

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017



STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members	K Hamshere J Hall (resigned 27 March 2017) J Leaver (resigned 4 October 2016) K Lowther M Parris (resigned 10 September 2016) P Morris (EDEN representative and foundation member) (appointed 31 October 2016) S Thompson (appointed 28 March 2017) A Williams (appointed 4 October 2017)
Trustees	S Holloway ² D Perkins, Principal and Accounting Officer ^{1,2} L Hatherly (resigned 6 June 2017) ¹ K Hamshere ¹ J Hall, Chair to 28 March 2017 (resigned 19 August 2017) ¹ M Parris (resigned 10 September 2016) ¹ T Bateman ¹ R Bulmer ² J Hamilton, Staff trustee ² J Leaver (resigned 15 November 2017) ^{1,2} K Lowther, Chair from 28 March 2017 to 20 September 2017 ² S Thompson, Chair from 20 September 2017 (appointed 28 March 2017) ¹ A Williams ² J Rich (appointed 1 September 2016, resigned 4 May 2017) ¹ J Wedlock (resigned 3 May 2017) ² W Gilmour-White (appointed 28 September 2017) K Bruce (appointed 11 October 2017) ¹ P Manning (appointed 2 October 2017) ² ¹ Resources Committee ² Teaching and learning Committee

Company registered number	07717215
Company name	Stockland (C of E) Primary Academy Trust Limited
Principal and Registered office	D Perkins Stockland (C of E) Primary Academy Trust Stockland Nr Honiton Devon EX14 9EF
Company secretary	V Dower
Accounting Officer	D Perkins
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Bankers	Lloyds TSB Plc 82 High Street Honiton Devon EX12 1JJ
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**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Stockland and Yarcombe. It has a pupil capacity of 120 and had a roll of 114 in the school census on 6 October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Stockland (C of E) Primary Academy Trust Limited are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Stockland (C of E) Primary Academy Trust.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the academy has purchased insurance to protect officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 1 September 2011 the Trustees appointed all those governors that served the predecessor school to be governors of the newly formed Academy. These governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's governing body comprises of the principal, 4 parent governors, 2 staff governors (including the principal), 3 foundation governors (of which one is the current incumbent) and 3 governors appointed by the members.

Governors are appointed for a four year period, except that this time limit does not apply to the principal or the incumbent. Subject to remaining eligible to be a particular type of governor, any governor can be reappointed or re-elected.

When appointing new governors, the board will give consideration to the skills and experience mix of existing governors in order to ensure that the board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of trustees

The training and induction provided for new trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the local authority and other bodies.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Organisational Structure

The board of governors normally meets once each half term. The board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through minutes of their meetings. The board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 3 committees as follows;

- Resources Committee – this meets at least 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to HR, Premises, Health & Safety, financial management, compliance with regulatory requirements and reporting. Furthermore, the Resources committee receives results from internal control inspections, and drafts the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Teaching and Learning Committee – this meets once per half term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Pay & Performance Committee – this meets twice a year to monitor the outcomes of pay decisions and performance management and to annually review and approve salaries of staff.

The following decisions are reserved for the board of governors; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the chairman and / or vice chairman, to appoint the principal and clerk to the governors, to approve the annual development plan and budget.

The board of Trustees have devolved responsibility for day to day management of the academy to the principal.

The principal and resources committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the finance policy. Some spending control is devolved to the administrator and management accountant which must be authorised in line with the finance policy. The principal is responsible for the appointment of staff, through appointment panels including at least one governor, for all posts.

The Principal is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the Principal comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of the key management personnel is reviewed by the Headteacher Appraisal Panel in accordance with their terms of reference and with the support and advice of the schools improvement partner.

Any award is subject to the outcome of the Headteacher appraisal and the range paid for similar roles in other Academies of a similar size.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Stockland C of E Primary Academy Trust. There are no sponsors, but there is a parent teacher association within the Academy.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

OBJECTIVES AND ACTIVITIES

Objectives, Strategies and Activities

Key activities and targets were identified in the Academy development plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status.

The aims of the Academy during the period ended 31st August 2017 are summarised below:

- Continue to raise the standard of educational attainment and achievement of all pupils
- Provide a broad and balanced curriculum, including extra-curricular activities
- Develop students as more effective learners
- Provide value for money for the funds expended

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

SATS

KS2 - 82% of the children achieved expected standard and above in Reading and Writing and Maths.

Reading - 88% achieved expected standard

Spelling punctuation and Grammar - 100% achieved expected standard

Writing - 88% achieved expected standard

Maths - 88% achieved expected standard

These measures are all comfortably above the National Average Attainment.

KS1 - 86% of the children achieved expected standard in Reading, Writing and Maths

Reading - 100% achieved expected standard

Writing - 86% achieved expected standard

Maths - 93% achieved expected standard

These measures are all comfortably above the National Average Attainment

Phonics Screening - 75% passed the test.

Early Years Foundation Stage - 67% achieved a Good Level of Development.

Key Performance Indicators

The Academy achieved results above national averages in nearly every measure

The Academy self evaluates itself as a 'Good' school using Ofsted criteria and the Babcock Devon 'Excellence for All' criteria.

The Academy finished the year with a GAG carry forward as targeted

The Academy reduced ratio of staff costs per pupil ratio

The Academy improved its fixed assets with purchase of new buildings on site

The Academy finished the period with less NOR than targeted

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular the management of spending against General Annual Grant (GAG). In the period under review £42,458 was carried forward representing 10% of GAG.

Another key financial performance indicator is staffing costs as a percentage of GAG which has remained at

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

75%.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year end 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

The Academy has taken on the deficit in the local government pension scheme in respect of its non-teaching staff transferred on conversion.

Key financial policies adopted or reviewed during the year include the finance policy which lays out the framework for financial management, including financial responsibilities of the board, principal and other staff, as well as delegated authority for spending.

The Academy no longer has a responsible officer role, the role of internal control has instead been incorporated into the remit of the resources committee together with regular feedback and reports provided by an external auditor.

Reserves Policy

The level of reserves is reviewed regularly by the resources committee, and recommendations are put forward to the full governing board annually. The review incorporates detailed analysis into the nature of income and expenditure streams and the request to match specific income to commitments. The Trustees consider future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy is currently holding free reserves of approximately £71k (excluding restricted fixed asset reserves and pension reserves). During the year a sum of £14k has been invested in IT and £10k for the proposed extension to the school.

The Trustees have determined that the remaining balance of free reserves should be maintained both to cover unforeseen circumstances such as urgent maintenance, supply costs to cover staff absence and reductions in pupil numbers and also to address items on the school improvement plan.

A minimal amount of reserves that the trust considers to be acceptable is £30k, this equates to approximately one month of salary costs.

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Financial and Risk Management Objectives and Policies

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover. A risk register has been compiled and is monitored regularly. Any alterations to the amount of risk is recorded in minutes.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular updated reports at all full governors and resources committee meetings. The Trustees also regularly review cash flow forecasts and ensure significant funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

Principal Risks And Uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial – The Academy has considerable reliance on continued government funding through the ESFA. In the last year 88% of the Academy's incoming resources were government funded (with a minimal amount from PTA fundraising and donations) and whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management – The risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection – The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing – The success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – The Academy has appointed a management accountant who continually reviews internal controls to minimise this risk.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to further improve internal controls and financial processes. The academy trust is also reviewing work undertaken by each of the governing board committees with the objective of ensuring they work most effectively.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the custodian trustees of any other charity.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 29 November 2017 and signed on the board's behalf by:



S Thompson
Chair of Trustees



STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Stockland (C of E) Primary Academy Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the trustees' responsibilities statement. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Perkins, Principal and Accounting Officer	6	6
S Thompson, Chair from 20 September 2017	2	2
J Leaver	5	6
R Bulmer	4	6
K Lowther, Chair from 28 March 2017 to 20 September 2017	6	6
S Holloway	5	6
L Hatherly	4	5
T Bateman	6	6
J Wedlock	4	6
K Hamshere	5	6
J Hamilton, Staff trustee	4	6
A Williams	5	6
J Hall, Chair to 28 March 2017	5	6
J Rich	1	4
M Parris	0	0
W Gilmour-White	0	0
K Bruce	0	0
P Manning	0	0

The key changes in the composition of the board were as follows:

Resignations during the period:

Monica Parris	10th September 2017
Jane Wedlock	3rd May 2017
Julie Rich	4th May 2017
Luke Hatherly	6th June 2017
Juliet Hall	19th August 2017
John Leaver	15th November 2017

Appointments during the period:

Sarah Thompson	28th March 2017
William Gilmour-White	28th September 2017
Phyllis Manning	2nd October 2017
Kim Bruce	11th October 2017

The governing board has undertaken a commitment to deliver outstanding governance practice. This is being achieved through an annual process of self- evaluation, from which a comprehensive action plan has been developed to be delivered across the academic year which integrates the leadership and management standards of the Ofsted framework. All governors have completed an individual skills audit to assess the skills, knowledge

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GOVERNANCE STATEMENT (continued)

and experience contained within the board. The assessment highlighted where the board lacked a particular skill or knowledge base, and as a result new governors and directors were recruited over the summer and into the autumn of 2017.

The resources committee is a sub committee of the main board of trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, compliance with reporting and regulatory requirements. The committee also receives reports from the management accountant and drafts the annual budget including setting staffing levels.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Perkins, Principal and Accounting Officer	5	5
T Bateman	5	5
J Hall	2	4
L Hatherly	1	4
K Hamshire, Chair of Resources Committee	5	5
J Rich	1	4

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal 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 Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- By making comparisons with other schools and Academies via benchmarking of staff costs and annual grant expenditure against educational results for children
- Carrying out a review of external contractor costs and procuring replacement services to create reductions in expenditure. The Accounting Officer has enabled the negotiation of new contracts for HR support and Health and Safety support, achieving significant economies. We have moved provision for HR support from a large organisation to a tailor-made package negotiated with a local HR Consultant with expertise in education. Our Health and Safety support was also moved from the same large commercial organisation to the Devon County Council provision. These two changes have cumulatively saved significant sums for the budget whilst also improving provision for the school in these areas.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stockland (C of E) Primary Academy Trust Limited for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the resources 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.

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GOVERNANCE STATEMENT (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Mr James Sullivan as internal auditor.

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

testing of payroll systems

testing of purchase systems

testing of control account/ bank reconciliations

On a quarterly basis, the internal auditor reports to the Board of Trustees through the resources committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- 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.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the resources committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 29 November 2017 and signed on their behalf, by:



S Thompson
Chair of Trustees



D Perkins
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Stockland (C of E) Primary Academy Trust Limited I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



**D Perkins
Accounting Officer**

Date: 29 November 2017

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of Stockland (C of E) Primary Academy Trust Limited and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:



S Thompson
Chair of Trustees

Date: 29 November 2017

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED**

OPINION

We have audited the financial statements of Stockland (C of E) Primary Academy Trust Limited for the year ended 31 August 2017 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

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(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED**

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.



Tim Borton FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS
Date:

13.12.17

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO STOCKLAND
(C OF E) PRIMARY ACADEMY TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stockland (C of E) Primary Academy Trust Limited during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Stockland (C of E) Primary Academy Trust Limited's funding agreement with the Secretary of State for Education dated 1 September 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO STOCKLAND
(C OF E) PRIMARY ACADEMY TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY
(continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Tim Borton FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

13.12.17

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	13,055	49,005	-	62,060	82,952
Charitable activities	3	36,344	459,344	-	495,688	517,251
Other trading activities	4	150	-	-	150	2,055
Investments	5	80	-	-	80	156
TOTAL INCOME		49,629	508,349	-	557,978	602,414
EXPENDITURE ON:						
Raising funds		7,486	-	-	7,486	20,659
Charitable activities:						
Grants		-	9,770	-	9,770	4,815
Other charitable activities		43,065	519,863	5,555	568,483	562,877
TOTAL EXPENDITURE	7	50,551	529,633	5,555	585,739	588,351
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	20	(922)	(21,284)	(5,555)	(27,761)	14,063
		-	(10,381)	10,381	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(922)	(31,665)	4,826	(27,761)	14,063
Actuarial losses on defined benefit pension schemes	24	-	(6,000)	-	(6,000)	(45,000)
NET MOVEMENT IN FUNDS		(922)	(37,665)	4,826	(33,761)	(30,937)
RECONCILIATION OF FUNDS:						
Total funds brought forward		47,506	(28,877)	55,501	74,130	105,067
TOTAL FUNDS CARRIED FORWARD		46,584	(66,542)	60,327	40,369	74,130

The notes on pages 23 to 45 form part of these financial statements.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07717215

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	As restated 2016 £
FIXED ASSETS					
Intangible assets	14		597		796
Tangible assets	15		77,304		73,660
			<u>77,901</u>		<u>74,456</u>
CURRENT ASSETS					
Debtors	16	5,665		15,819	
Cash at bank and in hand		109,724		147,341	
		<u>115,389</u>		<u>163,160</u>	
CREDITORS: amounts falling due within one year	17	(43,921)		(72,486)	
NET CURRENT ASSETS			<u>71,468</u>		<u>90,674</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>149,369</u>		<u>165,130</u>
Defined benefit pension scheme liability	24		(109,000)		(91,000)
NET ASSETS			<u><u>40,369</u></u>		<u><u>74,130</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	20	42,458		62,123	
Fixed asset funds	20	60,327		55,501	
		<u>102,785</u>		<u>117,624</u>	
Restricted funds excluding pension liability					
Pension reserve		(109,000)		(91,000)	
		<u></u>		<u></u>	
Total restricted funds			(6,215)		26,624
Unrestricted funds	20		46,584		47,506
TOTAL FUNDS			<u><u>40,369</u></u>		<u><u>74,130</u></u>

The financial statements on pages 20 to 45 were approved by the Trustees, and authorised for issue, on 29 November 2017 and are signed on their behalf, by:



S Thompson
Chair of Trustees

The notes on pages 23 to 45 form part of these financial statements.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	As restated 2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	<u>(22,276)</u>	<u>40,800</u>
Cash flows from investing activities:			
Interest received		80	156
Purchase of tangible fixed assets		<u>(15,421)</u>	<u>(66,299)</u>
Net cash used in investing activities		<u>(15,341)</u>	<u>(66,143)</u>
Change in cash and cash equivalents in the year		(37,617)	(25,343)
Cash and cash equivalents brought forward		<u>147,341</u>	<u>172,684</u>
Cash and cash equivalents carried forward	23	<u>109,724</u>	<u>147,341</u>

The notes on pages 23 to 45 form part of these financial statements.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Stockland (C of E) Primary Academy Trust Limited constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

Grants 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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

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

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

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.5 INTANGIBLE FIXED ASSETS AND AMORTISATION

Intangible assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets are amortised over 5 years which is considered to be their useful economic life.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Computer equipment	-	33% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of 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.

The Academy Trust has been granted use of the school buildings from the Diocese of Exeter under a Supplemental Agreement which grants the Academy Trust a license to occupy the land and buildings.

The Academy Trust's occupation for the period is recognisable as a notional donation (since it pays no actual rent) and a notional rental expense for its use of the premises. The value of the donation is the amount that the Academy Trust would otherwise have to pay to secure the premises for its operations.

Capital improvements to the Diocesan property occupied by the Academy Trust is recognised as grant expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.9 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.11 TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11 Chapter 3 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.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.12 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income/ expenditure 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.

1.13 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

1.15 OPERATING LEASES

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
Donations	13,055	43,689	-	56,744	77,714
Capital Grants	-	5,316	-	5,316	5,238
	<u>13,055</u>	<u>49,005</u>	<u>-</u>	<u>62,060</u>	<u>82,952</u>
<i>Total 2016</i>	<u>36,730</u>	<u>46,222</u>	<u>-</u>	<u>82,952</u>	

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	427,160	427,160	441,418
Other DfE/ESFA grants	-	32,184	32,184	39,813
	-	459,344	459,344	481,231
Other funding				
Internal catering income	18,672	-	18,672	18,562
Sales to students	17,084	-	17,084	16,256
Other	588	-	588	1,202
	36,344	-	36,344	36,020
	36,344	459,344	495,688	517,251
<i>Total 2016</i>	36,020	481,231	517,251	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Consultancy	150	-	150	2,055
<i>Total 2016</i>	2,055	-	2,055	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	80	-	80	156
<i>Total 2016</i>	156	-	156	

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

6. ANALYSIS OF GRANTS

	Grants to Institutions 2017 £	Total 2017 £	Total 2016 £
Improvements to diocesan property occupied by the Academy Trust	9,770	9,770	4,815

7. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	As restated Total 2016 £
Expenditure on raising funds	-	-	7,486	7,486	20,659
Education:					
Direct costs	319,211	53,089	10,916	383,216	378,750
Support costs	25,887	11,068	148,312	185,267	184,127
	345,098	64,157	166,714	575,969	583,536
<i>Total 2016</i>	339,065	67,676	176,795	583,536	

STOCKLAND (C OF E) PRIMARY ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

8. DIRECT COSTS

	Total 2017 £	As restated Total 2016 £
Pension finance costs	2,000	1,000
Educational supplies	18,914	19,199
Staff development	3,147	3,645
Other costs	23,966	22,864
Supply teachers	3,722	5,355
Security and transport	4,900	3,978
Wages and salaries	245,193	250,286
National insurance	19,489	16,829
Pension cost	50,807	42,946
Depreciation	11,078	12,650
	<u>383,216</u>	<u>378,752</u>
<i>Total 2016</i>	<u>378,752</u>	

9. SUPPORT COSTS

	Total 2017 £	As restated Total 2016 £
Recruitment and support	594	507
Maintenance of premises and equipment	5,300	9,345
Cleaning	8,328	6,932
Rent and rates	34,557	34,830
Energy costs	3,996	3,796
Insurance	5,184	7,406
Security and transport	937	662
Catering	37,331	36,984
Technology costs	11,277	9,086
Office overheads	3,817	4,551
Legal and professional	25,406	26,451
Bank interest and charges	221	-
Governance	21,534	18,980
Wages and salaries	25,701	23,295
National insurance	121	354
Pension cost	65	-
Depreciation	898	946
	<u>185,267</u>	<u>184,125</u>
<i>Total 2016</i>	<u>184,125</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2017	As restated
	£	2016
		£
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	11,976	13,596
Auditors' remuneration - audit	4,380	4,380
Auditors' remuneration - other services	855	1,434
Operating lease rentals	546	628
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

11. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	270,894	273,581
Social security costs	19,610	17,183
Operating costs of defined benefit pension schemes	50,872	42,946
	<u>341,376</u>	<u>333,710</u>
Supply teacher costs	3,722	5,355
	<u>345,098</u>	<u>339,065</u>

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

	2017 No.	2016 No.
Management	1	1
Administration and support	8	8
Teachers	5	5
	<u>14</u>	<u>14</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Management	1	1
Administration and support	2	2
Teachers	5	5
	<u>8</u>	<u>8</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key Management Personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Principal. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £65,138 (2016: £63,549).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

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NOTES TO THE FINANCIAL STATEMENTS
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12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any benefits in kind (2016: £NIL).

During the year ended 31 August 2017, expenses totalling £80 (2016: £208) were reimbursed to 1 Trustee (2016: 2).

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff under their contracts of employment, 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 Trustees' remuneration and other benefits was as follows: D Perkins: Remuneration £50,000 - £55,000 (2016: £45,000 - £50,000), Employer's pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000), J Hamilton: Remuneration £35,000 - £40,000 (2016: £30,000 - £45,000), Employer's pension contributions £0 - £5,000 (2016: £0 - £5,000).

Other related party transactions involving the Trustees are set out in note 26.

13. TRUSTEES' AND OFFICERS' INSURANCE

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

14. INTANGIBLE FIXED ASSETS

	Website £
COST	
At 1 September 2016 and 31 August 2017	995
AMORTISATION	
At 1 September 2016	199
Charge for the year	199
At 31 August 2017	398
CARRYING AMOUNT	
At 31 August 2017	597
At 31 August 2016	796

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NOTES TO THE FINANCIAL STATEMENTS
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15. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Assets under construction £	Total £
COST					
At 1 September 2016 (as previously stated)	1,090,101	65,218	15,764	4,815	1,175,898
Prior year adjustment	(1,048,663)	-	-	(4,815)	(1,053,478)
At 1 September 2016 (as restated)	41,438	65,218	15,764	-	122,420
Additions	-	1,630	13,791	-	15,421
At 31 August 2017	41,438	66,848	29,555	-	137,841
DEPRECIATION					
At 1 September 2016 (as previously stated)	48,271	33,833	14,070	-	96,174
Prior year adjustment	(47,414)	-	-	-	(47,414)
At 1 September 2016 (as restated)	857	33,833	14,070	-	48,760
Charge for the year	829	9,689	1,259	-	11,777
At 31 August 2017	1,686	43,522	15,329	-	60,537
NET BOOK VALUE					
At 31 August 2017	39,752	23,326	14,226	-	77,304
At 31 August 2016 (as restated)	40,581	31,385	1,694	-	73,660

16. DEBTORS

	2017 £	2016 £
Trade debtors	150	550
VAT recoverable	1,721	6,115
Other debtors	671	-
Prepayments and accrued income	3,123	9,154
	5,665	15,819

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	4,858	33,893
Other taxation and social security	5,772	5,957
Other creditors	5,288	5,221
Accruals and deferred income	28,003	27,415
	<u>43,921</u>	<u>72,486</u>

	2017 £	2016 £
DEFERRED INCOME		
Deferred income at 1 September 2016	22,047	21,581
Resources deferred during the year	20,679	22,047
Amounts released from previous years	(22,047)	(21,581)
	<u>20,679</u>	<u>22,047</u>

At the balance sheet date the Academy Trust was holding funds received in advance for the supply of educational activities for the 2017/18 academic year and Universal Infant Free School Meals.

18. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets measured at amortised cost	<u>2,321</u>	<u>4,345</u>
Financial liabilities measured at amortised cost	<u>(17,470)</u>	<u>(44,482)</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors & accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors & accruals.

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NOTES TO THE FINANCIAL STATEMENTS
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19. PRIOR YEAR ADJUSTMENT

The Academy Trust has been granted use of the school buildings from the Diocese of Exeter under a Supplemental Agreement that does not require rent to be paid. The agreement includes a two year notice period. In the previous period, the value of the land and buildings was recognised in the accounts on the basis that the Academy Trust was compliant with the Supplemental Agreement, there was no indication that the notice clause would be invoked and the risks and rewards of ownerships of the property had transferred to the Academy Trust.

Following the revised guidance in the 'Academies Accounts Direction 2016 to 2017', the Trustees have now concluded that the value of land and buildings should not be recognised in the accounts. This is on the basis that the Academy Trust has been granted a licence to occupy only under the Supplemental Agreement.

The comparative Balance Sheet and Statement Of Financial Activities have been restated to not include the land and buildings, as if they had never been included at the inception of the Supplemental Agreement. The financial impact of this change of policy is to have decreased the net book value of the land and buildings included in the Balance Sheet by £1,006,064 as at 31 August 2016 and to decrease depreciation in the Statement Of Financial Activities by £16,018 as at 31 August 2016.

Under the updated guidance, the Academy Trust's occupation for the period is recognisable as a notional donation (since it pays no actual rent) and a notional rental expense for its use of the premises. The value of the donation is the amount that the Academy Trust would otherwise have to pay to secure the premises for its operations. As a result £31,396 has been recognised in the Statement Of Financial Activities for the period ending 31 August 2016 as both the notional donation and notional rent.

Furthermore capital expenditure on the Diocese land and buildings should be recognised as grant expenditure to church trustees under the updated guidance. As a result a grant payment of £4,815 has been recognised in the Statement Of Financial Activities as at 31 August 2016.

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NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	28,551	49,629	(44,130)	(5,040)	-	29,010
Unrestricted fixed assets	18,955	-	(6,421)	5,040	-	17,574
	<u>47,506</u>	<u>49,629</u>	<u>(50,551)</u>	<u>-</u>	<u>-</u>	<u>46,584</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	62,123	427,160	(436,444)	(10,381)	-	42,458
Pupil Premium	-	5,310	(5,310)	-	-	-
Sports grant	-	8,490	(8,490)	-	-	-
Universal infant free school meals	-	17,043	(17,043)	-	-	-
Other government grants	-	1,341	(1,341)	-	-	-
Educational visits	-	12,293	(12,293)	-	-	-
Diocesan capital grants	-	5,316	(5,316)	-	-	-
Diocesan property rental	-	31,396	(31,396)	-	-	-
Pension reserve	(91,000)	-	(12,000)	-	(6,000)	(109,000)
	<u>(28,877)</u>	<u>508,349</u>	<u>(529,633)</u>	<u>(10,381)</u>	<u>(6,000)</u>	<u>(66,542)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets purchased from GAG and other restricted funds	29,276	-	(4,726)	10,381	-	34,931
DfE/ESFA Capital grants	26,225	-	(829)	-	-	25,396
	<u>55,501</u>	<u>-</u>	<u>(5,555)</u>	<u>10,381</u>	<u>-</u>	<u>60,327</u>
Total restricted funds	<u>26,624</u>	<u>508,349</u>	<u>(535,188)</u>	<u>-</u>	<u>(6,000)</u>	<u>(6,215)</u>
Total of funds	<u>74,130</u>	<u>557,978</u>	<u>(585,739)</u>	<u>-</u>	<u>(6,000)</u>	<u>40,369</u>

STATEMENT OF FUNDS - PRIOR YEAR (AS RESTATED)

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	23,989	74,961	(55,677)	(14,722)	-	28,551
Unrestricted fixed assets	9,208	-	(4,975)	14,722	-	18,955
	<u>33,197</u>	<u>74,961</u>	<u>(60,652)</u>	<u>-</u>	<u>-</u>	<u>47,506</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General Annual Grant (GAG)	61,664	441,418	(424,228)	(16,731)	-	62,123
Pupil Premium	-	9,280	(9,280)	-	-	-
Sports grant	-	8,505	(8,505)	-	-	-
Universal infant free school meals	-	20,217	(20,217)	-	-	-
Other government grants	-	1,811	(1,811)	-	-	-
Educational visits	-	9,588	(9,588)	-	-	-
Diocesan capital grants	-	5,238	(5,238)	-	-	-
Diocesan property rental	-	31,396	(31,396)	-	-	-
Pension reserve	(42,000)	-	(4,000)	-	(45,000)	(91,000)
	<u>19,664</u>	<u>527,453</u>	<u>(514,263)</u>	<u>(16,731)</u>	<u>(45,000)</u>	<u>(28,877)</u>

RESTRICTED FIXED ASSET FUNDS

Fixed assets purchased from GAG and other restricted funds	12,545	-	-	16,731	-	29,276
DfE/ESFA Capital grants	39,821	-	(13,596)	-	-	26,225
	<u>52,366</u>	<u>-</u>	<u>(13,596)</u>	<u>16,731</u>	<u>-</u>	<u>55,501</u>
Total restricted funds	<u>72,030</u>	<u>527,453</u>	<u>(527,859)</u>	<u>-</u>	<u>(45,000)</u>	<u>26,624</u>
Total of funds	<u>105,227</u>	<u>602,414</u>	<u>(588,511)</u>	<u>-</u>	<u>(45,000)</u>	<u>74,130</u>

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

Restricted Funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Income from the ESFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

Sports grant - Income from the ESFA which is to be used to develop or add to the PE and sport activities that the Academy offers

Universal infant free school meals - Income from the ESFA which is to be used in the provision of free school meals for all pupils in reception, year 1 and year 2.

Educational visits - This represents the income and expenditure on educational visits and trips during the year.

Diocesan property rental - The Academy Trust's occupation of property owned by the Dioceses of Exeter for the period is recognisable as a notional donation and a notional rental expense.

Diocesan capital grants - This fund represents capital grants received in relation to Diocesan owned land and buildings being used by the Academy Trust, with grant expenditure where the grant has been used on improvements made to that property.

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NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (continued)

Pension Reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

DfE/ESFA Capital Grants – These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Transfers between funds

£10,381 of GAG was used to purchase fixed assets and therefore this shows as a transfer from the restricted funds to the restricted fixed asset fund.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Intangible fixed assets	-	-	597	597
Tangible fixed assets	17,574	-	59,730	77,304
Current assets	29,010	86,379	-	115,389
Creditors due within one year	-	(43,921)	-	(43,921)
Pension scheme liability	-	(109,000)	-	(109,000)
	<u>46,584</u>	<u>(66,542)</u>	<u>60,327</u>	<u>40,369</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR (AS RESTATED)

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Intangible fixed assets	-	-	796	796
Tangible fixed assets	18,955	-	54,705	73,660
Current assets	28,551	134,609	-	163,160
Creditors due within one year	-	(72,486)	-	(72,486)
Provisions for liabilities and charges	-	(91,000)	-	(91,000)
	<u>47,506</u>	<u>(28,877)</u>	<u>55,501</u>	<u>74,130</u>

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22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	As restated 2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(27,761)	14,063
Adjustment for:		
Depreciation charges	11,976	13,596
Interest received	(80)	(156)
Decrease/(increase) in debtors	10,154	(5,216)
(Decrease)/increase in creditors	(28,565)	14,513
Defined benefit pension scheme cost less contributions payable	10,000	3,000
Defined benefit pension scheme finance cost	2,000	1,000
Net cash (used in)/provided by operating activities	(22,276)	40,800

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	109,724	147,341
	109,724	147,341

24. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £5,288 were payable to the schemes at 31 August 2017 (2016: £5,221) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

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
- 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%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £32,455 (2016: £32,884).

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

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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £13,000 (2016: £10,000), of which employer's contributions totalled £10,000 (2016: £8,000) and employees' contributions totalled £3,000 (2016: £2,000). The agreed contribution rates for future years are 19.7% for employers and 5.5 - 7.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	4.00 %
Rate of increase in salaries	4.20 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %
Inflation assumption (CPI)	2.70 %	2.30 %

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24. PENSION COMMITMENTS (continued)

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

	2017	2016
Retiring today		
Males	23.4	22.9
Females	25.5	26.2
Retiring in 20 years		
Males	25.7	25.2
Females	27.9	28.6

Sensitivity analysis	At 31 August 2017 £	At 31 August 2016 £
Discount rate +0.1%	5,000	4,000
Discount rate -0.1%	(5,000)	(4,000)
Mortality assumption - 1 year increase	(6,000)	(4,000)
Mortality assumption - 1 year decrease	6,000	4,000
CPI rate +0.1%	(5,000)	(4,000)
CPI rate -0.1%	5,000	3,000

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities and gilts	43,000	32,000
Debt Instruments	2,000	1,000
Property	6,000	5,000
Cash	2,000	1,000
Target return portfolio	10,000	7,000
Infrastructure and alternative assets	7,000	5,000
Total market value of assets	70,000	51,000

The actual return on scheme assets was £6,000 (2016: £6,000).

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

	2017 £	2016 £
Current service cost	(20,000)	(11,000)
Interest income	1,000	2,000
Interest cost	(3,000)	(3,000)
Total	(22,000)	(12,000)

NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening defined benefit obligation	142,000	77,000
Current service cost	20,000	11,000
Interest cost	3,000	3,000
Employee contributions	3,000	2,000
Actuarial losses	11,000	49,000
	<u>179,000</u>	<u>142,000</u>
Closing defined benefit obligation	<u>179,000</u>	<u>142,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	51,000	35,000
Interest income	1,000	2,000
Actuarial losses	5,000	4,000
Employer contributions	10,000	8,000
Employee contributions	3,000	2,000
	<u>70,000</u>	<u>51,000</u>
Closing fair value of scheme assets	<u>70,000</u>	<u>51,000</u>

25. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	463	314
Between 1 and 5 years	695	-
	<u>1,158</u>	<u>314</u>
Total	<u>1,158</u>	<u>314</u>

26. MEMBERS' LIABILITY

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

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27. GENERAL INFORMATION

Stockland (C of E) Primary Academy Trust Limited is a company limited by guarantee, incorporated in England and Wales. The registered office is Stockland (C of E) Primary Academy Trust, Stockland, Nr Honiton, Devon, EX14 9EF.

28. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's trust financial regulations and normal procurement procedures. In addition to those mentioned in note 11, the following related party transaction took place in the year:

Rob Millington - the partner of Katherine Hamshere, a Trustee. The transaction value was £237 for small maintenance jobs during the period. There was £Nil balance outstanding at the year end.

Mrs Williams, wife of Mr A Williams, a Trustee, is employed as a teacher. Mrs Williams appointment was made in open competition and Mr Williams was not involved in the decision making process. Mrs Williams is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with a Trustee.