- h. Any Further Governors, if appointed by the Secretary of State (after consultation with the Diocesan Board of Education) where following an Inspection by the Chief inspector in accordance with the Education Act 2005 the Academy Trust receives an Ofsted grading 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

The Academy Trust may also have up to 2 Co-opted Governors appointed by the Governors.

Policies and procedures adopted for the induction and training of trustees

All governors are provided with copies of the Internal Finance Manual, the Academies Handbook and the Induction Pack. On appointment, induction training is provided by the Clerk to the Governors and ongoing training is provided through the local authority or in-house.

Arrangements for setting pay and remuneration of key management personnel

The Academy's key management team consisted of the Executive Head teacher, the Exective Deputy Head Teacher, the Finance & HR Director and the Head of School.

The Accounting officer/Executive Head Teacher's pay and remuneration is reviewed annually by the finance and management committee and is linked to performance targets. During 2015/16 this increase was set at 1% all target were met.

The Executive Deputy Head , the Finance & HR Director and Head of School also received the standard 1%.

Related parties and other connected charities and organisations

One of the Directors and one additional Governor are directors of St Bede Services Limited, a registered charity. The operation of the charity is managed by staff at the school and services and costs recharged to St Bede Services Limited.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives and activities

Objects and aims

The academy aims to;

- carry out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of the Academy,
- continue providing an outstanding provision for the children within the Academy,
- ensure targets such as attendance and SATs are achieved and the targets reviewed regularly,
- ensure all funding is appropriately targeted,
- employ and retain staff with the highest level of professionalism, motivation and effectiveness.

Objectives, strategies and activities

The main objectives for the year were:

Short term objectives;

- to ensure that 75% of all children progress 2 letter levels (4APS) over 2 years in Writing and Reading,
- to ensure that 75% of all children progress 3 letter levels over 2 years in Numeracy,
- to ensure that 95% of all children make at least 2 full letter levels progress between key stages.

Medium term priorities;

- Continue innovative development to extend the container building

Organisational structure

The Academy is governed by the directors of the charitable company who are trustees for the purposes of charity legislation.

Responsibility for governance has been delegated to the Governing Body. The organisational structure of the Academy consists of 4 levels: the Members, the Governing Body, the Headteacher, and the Senior Leadership Team including sub committees.

The Headteacher:

- is responsible for the internal organisation, management and control of the Academy,
- advises on, and implements, the Governing Body's strategic framework,
- formulates aims and objectives, policies and targets for the Governing Body to consider adopting,
- reports on progress to the Governing Body at least once a term,
- formulates and implements the policies for leading the Academy towards the set targets,
- gives the Governing Body enough information to ensure that the Governors are confident that delegated responsibilities and the Headteacher's responsibilities have been met,
- is, along with the other professional staff, accountable to the Governing Body for the Academy's performance, and meets all the Academy's obligations regarding statutory assessment,
- ensures that the Academy's voluntary fund and bank account are audited annually,
- formulates and submits to the Governing Body an annual draft plan for the Academy's budget, and a revised plan when appropriate, and
- determine the staff complement and a pay policy for the Academy.

The Headteacher is accountable to the Governing Body and has delegated responsibility for:

- leading and managing the creation of a strategic plan ie. the Academy Development Plan, which identifies priorities and targets for ensuring that pupils achieve high standards and make progress, increasing teachers' effectiveness and securing improvement,
- ensuring that the relevant or DFE requirements are implemented.
- establishing sound internal financial controls to be managed on a daily basis by the Headteacher and the finance staff, ensuring the effective implementation of current financial systems and procedures described in the financial management booklet (even in the absence of key staff),
- checking that the funds delegated by the DFE are correct,
- ensuring draft and revised budgets are presented to the sub-committee with delegated powers,
- ensuring regular reconciled budget/financial reports are presented to the Governing Body, LA and DFE as appropriate.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The role of the Governing Body and its committees:

- The Governing Body, supported by information and advice provided by the Headteacher, decides the strategic direction of the Academy;
- the Governing Body is answerable to the directors and members of St Bede C of E Academy, parents/carers and the wider community, and
- the Finance and Management sub-committee of the Governing Body has full delegated authority for the financial decisions that are made in the context of how the Academy is run, and reports the current position at every Governing Body meeting.

Responsibility for the implementation of financial decisions remains with the Headteacher. In order that Governors fulfil their role in giving the Academy strategic direction, it is important that they (and Academy staff involved in financial management) understand their responsibilities.

The governing body is responsible for ensuring that high standards of Corporate Governance are maintained, and are required to;

- manage the Academy budget, consider the annual budget plan, approve the budget, consider and approve any proposed revisions to the budget plan and ensure there are effective internal controls,
- decide whether to delegate their powers to spend the delegated budget to the Headteacher. If so, they should establish the financial limits of delegated authority,
- make sure accurate accounts are kept,
- act as a 'critical friend' to the Headteacher by providing advice, challenge and support,
- establish a written performance management policy to govern staff performance after making sure that all staff have been consulted,
- ensure compliance with legal requirements,
- assess and manage risk (including preparation of a statement on the academy's risk management for its annual report and accounts).

The benefits are that ;

- all essential duties are carried out and all requisite controls are exercised without unnecessary duplication of effort by staff and Governors respectively,
- in turn, staff fully understand their responsibilities in respect of financial management, agree with the record of them in their job descriptions, and can be held accountable for how they carry them out,
- the limits of each person's financial responsibility and authority can be prescribed,
- the best means can be determined for giving Governors the financial information they need for decision making purposes.

At St Bede, the sub-committees of the Governing Body have full delegated powers of authority in decision making, and these sub-committees are re-elected annually at the first meeting of the academic year, along with the Chair and Vice-Chair and other representatives. At the first meeting of the year, all Governors sign a declaration of pecuniary interest. This facilitates the efficient running of future meetings.

The roles and responsibilities of the Governing Body are important in the context of financial management. The Governing Body, or the responsible sub-committee, alongside the Headteacher, have direct control over substantial amounts of delegated funds. They make key decisions about the allocation of financial resources and often have to weigh competing priorities. If Governors have a good understanding of financial management and control, and aim to achieve these, they are better able to safeguard the public money for which they are responsible.

The Academy is a company limited by guarantee with charitable status. The directors are the legal trustees of the charity. This confers certain obligations upon the trustees to protect the assets, property and good name of the charity. The legal requirements of trustees are set out below.

Trustees have full responsibility for the charity and must;

- act together and in person and not delegate control of the charity to others,
- act strictly in accordance with the Academy's governing documents,
- act in the Academy's interests only and without regard to their own private interests,
- manage the Academy's affairs prudently throughout the life of the academy,
- not derive any personal benefit or gain from the Academy of which they are trustees, and
- take proper professional advice on matters on which they are not themselves competent.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

In managing the Academy's finances directors must;

- make sure that bank accounts, financial systems and financial records are operated by more than one person,
- make sure that all the Academy's property is under the control of the trustees,
- keep full and accurate accounting records, and
- prepare accruals accounts giving a true and fair view of the Academy's incoming resources and application of resources during the year and of its state of affairs at the year end.

In applying the Academy's income directors must ensure that it is spent solely for the purposes set out in the Academy's governing documents and spend it with absolute fairness between persons qualified to benefit from the charity.

A summary of the Governing Body's Financial Management Roles

The Governing Body has a strategic role in the financial management of the Academy and therefore its key responsibilities include;

- setting financial priorities through the SDP and the annual budget,
- deciding on how the Academy's delegated budget should be spent in accordance with the SDP and statutory DFE requirements,
- approving and monitoring the annual budget,
- ensuring the budget is managed effectively and meets all its statutory obligations, and that the headteacher complies with all financial regulations,
- determining virement and expenditure thresholds,
- evaluating the effectiveness of spending decisions.

Although the Governing Body has a responsibility for the overseeing of most aspects of Academy life, a great deal of responsibility is delegated to the Headteacher and the Finance and Management sub-committee.

More specific responsibilities include the following;

- ensuring there is a handbook and procedures containing information and a description of financial systems for staff with financial responsibility,
- ensuring that the spending plan is approved,
- ensuring that financial records are maintained for auditors and that recommendations made by the auditors are responded to promptly,
- monitoring of the budget and agreeing virements where appropriate,
- ensuring the Academy obtains best value for money,
- establishing a charging policy for the hire of the premises,
- establishing and maintaining a register of business interests of Governors and staff who influence financial decisions,
- ensuring that financial duties of relevant staff are clearly described,
- ensuring, in conjunction with the Headteacher, that appropriate salaries and deductions are made,
- ensuring that payroll changes are accurately recorded and promptly processed,
- authorising the disposal of written off stock,
- meet at least once a term, with a quorum present.

Delegating work to sub-committees

The Governing Body fulfils many of its responsibilities through sub-committees. The committee which fulfils its financial management responsibilities is the Management and Finance Committee / Buildings and Services.

The Full Governing Body;

- defines its terms of reference,
- defines the extent of its delegated authority,
- ensures it receives reports of meetings,
- reviews the remit and membership annually.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The Management and Finance Committee/Buildings and Services are non-statutory and the Governing Body defines its remit and delegates responsibility to it to ensure that the full Governing Body is kept fully informed about financial issues.

The following tasks are carried out by the Management and Finance Committee / Buildings and Services:

1. To consider the Academy's indicative funding, notified annually by the DfE, and to assess its implications for the Academy, in consultation with the headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the governing body.
2. To consider and recommend acceptance/non-acceptance of the Academy's budget, at the start of each financial year.
3. To contribute to the formulation of the Academy's development plan, through the consideration of financial priorities and proposals, in consultation with the headteacher, with the stated and agreed aims and objectives of the Academy.
4. To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
5. To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the governing body.
6. To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
7. To prepare the financial statement to form part of the annual report of the governing body to parents and for filing in accordance with Companies Act and Charity Commission requirements.
8. To receive auditors' reports and to recommend to the full governing body action as appropriate in response to audit findings.
9. To recommend to the full governing body the appointment or reappointment of the auditors of the Academy.

This sub-committee must report to the full Governing Body in respect of any action taken or decision made.

Public benefit

The Governors are aware of the Charity Commission Guidance on providing public benefit and have had due regard to this in exercising their duties during the year. The main element of public benefit is the provision of education for children in the catchment area. The building is also used for the provision of after school and breakfast club facilities.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

Achieved all the short term objectives:

- High KS2 results
- 92% reading level 4+
- 100% maths level 4 +
- 96% writing level 4+
- 98% Spelling and Punctuation

Numbers of children on roll at St Bede Primary Academy were 542 in the main school (494 excluding nursery), with the expectation that this will increase as we accept 90 children into our reception year in September 2016 for the third year.

Other achievements

Four of the senior staff remain as Specialist Leaders in Education and the Head Teacher remains a National Leader of Education. All these staff have undertaken deployments in other schools in the Greater Manchester area. The Headteacher has received an OBE for his contribution to education. The School was awarded the Gold level Religious Education Quality Mark and also got Outstanding in their SIAMS in November 2015.

Curriculum

Very successful Mindfulness, Speed Learning, Kagan, Early Years, Expensive resources, SPAG, Boys' Writing, Professional Conduct, Numeracy, First Aid and De-escalating Behaviour training were delivered at the beginning of the Autumn term and very well received.

Formal observations during Spring term had a focus on writing in other areas of the curriculum. 97% lessons observed graded good or better using teaching and learning triangulation model and during Summer term 2016 had a focus on personal targets taken from teacher's professional development interviews. Using the triangulation model 100% lessons observed were graded good or better.

Enjoy and Achieve (Every Child Matters Outcome)

Currently all year groups have content for both Numeracy and Literacy pages on the Life Platform which are accessible to all pupils and parents. Further to this, staff have been encouraged to start using the blog which is also available on their life pages. Some training will be undertaken soon which will enable all staff to start using blogs, which parents can also access. At the moment the Life website is publicly accessible, so no log-ins are required to access and use the content available. Log-ins are only needed for children and parents to make comments regarding the blogging side of the website. The Year 4 teacher will be trialing this to a 'trial group' of classes. This will again allow us to iron out any issues with the blogging side of the website. After the trial period log-ins will be given to the whole school.

Teaching School

Primary SCITT recruitment: 13 trainees recruited which is 100% of last year's recruitment. NCTL closed recruitment in February much to the disappointment of training providers. This system has been reviewed and there should be better potential next year to increase this number. Early Years SCITT recruitment: 6 trainees recruited, a further 4 being interviewed next week, applications still being received. Target 18 which will bring £81,000 into the Teaching School. The CPD programme for Early Years 2015/16 was completed successfully. This can be built on significantly to include more Primary and Secondary Provision. We will be delivering Stonewall Training (LGBT+ agenda) and Mental Health First Aid in Bolton on behalf of Altrincham Grammar School for Girls as well as a more comprehensive school programme. We will be cross advertising with other local teaching schools to increase traffic to websites and utilise each other's marketing potential.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

EYFS

Be Healthy (Every Child Matters Outcome)

Our key priorities in the EYFS at this point in the year are our final assessments and transition. Nursery are currently assessing children against the development matters of the EYFS curriculum to ensure firstly that children have made good or better progress throughout the year, but also to make sure children are prepared for the Reception Year. We would expect that an average ability Nursery child would begin Reception ready to work at 40-60 months. Based on our Spring data 36.2 % of Nursery children and 52.4% of Reception children were on track for a GLD at the end of Reception. In Summer 2015 62% achieved a Good Level of Development, with many making good leaps in progress in the Summer term and we would expect to achieve a similar percentage this Summer. In terms of transition, we have held successful stay and play sessions for both Nursery and Reception children and have also held meetings with all new parents.

Stay Safe (Every Child Matters Outcome) / Looked After Children

As a school we take all Safeguarding referrals very seriously; the Safeguarding team continue to attend regular meetings to ensure that our children are safeguarded in the best possible way. The team meets with other agencies to discuss the welfare of individuals and submit reports that monitor the progress and attainment of the 'whole child'. We have a number of children who are on the Child Protection Register, some of these are more serious cases (where legal involvement is required) however, with a high standard of communication we ensure that these children are not left vulnerable.

We currently have 6 'Looked After Children' who are closely monitored, with individual PEPs (Pupil Education Plans). We need to evaluate the impact of their funding, usually at the statutory review.

The Designated Safeguarding lead monitors the training of all school staff. Every teacher and teaching assistant has been trained at Safeguarding level 1. The Safeguarding Deputy has received training and has been awarded the Level 3 Safeguarding qualification.

Achieve economic wellbeing/Make a positive contribution (Every Child Matters Outcome)

The last few terms the focus has been on 'Healthy Living', particularly healthy lunchboxes across school. An audit has been completed of all the children who are on packed lunches across the school and an action plan drawn up to encourage healthier lunchtimes.

This term the focus will be on the school grounds and the allotment. This will involve making sure that the school grounds are kept clean and tidy and adding flowers to the flower beds. The children will also have the opportunity to help maintain the allotment and add more vegetables to be used in school. As the year comes to an end the ECO team will devise a new action plan ready for next year.

The Young Entrepreneurs

The Young Entrepreneurs have continued to run their weekly stationery shop for both KS1 and KS2. This happens each Wednesday morning at play time and has made a weekly profit of between £15 – £20. They also helped to fund theme week again this year by contributing £850 towards the cost of The Night Zookeeper which was a great success!

They are taking part in the 'Fiver Challenge' in which we have been given a total of £250 from which to make a profit, we have decided as a group that the profit we make will go towards the 'Make Kyle Smile' fund, which is a fundraising scheme for a young boy in Year 6 who needs lifesaving cancer treatment abroad. There will be a stall on the Summer Evening, selling a variety of products in order to make a profit on our investment. In the next coming weeks Year 6 leavers' books will be on sale and again this profit will be added to the 'Make Kyle Smile' fund.

All of the groups are continuing to work hard and impact on St Bede school life.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Key Performance Indicators

In addition to the performance targets on page 11 the Academy had the following Key Performance Indicators.

St Bede CE Primary Academy

Monthly KPI's 2015/16

| | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | July | Aug | YTD |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| Cash Balance £k (incl academy funds) | 526.8 | 549.7 | 530.8 | 518.7 | 506.7 | 533.8 | 502.4 | 594.1 | 442.7 | 579.3 | 754.1 | 708.1 | 703.1 |
| Cash Balance £k last year | 289.5 | 280.4 | 261.6 | 253.6 | 283.4 | 225.9 | 334.5 | 142.7 | 334.2 | 356.9 | 727.4 | 736.0 | 736.0 |
| Income £k | 188.5 | 186.6 | 192.0 | 196.2 | 182.6 | 181.1 | 193.6 | 199.4 | 203.2 | 201.5 | 201.4 | 352.8 | 2478.9 |
| Income £k last year | 180.9 | 172.6 | 183.0 | 186.4 | 180.6 | 173.6 | 185.6 | 297.0 | 174.2 | 172.2 | 173.1 | 286.1 | 2278.3 |
| Surplus/Deficit £k | 18.7 | 20.9 | 22.5 | 33.9 | 5.6 | 6.2 | 14.4 | 19.5 | 10.5 | 21.8 | 30.4 | -204.6 | 0.0 |
| Surplus/Deficit £k last year | 11.8 | 14.0 | 15.2 | 37.5 | 13.2 | 13.9 | 24.3 | 55.2 | 15.7 | 9.2 | 43.3 | -255.4 | 0.0 |
| Variance to Budget £k | 6.3 | 6.4 | 13.4 | 25.0 | 6.9 | -0.6 | 3.7 | 17.0 | 3.2 | 13.7 | 24.5 | -119.4 | 0.0 |
| Variance to Budget £k last year | 8.8 | 7.7 | 10.7 | 33.8 | 4.3 | 5.0 | 12.9 | 46.6 | 6.3 | -2.4 | 34.8 | -167.4 | 0.0 |
| Children attendance % | 96.5 | 96.8 | 96.5 | 96.5 | 96.1 | 96.9 | 94.7 | 96.3 | 95.6 | 96.2 | 94.2 | NA | NA |
| Children attendance % last year | 97.7 | 96.9 | 96.4 | 93.0 | 96.5 | 97.3 | 96.3 | 97.1 | 96.0 | 96.7 | 95.9 | NA | NA |
| Number of Teaching staff (FTE) | 25.5 | 28.5 | 26.5 | 26.5 | 28.5 | 26.5 | 25.5 | 25.5 | 25.5 | 25.5 | 25.5 | 25.0 | 25.0 |
| Number of Teaching staff (FTE) last year | 25.5 | 25.0 | 25.5 | 25.0 | 25.0 | 25.5 | 26.5 | 26.5 | 26.5 | 26.5 | 26.5 | 26.5 | 26.5 |
| Number of Teaching staff Sick/absent | 0.0 | 7.5 | 3.0 | 7.0 | 7.0 | 5.0 | 19.5 | 17.0 | 1.0 | 4.0 | 5.0 | 0.0 | 0.0 |
| Number of Teaching staff Sick/absent last year | 1.0 | 8.0 | 4.0 | 6.0 | 5.0 | 12.0 | 8.0 | 1.0 | 1.0 | 5.0 | 7.0 | 0.0 | 0.0 |
| Teaching staff costs (including oncosts)£k | 109.4 | 111.5 | 120.1 | 115.8 | 120.4 | 125.1 | 124.4 | 122.6 | 131.5 | 120.3 | 120.1 | 127.1 | 1452.5 |
| Teaching staff costs (including oncosts)£k last year | 103.6 | 107.6 | 109.7 | 101.5 | 120.6 | 114.0 | 109.4 | 105.2 | 103.8 | 107.4 | 110.1 | 103.6 | 1307.5 |
| Number of Non Teaching staff (FTE) | 49.5 | 50.0 | 50.5 | 50.0 | 49.0 | 49.0 | 48.5 | 50.0 | 49.0 | 49.0 | 49.0 | 48.0 | 49.0 |
| Number of Non Teaching staff (FTE) last year | 45.5 | 45.5 | 47.5 | 47.5 | 45.5 | 46.5 | 47.5 | 50.0 | 49.5 | 49.0 | 49.5 | 49.5 | 49.5 |
| Number of Non Teaching staff Sick/absent | 10.5 | 17.0 | 23.0 | 12.0 | 12.0 | 15.0 | 15.0 | 44.0 | 31.0 | 52.0 | 11.0 | 0.0 | 0.0 |
| Number of Non Teaching staff Sick/absent last year | 6.0 | 14.0 | 13.0 | 17.0 | 15.0 | 15.0 | 7.0 | 8.0 | 15.0 | 16.0 | 12.0 | 0.0 | 0.0 |
| Non Teaching staff costs (including oncosts)£k | 23.7 | 22.4 | 16.2 | 20.8 | 19.4 | 14.8 | 19.8 | 20.0 | 24.7 | 20.4 | 21.5 | 192.7 | 416.4 |
| Non Teaching staff costs (including oncosts)£k last year | 21.1 | 20.4 | 20.4 | 20.1 | 19.5 | 20.1 | 15.6 | 23.4 | 21.1 | 23.3 | -5.7 | 24.4 | 227.1 |

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason the Governing Body 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.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial review

The School's total incoming resources during the year were £2,478,400 (2015: £2,823,733).

The majority of the School's income derives from central government funding via the Education Funding Agency, in the form of current grants. Total funding received for the School's educational operations in the year was £2,273,482 (2015: 2,225,765) and further details are provided in Note 4 to the accounts.

Total outgoing resources for the year were £2,439,907 (2015: £2,034,197), the majority of which related to the direct provision of educational operations £2,431,887 (2015: £2,028,234). The excess of income over expenditure was £38,493 (2015: £789,536).

At the year end the School's total reserves were £1,453,347 (2015: £1,716,854), including unrestricted funds of £427,555 (2015: £325,250) and restricted funds of £1,025,792 (2015: £1,391,604). Restricted funds include fixed assets of £1,488,260 (2015: £1,524,237), less the LGPS pensions scheme deficit of £688,000 (2015: £351,000). The remaining balances on restricted funds, excluding the pension reserve relate to funding received in the year which is due to be spent in 2016/17 in accordance with the terms of funding. Further detail is provided in Note 18.

On conversion in 2011 the School inherited a deficit of £88,000 in respect of the Local Government Pension Scheme, which many of the non-teaching staff belong to. This deficit had increased to £185,000 by 31 August 2012 and has increased to £688,000 by 31 August 2016, mainly due to changes in actuarial assumptions regarding future returns on investments and the present value of future liabilities. The School does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future.

Parliament has agreed, at the request of the Secretary of State for Education, to 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.

At 31 August 2015 all assets shown in the accounts were used exclusively for providing education and associated support services to students of the School.

The Academy had a fourth successful year since conversion. The Academy receives funding from a variety of sources and includes self generated funding from its involvement with St Bede Childcare Ltd, a registered charity providing education and care for children. This relationship allows the academy to benefit from sharing specialised staff and resources which it would be unable to fund itself.

The General Annual Grant (GAG) School Business Share (SBSB) and the GAG Local Authority Central School Educational Grant (LACSEG) are received from the Educational Funding Agency, as is Pupil Premium funding. Early Years, Special Educational Needs (SEN) funding is received via the Local Authority.

During the financial year, this funding was allocated to the appropriate resources and much of the self generated income has been used/allocated towards our School building project. The funding received/due is carefully monitored against on-going spend on a regular basis to ensure maximum value for money on every pound received.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Reserves policy

Restricted GAG reserves

Under its funding agreement with the Secretary of State for Education the school is permitted to hold restricted General Annual Grant (GAG) reserves at the year end of 12% of its GAG; 2% to cover revenue expenditure; and a further 10% for future capital expenditure, including the maintenance and refurbishment of the buildings and facilities.

The amount of restricted GAG reserves held at the year end is in line with the with funding agreement, and is being held in anticipation of the need to provide two additional classrooms for new pupils in 2016/17.

Restricted fixed asset fund

Included within restricted reserves is a balance of £1,488,260 which can only be realised by the disposal of tangible fixed assets.

Unrestricted reserves

In addition to the GAG reserve, which can only be utilised for the restricted purposes set out in the Funding Agreement, the school holds unrestricted free reserves, which provide working capital and are not committed or designated. It is the Governors' policy to aim to hold a minimum of 4% of income in unrestricted reserves, to provide for contingencies.

The unrestricted reserves at the year end are greater than the 4% minimum level of funds which the school aims to hold at each year end. The Academy has actively managed its unrestricted reserves in anticipation of its plans to increase pupil numbers and the resulting capital expenditure on increased resources.

Investment policy and powers

All investments are agreed by the Governing Body, which has regard to the Charity Commission guidance in relation to charity investment policy. The school does not currently hold any investments other than cash, which is held for its normal operations. The Governing Body has adopted a low risk strategy to its cash holdings. Surplus cash is held in an instant access deposit account to ensure that there is always access to sufficient cash to meet short and medium term requirements, whilst earning a competitive rate of interest on any surplus balances. The Academy's internal treasury policy states that:-

- The Governors have a responsibility to ensure that the Academy has sufficient liquid resources to enable it to carry out its present and future activities effectively whilst considering the potential returns available from investment of surplus funds.
- The Academy maintains a risk averse stance to treasury management and has set criteria for investing any surplus cash balances including the maximum maturity and institutions with which they can be invested.
- The Finance Director identifies potential surplus cash balances by the preparation of cashflow forecasts. The Finance Director will then formulate options for the most appropriate way for funds to be invested. The options will be reviewed by the Governing Body's Finance and Management sub-committee and the most appropriate one authorised. A separate member of this committee will action the investment and pass confirmation of the transaction to the Finance Director.

Details of all investments made and the current interest rates being obtained are reported to the Finance and Management sub-committee on a regular basis and reviewed in conjunction with revised projections of future cashflows.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to operational activities such as, teaching, health and safety, school trips, child protection and financial. The operational and financial risks are listed within a risk register. These risks are reviewed on an annual basis by the Senior Management Team. The Academy was selected for the FMGE audit and its internal assessment of risk and strengths within the Academy were upheld within this audit, resulting in an overall "good" rating with many outstanding features.

The internal financial systems are based on the Academies Financial Handbook and are documented in the Internal Finance Manual. The systems are based on a framework of segregation of duties, schemes of delegation which include authorisation and approval. Financial management information is provided to the Finance Committee, and Senior management team on a monthly basis and to the full Governing Body on a termly basis

The responsible officer role has been performed during the year by a Governor and 3 reports have been presented to the Governing Body. All reports showed full compliance to the internal controls required by the Academy financial handbook and the Internal Finance Manual.

Financial and risk management objectives and policies

Financial Systems:

- financial controls must conform with the requirements of both propriety and good financial management;
- proper accounting records must be maintained.

Budgeting:

- the Academy must prepare annually a balanced budget which has been approved by the governing body;
- an indicative budget for the coming financial year (1 September to 31 August) must be submitted to the Department by the prescribed deadline
- a final budget for the coming financial year must be submitted to the Department by the prescribed deadline.

Annual Accounts:

- annual financial statements must be prepared for each year ending 31 August and independently audited by a registered auditor;
- the financial statements must record the Academy's accounting policies which must be approved by the governing body;
- the audited financial statements and accounting policies must be submitted to the Secretary of State by 31 December following the end of the year;
- the audited financial statements must be published as required by the Companies Act and must be filed with Companies House and the Charity Commission;
- statements of income and expenditure and balance sheets may be produced in such form and frequency as the Secretary of State may from time to time reasonably direct.

Audit:

- annual accounts must be audited by independent, registered auditors appointed under arrangements approved by the Secretary of State;
- books, accounts and all relevant records must be made available to officials of the Department for Education and the National Audit Office and their representatives and/or agents as requested;
- the Secretary of State may, at his expense, instruct auditors to report to him on the adequacy and effectiveness of the accounting systems and internal controls and to make recommendations for improving the financial management of the Academy.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Insurance:

- the governing body must ensure the Academy has adequate insurance cover to support its activities and to comply with statutory requirements. Unless otherwise agreed with the DfE this should include cover as follows:
- buildings and contents of the Academy, in accordance with normal commercial practice or under the terms of any leases held by the Academy, against damage by subsidence, fire, lightning, explosion, storm, flood, riot, malicious damage, terrorism and similar risks, and theft. Suggested levels of excess: subsidence £2,500, storm/flood £500, malicious damage £250, theft £250;
- business interruption, for example to provide alternative temporary accommodation (suggested minimum cover £1m);
- employer's and public liability cover against the governors' responsibility for injury or illness of staff of third parties, or damage to third party property (suggested minimum cover £5m each);
- cover required by statute for vehicles operated by the Academy;
- insurance in excess of this level should be subject to risk assessment to determine whether the policy concerned would represent value for money. Examples might include insurance against long term staff sickness, and cover for extra costs arising from a major disaster or tragedy over and above normal business interruption provision such as counselling services for pupils.

Borrowing:

- the Academy must seek the Secretary of State's approval for both short term borrowing (including overdraft facilities) and medium/longer term loans from the private sector (including finance leases), where such borrowing is to be repaid from DfE grant or secured on assets funded from DfE grant. However the Secretary of State's normal policy is that academies should not be granted permission for medium and long term borrowing;
- as an exception the Academy's Funding Agreement may permit borrowing prior to opening, or as a direct consequence of the Secretary of State's failure to make agreed payments of grant to the Academy on time.

The Secretary of State's Prior Approval is Required For:

- any guarantees, indemnities and letters of comfort entered into,
- write off of debts or liabilities owed to the Academy over a specified value as set out in the annual funding letter issued by the Secretary of State,
- any ex-gratia payments,
- any freehold sales or purchases, and
- the grant or take up of any leasehold or tenancy agreement for more than 3 years.

The Secretary of State must be notified of:

- any loss arising from suspected theft or fraud exceeding an amount set out in the annual funding letter.

The internal controls were developed by the finance committee (a sub committee of the full governing body) in conjunction with the Accounting Officer (Head Teacher), the Finance Director, and the Academies Handbook provided by the Department of Education. The controls are documented in an internal finance manual (Extracts of which are shown on the previous page). The Academy developed a Fraud policy which is reviewed regularly by the Finance Committee. Every 12 weeks these internal controls are checked by the responsible officer and reported back to the finance committee and full governing body. Financial risks are minimised due to segregation of duties, an industry recognised SAGE software package and experience of the senior team. Internal management reports detailing Income, Expenditure, Balance sheet and Cashflow, plus KPIs are prepared by the Finance Director and finance team and presented to the Accounting Officer (Head teacher) and the Finance committee on a monthly basis for review. They are also presented to the full governing body, and the Finance Director and Accounting Officer are questioned based on these reports at each governing body meeting.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

As described in the risk management policy, the Governor's have assessed the major risks to which the Academy is exposed and have formulated a risk register. The main risks are considered to be health and safety, child protection, financial management, school trips and risks to the quality of education.

Financial and risk management objectives and policies

Plans for future periods

The main objectives for the next year are (derived from our two year development plan)

- To ensure that at least 70% of all children make 4 steps+ progress in Reading and Writing
- To ensure that at least 75% of all children make 4 steps+ progress in Numeracy
- To ensure that at least 95% of all children achieve expected progress from KS1-KS2
- To ensure that at least 90% of children achieve the expected level or above at the end of KS1 in Reading and Maths and 85% in Writing

Buildings: to continue the innovative development to extend the container building.

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 Moore and Smalley LLP be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 20/12/16 and signed on its behalf by:



Mr M A Caine

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

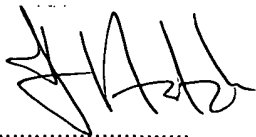
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of St Bede Church of England Primary Academy I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy's Governing Body are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2015.

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 Governing Body and EFA.



Mr J Hatch OBE
Accounting Officer

20/12/16

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who also act as governors for St Bede Church of England Primary Academy and are also the directors of St Bede Church of England Primary Academy for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare 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;
- 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 operation.

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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the Governing Body on 20/12/16 and signed on its behalf by:


Mr M A Caine

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St Bede Church Of England Primary Academy 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 Governing Body has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Bede Church Of England Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

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

| Trustees | Meetings attended | Out of possible |
|---------------------------------------|-------------------|-----------------|
| Archdeacon D Bailey | 3 | 5 |
| Rev M Bristow | 4 | 5 |
| Mr M A Caine | 5 | 5 |
| Mrs L Cohen | 4 | 5 |
| Mr J Hatch OBE | 5 | 5 |
| Mrs M Fish | 5 | 5 |
| Mr H Hirst (Deceased 3 April 2016) | 0 | 3 |
| Mrs G Turner | 3 | 5 |
| Mr D Vause | 2 | 5 |
| Mr N Vekria | 2 | 5 |
| Mrs J Walsh (Resigned 31 August 2016) | 5 | 5 |
| Mrs N Cummins | 4 | 5 |
| Mrs R O'Brien | 5 | 5 |
| Mrs M Drake | 4 | 5 |
| Mr J Parker | 4 | 5 |
| Mrs A Horrocks | 5 | 5 |
| Mrs C Hardman | 5 | 5 |

Governance is reviewed by the finance committee and the Responsible Officer on a rolling basis.

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to monitor the financial performance of the Academy and deal with any issues arising from the building.

Attendance at meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|----------------|-------------------|-----------------|
| Mr M A Caine | 3 | 3 |
| Mr J Hatch OBE | 3 | 3 |
| Mrs G Turner | 3 | 3 |
| Mr N Vekria | 2 | 3 |
| Mrs N Cummins | 2 | 3 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

As accounting officer the Executive Headteacher has responsibility for ensuring that the Academy 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 Academy's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy has delivered improved value for money during the year by:

Value for Money Statement August 2016

St Bede Academy continually strives to ensure the achievement of the best possible value for money. Funding is received via the EFA, LA and internally generated through the hard work of the P.T.A, Governors and the relationship with St Bede Childcare Ltd. Funds would never be sufficient to cover the costs of everything we would like to do, so, it is imperative to ensure every pound counts.

Strict Financial Controls

Strict financial controls are in place to minimise waste, and are documented within the internal financial handbook. These controls include strict spending budgets for supplies per class, authorisation is required by either the Accounting Officer, or Finance Director prior to purchasing and invoices are carefully checked to orders, then authorised by the Finance Director prior to payment.

The Academy maintains a database of approved regular suppliers, but their prices are constantly checked against other similar suppliers. Any building work over £50k is subject to tendering co-ordinated via a firm of architects and the accounting officer. Purchases between £10k and £20k require three quotes, and purchases over £20k need additional authorisation from the finance committee, who are operating under delegated authority from the full Board of Governors.

Staff

As with most schools and academies, the largest ongoing cost are highly trained staff. St Bede Academy made the decision, even prior to conversion, to perform many functions internally rather than buying the service in. It was felt, and has since been proven that it can perform such tasks such as catering, Payroll, H.R. at a financially competitive level, offering a bespoke service to the Academy. This has resulted in a very strong support network which contributes to the Outstanding Ofsted rating.

All teaching staff and support staff requirements are planned on a bottom up basis by individual classes at the start of each year and reviewed regularly. Tutors were used once again for small groups of pupils throughout school. We employed further tutors this year to work with small groups of children who either need additional support or have a higher ability and the appetite to achieve the highest level they can. We also used staff and tutors again this year to provide a summer school for children within year 5 moving into year 6 in September 2015. This summer school's aim was to ensure the children were ready to start year 6 without any loss of knowledge which is typical over a 6 week break.

We continuously look for new teaching techniques that we feel will aid our children and teaching staff, and this year successful Numeracy, Cognitive Behaviour Therapy, Mimio and Reciprocal Reading Inset training was delivered at the beginning of the Autumn term. Staff are now keen to implement strategies and these will be monitored over the course of the academic year.

The Academy also carries out higher than average monitoring and observations within each class, which helps ensure high standard of teaching throughout the Academy.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Pupil Premium

- We ensure that teaching and learning opportunities meet the needs of all the pupils.
- We ensure that appropriate provision is made for pupils who belong to vulnerable groups, this includes ensuring that the needs of socially disadvantaged pupils are adequately assessed and addressed.
- In making provision for socially disadvantaged pupils, we recognise that not all pupils who receive free school meals will be socially disadvantaged.
- We also recognise that not all pupils who are socially disadvantaged are registered or qualify for free school meals. We reserve the right to allocate the Pupil Premium funding to support any pupil or groups of pupils the school has legitimately identified as being socially disadvantaged.
- Pupil premium funding will be allocated following a needs analysis which will identify priority classes, groups or individuals. Limited funding and resources means that not all children receiving free school meals will be in receipt of pupil premium interventions at one time.

Nature of Support 2015/16

- Employ Tutors and Teaching Assistants in school to support children who are entitled to Pupil Premium.
- Provide intervention support for children in Literacy and Numeracy (Khan Academy groups, boosters, key skills groups etc.)
- Employ a teacher to deliver Mathematics lessons to higher achievers in Year 6.
- Part fund educational visits for vulnerable children.
- Part fund snack in Years 1 & 2.
- Provide After School & Holiday care for Pupil Premium children.
- Work closely with the school's attendance officer to identify children who have recurring poor attendance.
- Employ senior managers to monitor progress of pupil premium children.
- Training provided for internal staff to support pupil premium children.
- Employ a Lead Teaching Assistant to monitor support that the children receive.
- Employ a pastoral support worker to work with children where necessary.
- Purchase of ICT resources (IPads, DSes, E-Readers) to support learning.
- Funding of summer school (6 days in holidays).
- Invest in electronic reading scheme.

Outcomes to date

- Small groups of children in Year 1 to 6 were supported in raising attainment and overcoming gaps in learning in reading, writing and mathematics.
- Pupil premium resources were also used to target higher attaining children receiving FSM to achieve L5 & 6 at the end of KS2, purchase of additional materials / books, provision of additional challenge / support classes.
- Attendance has remained at around 96% and punctuality is good for the vast majority of children.

Capital Works

St Bede Academy building is almost 150 years old, and has for a number of years acted as a hindrance, rather than an aid to the "Outstanding" Ofsted rating. Fortunately the Academy has been successful in its applications to receive Capital funding to help remedy this. The Academy received £156k towards the replacement of boilers. Further plans include a further two classrooms and a rooftop playground.

Summary

St Bede Academy has a history of success, both academically and financially, through the vision of its senior management team, and the passion and drive of the staff and parents within the community. Established, successful teaching methods will continue to be employed in the Academy, whilst new and innovative ideas will continue to be researched and introduced. Every pound received by the Academy, whether via direct funding from the Government, or raised internally, will be closely accounted for, and spent in a way to ensure the highest results are achieved.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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 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 Bede Church Of England Primary Academy for the period 1 September 2015 to 31 August 2016 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 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'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 Governing Body;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint Illinaos Leonard as internal reviewer. The reviewer's role included 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:

- testing of payroll systems, by using 5 random employees to check against the payroll records and personal records
- testing of purchase systems ensuring that orders are correctly authorised and goods are checked against delivery notes and invoices
- testing of control account/bank reconciliations by choosing random payments to suppliers match with supplier invoices and accounts, checking the payroll agrees to the bank payments and checking EFA and other receipts agree to documentation
- Checking miscellaneous receipts to ensure appropriate action has been taken and all monies have been banked promptly and in full

On a quarterly basis, Illinaos Leonard reports to the Governing Body (through the audit committee/finance and general purposes committee) on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

[Academy trusts should confirm whether the internal auditor/reviewer has delivered their schedule of work as planned, provide details of any material control issues arising as a result of the internal auditor's/ reviewer's work and, if relevant, describe what remedial action is being taken to rectify the issues]

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

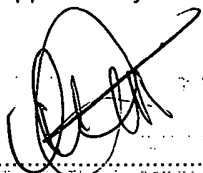
FOR THE YEAR ENDED 31 AUGUST 2016

Review of effectiveness

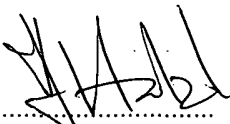
As accounting officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- 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 who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the Governing Body on 20/12/16 and signed on its behalf by:



Mr M A Caine



Mr J Hatch OBE

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

We have audited the accounts of St Bede Church of England Primary Academy for the year ended 31 August 2016 set out on pages 28 to 49. 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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 2006. 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 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 18, the trustees, who are also the directors of St Bede Church of England Primary Academy for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.


ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)

Matters on which we are required to report by exception

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

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



**Christine Wilson (Senior Statutory Auditor)
for and on behalf of Moore and Smalley LLP
Chartered Accountants
Statutory Auditor**

Richard House
9 Winckley Square
Preston
PR1 3HP

Dated: 20/12/16

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 26 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Bede Church of England Primary Academy during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Bede Church of England Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Bede Church of England Primary Academy's funding agreement with the Secretary of State for Education dated 5 July 2011 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

We have undertaken testing as appropriate in line with the guidance included in Technical Release 08/12AAF from the Institute of Chartered Accountants in England and Wales.

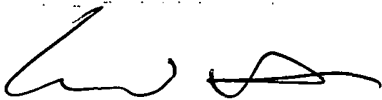
- The work undertaken to draw our conclusion includes an evaluation of the control environment of the School together with enquiry, analytical review and substantive testing of transactions.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY AND THE EDUCATION 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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Christine Wilson
Reporting Accountant
Moore and Smalley LLP

Dated: 20/12/16

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

| | | Unrestricted funds | Restricted general funds | Restricted fixed asset funds | Total 2016 | Restated Total 2015 |
|---|-------|-----------------------|--------------------------------|------------------------------------|------------------|---------------------------|
| | Notes | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 5,488 | 147,918 | 9,622 | 163,028 | 562,121 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | 68,353 | 2,205,129 | - | 2,273,482 | 2,225,765 |
| Other trading activities | 6 | 39,096 | - | - | 39,096 | 33,501 |
| Investments | 5 | 2,794 | - | - | 2,794 | 2,346 |
| Total income and endowments | | <u>115,731</u> | <u>2,353,047</u> | <u>9,622</u> | <u>2,478,400</u> | <u>2,823,733</u> |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 8,020 | - | - | 8,020 | 5,963 |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | 5,406 | 2,340,083 | 86,398 | 2,431,887 | 2,028,234 |
| Total expenditure | 7 | <u>13,426</u> | <u>2,340,083</u> | <u>86,398</u> | <u>2,439,907</u> | <u>2,034,197</u> |
| Net income/(expenditure) | | 102,305 | 12,964 | (76,776) | 38,493 | 789,536 |
| Transfers between funds | | - | (40,799) | 40,799 | - | - |
| Other recognised gains and losses | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 23 | - | (302,000) | - | (302,000) | 7,000 |
| Net movement in funds | | <u>102,305</u> | <u>(329,835)</u> | <u>(35,977)</u> | <u>(263,507)</u> | <u>796,536</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 325,250 | (132,633) | 1,524,237 | 1,716,854 | 920,318 |
| Total funds carried forward | 18 | <u>427,555</u> | <u>(462,468)</u> | <u>1,488,260</u> | <u>1,453,347</u> | <u>1,716,854</u> |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2016

| | Notes | 2016 £ | £ | Restated 2015 £ | £ |
|---|-------|-----------|-----------|-----------------------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 1,488,260 | | 1,524,237 |
| Current assets | | | | | |
| Stocks | 13 | 11,727 | | 8,197 | |
| Debtors | 14 | 347,342 | | 250,850 | |
| Cash at bank and in hand | | 708,117 | | 736,022 | |
| | | 1,067,186 | | 995,069 | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | (372,254) | | (451,452) | |
| Net current assets | | | 694,932 | | 543,617 |
| Total assets less current liabilities | | | 2,183,192 | | 2,067,854 |
| Creditors: amounts falling due after more than one year | 16 | | (41,845) | | - |
| Net assets excluding pension liability | | | 2,141,347 | | 2,067,854 |
| Defined benefit pension liability | 23 | | (688,000) | | (351,000) |
| Net assets | | | 1,453,347 | | 1,716,854 |
| Funds of the Academy: | | | | | |
| Restricted funds | 18 | | | | |
| - Fixed asset funds | | | 1,488,260 | | 1,524,237 |
| - Restricted income funds | | | 225,532 | | 218,367 |
| - Pension reserve | | | (688,000) | | (351,000) |
| Total restricted funds | | | 1,025,792 | | 1,391,604 |
| Unrestricted income funds | 18 | | 427,555 | | 325,250 |
| Total funds | | | 1,453,347 | | 1,716,854 |

The accounts set out on pages 28 to 49 were approved by the Governing Body and authorised for issue on 22/12/16 and are signed on its behalf by:


Mr M A Caine

Company Number 07628909

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|--|-------|-----------|----------------|-----------|----------------|
| Cash flows from operating activities | | | | | |
| Net cash provided by (used in) operating activities | 20 | | (7,049) | | 434,388 |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 2,794 | | 2,346 | |
| Capital grants from DfE and EFA | | 9,622 | | 554,710 | |
| Payments to acquire tangible fixed assets | | (50,421) | | (507,881) | |
| | | | (38,005) | | 49,175 |
| Cash flows from financing activities | | | | | |
| New other loan | | 17,149 | | - | |
| | | | 17,149 | | - |
| Change in cash and cash equivalents in the reporting period | | | (27,905) | | 483,563 |
| Cash and cash equivalents at 1 September 2015 | | | 736,022 | | 252,459 |
| Cash and cash equivalents at 31 August 2016 | | | <u>708,117</u> | | <u>736,022</u> |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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

St Bede Church of England Primary Academy meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of St Bede Church of England Primary Academy prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 24.

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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy'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 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Sponsorship income

Sponsorship income provided to the Academy 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.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy has provided the goods or services.

Donated goods, facilities and services

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

The academy trust does not account for the value of donated facilities on the grounds that the market rent is not reasonably quantifiable and measurable.

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'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 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

Governance costs

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

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The Academy trust company occupies land and buildings which are owned by the Manchester Diocesan Board of Education. The Trustees are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land and buildings under an agreement. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Church of England's contribution to provide State funded education in partnership with the State. The agreement delegates aspects of the management of the land and buildings to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than seven years notice to terminate the occupation of the land and buildings. Having considered the factual matrix under which the academy trust company is occupying the land and buildings the governors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

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:

| | |
|--------------------------------|------|
| Land and buildings | 5% |
| Fixtures, fittings & equipment | 8.3% |

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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or 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 Stock

Stock consists of educational supplies purchased in advance. Stocks are valued at the lower of cost and net realisable value.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.9 Taxation

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

1.10 Pensions benefits

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 21, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

1.11 Fund accounting

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

Restricted fixed asset funds are resources which have been utilised in acquiring fixed assets. The initial funding may have arisen from unrestricted funds or other restricted funds, a transfer from the appropriate fund is made to the fixed asset fund to identify the capitalisation of an asset and future depreciation on these assets will be charged to the fixed asset fund.

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

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.12 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 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.

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase.

As standard, a useful economic life of 20 years is applied to land and buildings and 12 years for fixtures, fittings and equipment.

Impairment of fixed assets

At each balance sheet date, management undertake an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, an impairment is recorded as an impairment loss.

Impairment of trade debtors

At each balance sheet date, management undertake a review of outstanding debtor balances and consider whether there is any indication of impairment or any balances requiring provision.

This calculation is based on the financial position of the customers, the payment history and any ongoing discussions.

Valuation of the Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Classification and valuation of long leasehold land and buildings owned by the Diocese

The buildings occupied by the school, and the land on which the buildings are situated are the subject of a deed from the Board of Education of the Diocese of Blackburn, which grants the school the use of these land and buildings until the earlier of the termination of the funding agreement or the Board giving the school two years notice to leave. The land and buildings are not included in the accounts. Further information on the accounting treatment adopted can be found in the tangible fixed assets accounting policy.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2016.

3 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 148,872 | 148,872 | 554,710 |
| Other donations | 5,488 | 8,668 | 14,156 | 7,411 |
| | <u>5,488</u> | <u>157,540</u> | <u>163,028</u> | <u>562,121</u> |

The income from donations and capital grants was £163,028 (2015: £562,121) of which £5,488 was unrestricted (2015: £4,056), £147,918 was restricted (2015: £3,355) and £9,622 was restricted fixed assets (2015: £554,710).

4 Funding for the Academy's educational operations

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| DfE / EFA grants | | | | |
| General annual grant (GAG) | - | 1,667,332 | 1,667,332 | 1,591,434 |
| Other DfE / EFA grants | - | 301,054 | 301,054 | 302,625 |
| | <u>-</u> | <u>1,968,386</u> | <u>1,968,386</u> | <u>1,894,059</u> |
| Other government grants | | | | |
| Local authority grants | - | 183,224 | 183,224 | 193,533 |
| | <u>-</u> | <u>183,224</u> | <u>183,224</u> | <u>193,533</u> |
| Other funds | | | | |
| Other incoming resources | 68,353 | 53,519 | 121,872 | 138,173 |
| | <u>68,353</u> | <u>53,519</u> | <u>121,872</u> | <u>138,173</u> |
| Total funding | <u>68,353</u> | <u>2,205,129</u> | <u>2,273,482</u> | <u>2,225,765</u> |

The income from funding for educational operations was £2,273,482 (2015: £2,225,765) of which £68,353 was unrestricted (2015: £81,284) and £2,205,129 was restricted (2015: £2,144,481).

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

5 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 2,794 | - | 2,794 | 2,346 |

The income from funding for investment income was £2,794 (2015: £2,346) of which £2,794 was unrestricted (2015: £2,346).

6 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 28,801 | - | 28,801 | 26,735 |
| Other income | 10,295 | - | 10,295 | 6,766 |
| | 39,096 | - | 39,096 | 33,501 |

The income from other trading activities was £39,096 (2015: £33,501) of which £39,096 was unrestricted (2015: £31,227) and £- was restricted (2015: £2,274).

7 Expenditure

| | Staff costs £ | Premises & equipment £ | Other costs £ | Total 2016 £ | Restated Total 2015 £ |
|---|---------------------|------------------------------|---------------------|--------------------|--------------------------------|
| Academy's educational operations | | | | | |
| - Direct costs | 1,478,560 | - | 78,368 | 1,556,928 | 1,478,678 |
| - Allocated support costs | 345,783 | 370,507 | 158,669 | 874,959 | 549,556 |
| | 1,824,343 | 370,507 | 237,037 | 2,431,887 | 2,028,234 |
| Other expenditure | | | | | |
| Raising funds | - | - | 8,020 | 8,020 | 5,963 |
| Total expenditure | 1,824,343 | 370,507 | 245,057 | 2,439,907 | 2,034,197 |

The expenditure on raising funds was £8,020 (2015: £5,963) of which £8,020 was unrestricted (2015: £3,689) and £nil was restricted (2015: £2,274).

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Expenditure (Continued)

| Net income/(expenditure) for the year includes: | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Fees payable to auditor for: | | |
| - Audit | 5,040 | 4,945 |
| - Other services | 2,110 | 1,300 |
| Depreciation of tangible fixed assets | 86,398 | 44,304 |

| 8 Charitable activities | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Restated Total 2015 £ |
|--|----------------------------|--------------------------|--------------------|--------------------------------|
| Direct costs - educational operations | (37,998) | 1,594,926 | 1,556,928 | 1,478,678 |
| Support costs - educational operations | 43,404 | 831,555 | 874,959 | 549,556 |
| | 5,406 | 2,426,481 | 2,431,887 | 2,028,234 |

The expenditure on educational operations was £2,431,887 (2015: £2,028,234) of which £5,406 was unrestricted (2015: £4,681), £2,340,083 was restricted (2015: £1,979,249) and £86,398 was restricted fixed assets (2015: £44,304).

| | 2016 £ | Restated 2015 £ |
|----------------------------------|-----------|-----------------------|
| Analysis of support costs | | |
| Support staff costs | 345,783 | 284,221 |
| Depreciation and amortisation | 86,398 | 44,304 |
| Premises costs | 284,109 | 79,614 |
| Other support costs | 151,519 | 135,172 |
| Governance costs | 7,150 | 6,245 |
| | 874,959 | 549,556 |

| 9 Staff costs | 2016 £ | Restated 2015 £ |
|--|-----------|-----------------------|
| Wages and salaries | 1,491,037 | 1,371,899 |
| Social security costs | 112,803 | 96,889 |
| Operating costs of defined benefit pension schemes | 220,503 | 204,998 |
| Total staff expenditure | 1,824,343 | 1,673,786 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Staff costs

(Continued)

Staff numbers

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

| | 2016 Number | 2015 Number |
|----------------------------|----------------|----------------|
| Teachers | 59 | 55 |
| Administration and support | 28 | 29 |
| Management | 9 | 9 |
| | <u>96</u> | <u>93</u> |

Higher paid staff

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

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

The above employees participated in the Teacher's Pension Scheme. Pension contributions paid on behalf of this employee were £13,295 (2015: £nil).

Key management personnel

The key management personnel of the Academy comprise J Hatch, J Roberts, S Bagshaw and S Rostron. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £223,610 (2015: £215,408).

The key management personnel also provide services to St Bede's Childcare Limited who are charged for the services provided. The higher paid staff above are stated net of this recharge.

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

10 Governors' remuneration and expenses

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of governors' remuneration was as follows:

J Hatch - Headteacher:

Remuneration £65,000 to £70,000 (2015: £60,000 to £65,000)

Employer's pension contributions £nil (2015: £nil)

M Drake - Staff Governor:

Remuneration: £20,000 to £25,000 (2015: £20,000 to £25,000)

Employer's pension contributions £0 to £5,000 (2015: £0 to £5,000)

R O'Brien:

Remuneration £10,000 to £15,000 (2015: £10,000 to £15,000)

Employer's pension contributions £0 to £5,000 (2015: £0 to £5,000)

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

11 Trustees and officers insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

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

12 Tangible fixed assets

| | Land and buildings | Fixtures, fittings & equipment | Total |
|-----------------------|-----------------------|--------------------------------------|-----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 September 2015 | 1,544,683 | 85,553 | 1,630,236 |
| Additions | 45,244 | 5,177 | 50,421 |
| At 31 August 2016 | 1,589,927 | 90,730 | 1,680,657 |
| Depreciation | | | |
| At 1 September 2015 | 104,765 | 1,234 | 105,999 |
| Charge for the year | 79,015 | 7,383 | 86,398 |
| At 31 August 2016 | 183,780 | 8,617 | 192,397 |
| Net book value | | | |
| At 31 August 2016 | 1,406,147 | 82,113 | 1,488,260 |
| At 31 August 2015 | 1,439,918 | 84,319 | 1,524,237 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

12 Tangible fixed assets (Continued)

13 Stocks

| | 2016 £ | 2015 £ |
|--|-----------|-----------|
|--|-----------|-----------|

| | | |
|----------------------|--------|-------|
| Educational supplies | 11,727 | 8,197 |
|----------------------|--------|-------|

14 Debtors

| | 2016 £ | Restated 2015 £ |
|--|-----------|-----------------------|
|--|-----------|-----------------------|

| | | |
|--------------------------------|---------|---------|
| Trade debtors | 195,032 | 61,061 |
| VAT recoverable | 22,417 | 87,533 |
| Prepayments and accrued income | 129,893 | 102,256 |
| | 347,342 | 250,850 |

15 Creditors: amounts falling due within one year

| | 2016 £ | Restated 2015 £ |
|--|-----------|-----------------------|
|--|-----------|-----------------------|

| | | |
|------------------------------------|---------|---------|
| Government loans | 4,756 | - |
| Trade creditors | 69,166 | 83,961 |
| Other taxation and social security | 36,082 | 27,836 |
| Other creditors | 304 | 625 |
| Accruals and deferred income | 261,946 | 339,030 |
| | 372,254 | 451,452 |

16 Creditors: amounts falling due after more than one year

| | 2016 £ | 2015 £ |
|--|-----------|-----------|
|--|-----------|-----------|

| | | |
|------------------|--------|---|
| Government loans | 41,845 | - |
|------------------|--------|---|

Analysis of loans

| | | |
|---------------------------------------|---------|---|
| Wholly repayable within five years | 46,601 | - |
| Less: included in current liabilities | (4,756) | - |

| | | |
|------------------------|--------|---|
| Amounts included above | 41,845 | - |
|------------------------|--------|---|

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

| | | (Continued) | |
|---|---|-------------|-----------|
| 16 | Creditors: amounts falling due after more than one year | 2016 | 2015 |
| Included within creditors payable within and greater than one year, are two Salix loans totalling £46,600. The first loan is repayable in instalments of £1,841 every six months, commencing from 1 September 2016. The second loan is repayable in instalments of £1,074 every six months, commencing from 1 March 2017. | | | |
| 17 | Deferred income | 2016 £ | 2015 £ |
| Deferred income is included within: | | | |
| Creditors due within one year | | | |
| | | 62,949 | 61,724 |
| Deferred income at 1 September 2015 | | | |
| | | 61,724 | 111,969 |
| Released from previous years | | | |
| | | (61,724) | (111,969) |
| Amounts deferred in the year | | | |
| | | 62,949 | 61,724 |
| Deferred income at 31 August 2016 | | | |
| | | 62,949 | 61,724 |

At the balance sheet date the academy was holding funds received in advance in relation to the EFA Universal Free School Meals grant, the EFA Rates Relief funding and Local Authority Pupil Premium funding.

| 18 | Funds | Restated Balance at 1 September 2015 £ | Incoming resources £ | Resources expended £ | Gains, losses & transfers £ | Balance at 31 August 2016 £ |
|-------------------------------------|---|--|----------------------------|----------------------------|-----------------------------------|-----------------------------------|
| Restricted general funds | | | | | | |
| | General Annual Grant | 194,320 | 1,667,332 | (1,623,321) | (40,799) | 197,532 |
| | Other DfE / EFA grants | 19,425 | 440,304 | (459,729) | - | - |
| | Other government grants | 4,205 | 183,224 | (159,429) | - | 28,000 |
| | Other restricted funds | 417 | 62,187 | (62,604) | - | - |
| | Funds excluding pensions | 218,367 | 2,353,047 | (2,305,083) | (40,799) | 225,532 |
| | Pension reserve | (351,000) | - | (35,000) | (302,000) | (688,000) |
| | | (132,633) | 2,353,047 | (2,340,083) | (342,799) | (462,468) |
| Restricted fixed asset funds | | | | | | |
| | DfE / EFA capital grants | 670,564 | 9,622 | (34,009) | - | 646,177 |
| | Capital expenditure from GAG and other funds | 853,673 | - | (52,389) | 40,799 | 842,083 |
| | | 1,524,237 | 9,622 | (86,398) | 40,799 | 1,488,260 |
| Total restricted funds | | | | | | |
| | | 1,391,604 | 2,362,669 | (2,426,481) | (302,000) | 1,025,792 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Funds

(Continued)

Unrestricted funds

| | | | | | |
|--------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| General funds | 325,250 | 115,731 | (13,426) | - | 427,555 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total funds | 1,716,854 | 2,478,400 | (2,439,907) | (302,000) | 1,453,347 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

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

General Annual Grant must be used for the normal running expenses of the School and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement.

Other DfE/EFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants includes LEA funding for Special Educational Needs of £31,947, Early Years funding of £135,530, Pupil Premium of £14,813, all of which were fully expended in the year.

Other restricted funds include contributions received for school trips and non public donations and the related expenditure.

The pension reserve represents the value of the School's share of the deficit in the Local Government Pension Scheme. The value of the deficit as at 1 September 2015 was £351,000 and increased by £337,000 in the year to £688,000 as at 30 September 2016.

Restricted fixed asset funds include assets inherited on conversion and expenditure out of GAG and other capital grants during the period. Depreciation will be charged against the fund once the assets are in use.

19 Analysis of net assets between funds

| | Unrestricted funds | Restricted general funds | Restricted fixed asset funds | Total 2016 |
|--|-----------------------|--------------------------------|------------------------------------|------------------|
| | £ | £ | £ | £ |
| Fund balances at 31 August 2016 are represented by: | | | | |
| Tangible fixed assets | - | - | 1,488,260 | 1,488,260 |
| Current assets | 414,523 | 652,663 | - | 1,067,186 |
| Creditors falling due within one year | 13,032 | (385,286) | - | (372,254) |
| Creditors falling due after one year | - | (41,845) | - | (41,845) |
| Defined benefit pension liability | - | (688,000) | - | (688,000) |
| | <u>427,555</u> | <u>(462,468)</u> | <u>1,488,260</u> | <u>1,453,347</u> |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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

| | 2016 £ | 2015 £ |
|--|----------------|----------------|
| Net income for the reporting period | 38,493 | 789,536 |
| Adjusted for: | | |
| Capital grants from DfE/EFA and other capital income | (9,622) | (554,710) |
| Investment income | (2,794) | (2,346) |
| Defined benefit pension costs less contributions payable | 21,000 | 25,000 |
| Defined benefit pension net finance cost/(income) | 14,000 | 13,000 |
| Depreciation of tangible fixed assets | 86,398 | 44,304 |
| (Increase)/decrease in stocks | (3,530) | (129) |
| (Increase)/decrease in debtors | (96,492) | 207,755 |
| Increase/(decrease) in creditors | (83,954) | (88,022) |
| Recognition of loan received in the previous year | 29,452 | - |
| Net cash used in operating activities | (7,049) | 434,388 |

21 Related party transactions

Owing to the nature of the academy 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. The following related party transaction took place in the period of account.

St Bede's Childcare Limited - a company in which Mr J Hatch OBE and Mr M Caine (trustees of the academy) are directors, runs after school clubs, breakfast clubs and nursery provision.

Service costs and rent are recharged to St Bede's Childcare Limited for staff and other services including rental of space. At the year end, there were amounts due to St Bede's Childcare Limited of £51,024 (2015: £25,317). Included in accrued income is £64,976 (2015: £16,131) relating to recharges to St Bede's Childcare Limited.

Primary Alliance for Learning Limited, a teaching school and a company in which Mr J Hatch OBE and Mr M Caine (trustees of the academy) are directors, provides educational support activities.

Educational support costs are recharged to Primary Alliance for Learning Limited. At the year end, there were amounts due from Primary Alliance for Learning Limited of £210,700 (2015: £60,350) and amounts due to Primary Alliance for Learning Limited of £4,337 (2015: £200).

The academy made the purchases at arms' length based on the time spent at the company and costs incurred.

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

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

22 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.

23 Pensions 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 Tameside Metropolitan Borough 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 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (previously 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%

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

23 Pensions and similar obligations

(Continued)

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 will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £156,591 (2015: £121,500).

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 16.5% for employers and 5.5% to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £60,000.

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.

| Total contributions made | 2016 £ | 2015 £ |
|------------------------------------|-----------|-----------|
| Employer's contributions (rounded) | 59,000 | 54,000 |
| Employees' contributions (rounded) | 24,000 | 22,000 |
| Total contributions | 83,000 | 76,000 |

| Principal actuarial assumptions | 2016 % | 2015 % |
|--|-----------|-----------|
| Rate of increases in salaries | 3.4 | 3.9 |
| Rate of increase for pensions in payment | 2.1 | 2.7 |
| Discount rate | 2.1 | 3.8 |
| Inflation assumption (CPI) | 3.1 | 3.8 |

Sensitivity analysis at 31 August 2016:

| Change in assumptions at 31 August 2016: | Approximate % increase to employer liability | Approximate monetary amount (£000) |
|--|---|---------------------------------------|
| 0.5% decrease in real discount rate | 14% | 241 |
| 1 year increase in member life expectancy | 3% | 53 |
| 0.5% increase in the salary increase rate | 5% | 97 |
| 0.5% increase in the pension increase rate | 8% | 136 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

23 Pensions and similar obligations

(Continued)

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

| | 2016 Years | 2015 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 21.4 | 21.4 |
| - Females | 24.0 | 24.0 |
| Retiring in 20 years | | |
| - Males | 24.0 | 24.0 |
| - Females | 26.6 | 26.6 |

The Academy's share of the assets in the scheme

| | 2016 Fair value £ | 2015 Fair value £ |
|--|-------------------------|-------------------------|
| Equities | 783,000 | 606,000 |
| Bonds | 185,000 | 151,000 |
| Cash | 54,000 | 34,000 |
| Property | 66,000 | 50,000 |
| Total market value of assets | 1,088,000 | 841,000 |
| Actual return on scheme assets - gain/(loss) | 176,000 | 18,000 |

Amounts recognised in the statement of financial activities

| | 2016 £ | 2015 £ |
|--|---------------|---------------|
| Current service cost (net of employee contributions) | 80,000 | 79,000 |
| Net interest cost | 14,000 | 13,000 |
| Total operating charge | 94,000 | 92,000 |

Changes in the present value of defined benefit obligations

| | 2016 £ |
|---------------------------------|------------------|
| Obligations at 1 September 2015 | 1,192,000 |
| Current service cost | 80,000 |
| Interest cost | 47,000 |
| Employee contributions | 24,000 |
| Actuarial loss | 445,000 |
| Benefits paid | (12,000) |
| At 31 August 2016 | 1,776,000 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

23 Pensions and similar obligations (Continued)

| Changes in the fair value of the Academy's share of scheme assets | 2016 £ |
|---|-----------|
| Assets at 1 September 2015 | 841,000 |
| Interest income | 33,000 |
| Return on plan assets (excluding amounts included in net interest): | |
| Actuarial gain | 143,000 |
| Employer contributions | 59,000 |
| Employee contributions | 24,000 |
| Benefits paid | (12,000) |
| At 31 August 2016 | 1,088,000 |

24 Reconciliations on adoption of FRS 102

The transition to FRS 102 affected the figures reported for the comparative period under previous UK GAAP for funds and net income or expenditure, as a result of the correction of material errors in prior year financial statements. Under previous UK GAAP, these material but not fundamental errors would not have been corrected as prior year adjustments and therefore they are considered to be adjustments arising from the transition to FRS 102. These adjustments were as follows:

| Reconciliation of funds for the previous financial period | 1 September 2014 £ | Restated 31 August 2015 £ |
|---|--------------------------|------------------------------------|
| Notes | | |
| Funds as reported under previous UK GAAP | 920,318 | 1,818,092 |
| Adjustments arising from transition to FRS 102: | | |
| Staff costs | - | (55,748) |
| Primary Alliance for Learning Ltd | - | (45,490) |
| Funds reported under FRS 102 | 920,318 | 1,716,854 |

| Reconciliation of net income for the previous financial period | 2015 £ |
|--|-----------|
| Notes | |
| Net income as reported under previous UK GAAP | 897,774 |
| Adjustments arising from transition to FRS 102: | |
| Staff costs | (55,748) |
| Primary Alliance for Learning Ltd | (45,490) |
| Net income reported under FRS 102 | 796,536 |

ST BEDE CHURCH OF ENGLAND PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

24 Reconciliations on adoption of FRS 102

(Continued)

Notes to reconciliations on adoption of FRS 102

Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £15,000 and increase the credit in other recognised gains and losses in the SOFA by the equivalent amount.

Staff costs

Upon transition to FRS 102, a review of the costs recharged to St Bede's Childcare Limited was undertaken. This review identified a material error in the original charge which has now been corrected.

Adjustments relating to Primary Alliance for Learning

Upon transition to FRS 102, a review of the costs recharged to Primary Alliance for Learning Limited was undertaken which resulted in a reduction in the amount originally recharged.

Re-allocation of catering costs

Upon transition to FRS 102, an adjustment was made to correct the allocation of expenditure for the previous year however, this has not had an impact on the overall fund balances carried forward.