

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND CONSOLIDATED AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017

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ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

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ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Rev B Britt
A Matthews (Co-Chair of Governors)
L Anderson
S Calver
A Clarey
K Pattullo
D Flanagan
S Bishop (Accounting Officer)
R Thornley (Co-Chair of Governors)
S Steptoe
A Lyons (Resigned 13 December 2016)
E Jack (Resigned 31 December 2016)
J Braithwaite
S Crone
E Garside (Appointed 17 April 2017)

Members

J Street
R Thornley
J White

Senior leadership team

S Bishop	- Headteacher
M Elliott	- KS2 Team Leader
J Welch	- KS1 Team Leader
K Pauttullo	- Foundation Stage Team Leader
D Flanagan	- School Manager

Company registration number

07999942 (England and Wales)

Registered office

Rook Tree Lane
Stotfold
Hitchin
Herts
SG5 4DL

Independent auditor

Wilkins Kennedy LLP
5 Yeomans Court
Ware Road
Hertford
Hertfordshire
SG13 7HJ

Bankers

Lloyds TSB Bank PLC
1 Bancroft
Hitchin
Herts SG5 1JG

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Lee Bolton Monier-Williams
1, The Sanctuary
Westminster
London
SW1P 3JT

Browne Jacobson LLP
44 Castle Gate
Nottingham
NG1 7BJ

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

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

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and 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 published on 16th July 2014 (FRS 102).

The Academy Trust operates an academy for pupils aged 4 to 9 serving a catchment area in Stotfold, Hertfordshire and the surrounding areas.

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 academy also has a wholly owned subsidiary, Stotfold and District Children's Centre C.I.C. which has been included in the consolidated accounts.

The trustees of St Mary's Church of England Academy, Stotfold are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 every Trustee or other office of the Company and every member of any Local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default breach of duty or breach of trust in relation to the affairs of the Company.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Method of recruitment and appointment or election of Trustees

Under the terms of its Articles, the Academy Trust shall have the following Governors:-

- Three Foundation Governors, however the Incumbent shall be treated for all purposes as an ex-officio Foundation Governor. Further Foundation Governors may be appointed having received i) a nomination from the Parochial Church Council of the Parish and for the second, having received a nomination from the Diocesan Board of Education. The total number of Foundation Governors will not exceed 25% of the total number of Governing Body.
- The Head Teacher shall be treated for all purposes as being an ex-officio Governor
- Staff Governors may be appointed by the Members through such process as they determine, provided that the total number of staff Governors, including the Head Teacher does not exceed one third of the total number of the Governing Body.
- Parent Governors shall be elected by parents of the registered pupils of the Academy. Any election of Parent Governors which is contested shall be held by secret ballot. In appointing a Parent Governing the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. If the number of nominations is less or equal to the number of vacancies they will be appointed by the Governing Body uncontested.

Policies and procedures adopted for the induction and training of Trustees

During the year under review the Full Governing Body met 4 times (including the AGM) and there were 7 committee meetings. The training and induction provided for new Governors depends on their previous experience. All new Governors are given a tour of the school and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as Governors. New Governors usually attend an Induction course provided by Central Bedfordshire Council and have access to a full programme of courses which they will choose to attend, based on their role and experience

Principal Activities

The Academy Trust's principal object and activity has been to manage the provision of education to pupils between the ages of 4 and 9 years of age. Also to develop a school with a designated Church of England religious character, offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

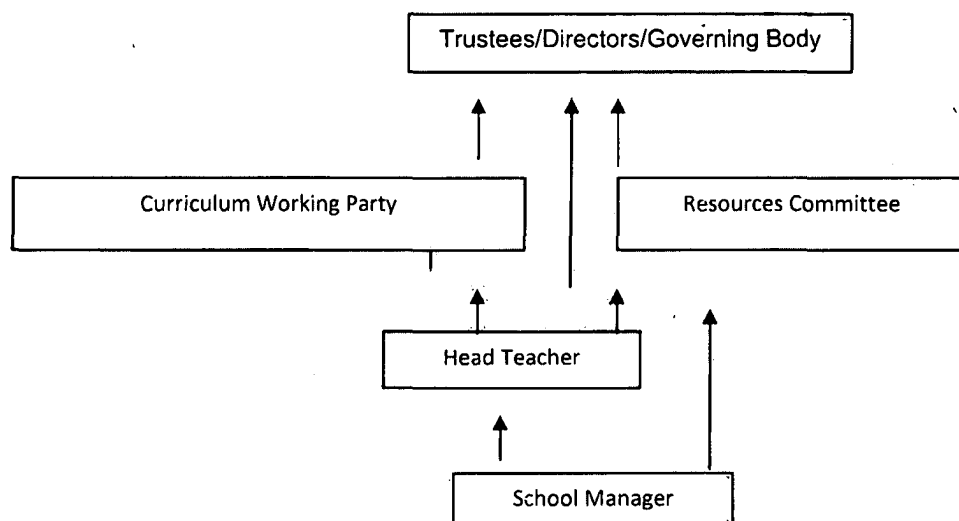
FOR THE YEAR ENDED 31 AUGUST 2017

Organisational structure

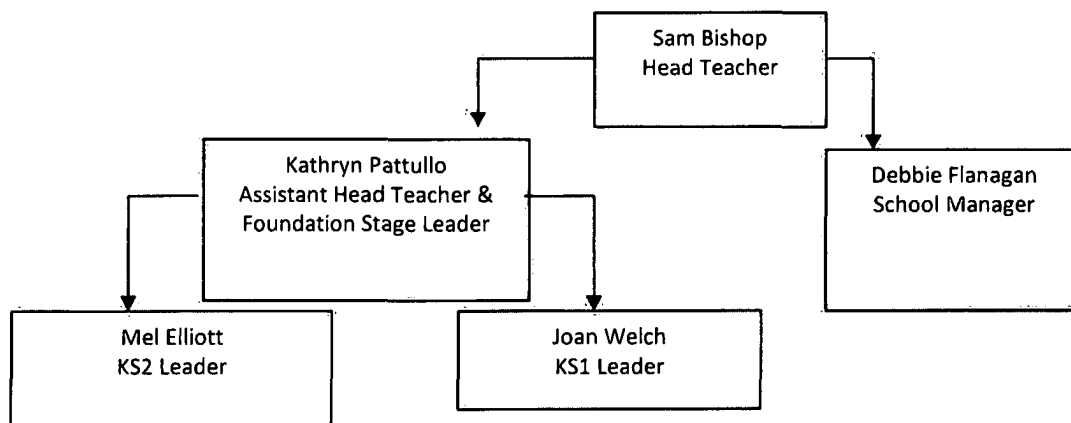
The board of trustees of St Mary's Church of England Academy, Stotfold is constituted under the memorandum and articles of association. The board of trustees is responsible for ensuring high standards of corporate governance are maintained.

The Trustees are responsible for the strategic direction of the Academy, setting policy and agreeing the annual budget. Trustees are also responsible for monitoring the work of the Academy and ensuring the objectives of the academy are achieved.

ACADEMY RESPONSIBILITY CHART



ACADEMY LEADERSHIP TEAM



The academy has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees/Governing Body have overall responsibility for the administration of the academy's finances. The main responsibilities of the governing body are prescribed in the Funding Agreement between the Academy and DFE and the academy's scheme of government. The main responsibilities include:-

- Ensuring that grants from the DFE are used only for the purposes intended;
- Ensuring that funds from sponsors are received according to the academy's Funding Agreement and are used only for the purposes intended;
- Approval of the annual budget;
- Appointment of the Head Teacher and
- Appointment of senior staff (i.e. Assistant Head, Finance Manager etc), in conjunction with the Head Teacher.

Financial Delegation

The following financial delegations are currently in place.

KEY					
Full Governing Body only	1				
Governing Body with advice from Headteacher	2				
Head Teacher within	3				
Head Teacher / other staff	4				
		1	2	3	4
Appointment of Head Teacher		√			
Appointment of Assistant Head Teacher/Finance Manager			√		
Appointment of other senior staff			√		
Approve formal Budget each year		√			
Investigate financial irregularities (Head suspected)		√			
Investigate finance irregularities (others suspected)			√		
Enter into contracts up to £9,999				√	
Enter into contracts over £10,000		√			
Make payments for goods and services					√
Staff pay structure/increments (not Head)			√		
Determine dismissal payment/early retirement			√		
Set premises charging and remissions policy			√		
Ensure provision of free school meals for those meeting criteria				√	

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Arrangements for setting pay and remuneration of key management personnel

The following is part of the Pay Policy for St Mary's CE Academy, Stotfold

The Leadership Group

1. At the time of appointing a new Head or Deputy Head teacher, the Governing Body (or nominated representatives) will have regard to the requirements of the School Teachers' Pay and Condition Document in respect of an appropriate starting salary.
2. The Governing Body (or nominated representatives) will determine the starting salary to be paid to the Head in accordance with the appropriate range for the group size of school. The salary range for a group 2 school and the scale for the Head teacher are attached to this policy. The scale for any deputy and assistant Head teachers are also attached. The Head, Deputy or Assistant Head teacher will not be paid below the starting salary on the appropriate range or ISR during the time of his or her appointment to the school. In determining the starting salary, the Governing Body (or nominated representatives) will have regard to the criteria set out in the School Teachers' Pay and Conditions Document.
3. When conducting the annual review of the pay of the Head, Deputy or Assistant Head teacher, the Resources Committee on Pay will take into account the performance of the member of staff against the performance criteria determined as part of the appraisal arrangements. The Resources Committee will consider whether there has been a sustained high quality of performance. Pay progression on the Leadership Group pay scale is not automatic and is subject to an annual review of performance (see paragraph 7 above).
4. The Resources Committee on Pay will take decisions in accordance with the principles contained within the School's policy on appraisal. The salary range for the Head teacher and individual salary ranges for Deputy and Assistant Head teachers will reflect the job weight (as evidenced by the job description), and issues such as the incidents of free school meals, special needs and the ethnic background of children attending the school. The ranges will be reviewed whenever it is necessary to advertise the post, when there is a significant change in the responsibilities of the post (such as a school reorganisation) or, in the case of the Head teacher, a change of group number. The deputy Head teacher and assistant Head teachers will be placed on five consecutive pay points identified by the governing body. The maximum salary available to the deputy will be lower than the minimum for the post of Head teacher; the maximum on the deputy scale will be higher than the maximum available to the assistant teachers.
5. The remuneration paid to the head teacher as a result of determination of the ISR will cover the head teacher's full role as set out in Part 9 of the Document including any permanent appointment for the responsibility for more than one school. The following matters no longer form part of the determination of the salary scale and are dealt with as discretionary payments (see below):-
 - schools causing concern;
 - difficulties filling a vacant head teacher post;
 - difficulties retaining the current head teacher; and
 - temporary appointment as a head teacher of more than one school.
6. Any discretionary payments in addition to the salary arising from the head teacher's point on the salary scale will only be made in accordance with the factors in paragraph 9(5) above. The total of all discretionary payments made to a head teacher in respect of any school year must not exceed 25 percent of the amount which corresponds to that individual's point on their ISR for that year. All discretionary payments received in relation to the role as a head teacher count towards the limit (with the exception of relocation expenses where it is the policy of the governors to pay such expenses).
7. The governing body will have oversight of a head teacher's entire role and any paid responsibilities attached to the role. This will ensure that the governing body can take a fully informed decision about the appropriate remuneration for the head teacher and any consequential implications for the pay of other staff who may be taking on additional responsibilities in the absence of the head.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8. It will be wholly exceptional to make discretionary payments which exceed the limit of 25 percent of the amount that corresponds to the head teacher's point on the ISR in any given year. If it is considered that there are exceptional circumstances that warrant a payment in excess of the limit the pay committee must make a business case for the payment to the full governing body. The governing body is required to seek external independent advice from an appropriate person or body who can consider the provisions of the Document and whether they have been properly applied to the head teacher's pay before making a decision on whether it is justifiable to exceed the limit in the circumstances of the particular case. There must be a clear audit trail for any advice given to the governing body and a full and accurate record of all decisions made by the governing body including the reasons for the decisions.
9. Where a permanent head teacher and governing body agree to take on significant additional responsibility for extended services on their site and the head teacher is directly accountable to the Council or a Children's Trust, the governing body has the discretion to take this into account when setting the salary scale. Any uplift in pay should be proportionate to the level of responsibility and accountability undertaken. The governing body will also have regard to the remuneration of other teachers who may take on additional responsibility in the absence of the head teacher. The DfE advice makes it clear however that there is a difference between "having an interest in" the quality of a service located on the school site and being "responsible and/or accountable" for that service. "Interest in" is seen as part of the head teachers core role and responsibilities and would not, therefore, attract a salary uplift.

Provision of Services to other Schools

1. Any services provided by the head teacher of one school to another school must be authorised formally by the governing body and where the work extends over more than a 12 month period, the agreement of the governing body must be formally reviewed on an annual basis. The governing body will also agree arrangements for terminating such work.
2. Before such work is undertaken the governing body and the head teacher must take into account:-
 - the needs of the school and its pupils;
 - the benefits the activity would bring to the school;
 - the impact of any absence on other staff, including on their workload, and
 - the workload and worklife balance of all the individuals concerned

the Governing Body will satisfy itself that the above matters have been fully considered by the school leadership team.
3. Arrangements for payment for external work, including any personal remuneration, must be clearly stated and formally incorporated into a protocol by the governing body (or the relevant committee) and all decisions minuted with reasons.
4. The disposition of any payment, including personal remuneration, for external services must be agreed in advance in accordance with the determinations of the governing body. The terms of such an agreement must be set out in a memorandum signed by the chair of governors and the head teacher and any other members of staff involved.
5. Any income derived from external sources for the work of schools staff should accrue to the school. The governing body will decide whether it would be appropriate for individual members of staff to receive additional remuneration for these activities and, if so, determine the appropriate amount.
6. The governing body will ensure that any expenses incurred by the individuals as a result of taking on additional work are reimbursed (unless they are accounted for elsewhere).

Related parties and other connected charities and organisations

The main organisation currently related to the Academy is Stotfold & District Children's Centre C.I.C. This is independently funded by the Local Authority and provides support and advice for families with babies and young children in the local area.

St Mary's CE Academy has an active Parents Association which raises funds for additional resources and specific projects for the school. The Association have their own committee and arrange independent monitoring and audit each year.

Related party relationships are available from our website under Governors.

Related party transactions are disclosed within the notes to the financial statements.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Objectives and activities

Objects and aims

The Academies Trust Object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular with not without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balance curriculum (the Academy) conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

Objectives, strategies and activities

Priority One: Effectiveness of Leadership & Management

Targets

- Ensure all preparations for SIAMS are in place and that monitoring & evaluation leads to improved provision
- Recruit a new Governor with financial management skills
- Appoint a new KS2 teacher in preparation for single age KS2 classes in September 2018
- Prepare KS2 curriculum & resources in preparation for single age classes
- Develop RQT through the responsibility of a curriculum area
- Review end of year reporting procedures to parents

Success Criteria

- SIAMS SEF is fully up to date. Monitoring & evaluation procedures in place.
- New Governor successfully recruited.
- New teacher successfully appointed.
- KS2 planning & resources prepared for single age classes.
- RQT has curriculum responsibility.
- Reporting procedures reviewed and changes implemented

Actions

- SIAMS SEF is updated fully, with input from staff & governors (staff meeting & Governors SIAMS working party)
- Governors report back to FGB on monitoring & evaluation of Collective Worship
- Governor recruitment advert, with specified skills required, placed on website / locally
- KS2 job advertised via website / TES /locally. Interview & appointment.
- KS2 planning is reviewed and foundation curriculum topics organised for single age classes. Resources checked & organised.
- Menna Easton (RQT) to be allocated PE as subject leadership role. Attend relevant training. Support RC with website updates. Review Sport premium usage & impact.
- Review end of year reporting. Conduct parent survey & possible working party.

Priority Two: Quality of Teaching, Learning and Assessment

Targets

- Ensure consistency of judgements regarding progress and attainment within different subjects & year groups
- Develop / Improve the teaching of spelling across the school to improve attainment
- Develop computing through the use of ipads

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Success Criteria

- Judgements regarding progress and attainment are consistent & accurate.
- Spelling attainment has improved, therefore writing attainment has risen from 2016 levels.
- I-pads are purchased and used across the school.

Actions

- Regular moderation of work across the curriculum in Key Stage meetings.
- Work in year group partners to update Target Tracker, with professional dialogue to ensure judgements are consistent.
- Yr 1 & 2 common exception words sent home for practice / revision
- Daily overlearning sheets used to learn spellings across KS1 & 2
- Spelling statements to be incorporated into English plans
- Buy ipads for group work use across the school.
- Jack Hadley to run staff training session on use of ipads to enhance teaching & learning
- Use of ipads planned into curriculum areas

Priority Three: Personal Development, Behaviour and Welfare

Targets

- Implement Class Dojo across the school to complement our behaviour policy. Increase positive behaviours and involve parents further.
- Review the SMSC policy & audit SMSC provision.
- Develop Collective Worship area on the school website.
- Develop pupil led worship further.
- Create opportunities for parental involvement in Collective Worship.
- Ensure the attendance of Pupil Premium pupils increases and is in line with non PP pupils.

Success Criteria

- Class Dojo is successfully used across the school.
- SMSC policy is implemented.
- Collective Worship area established on the website and updated monthly.
- Pupil led worship is developed through monthly services and with termly opportunities.
- Parental involvement in collective worship is implemented – parents attending monthly services.
- PP attendance is raised and in line with non PP pupils.

Actions

- All teachers to prepare Class Dojo for start of term.
- Decide specifics of reward system for class dojo ie; which positive behaviours specifically will be rewarded
- Review current behaviour policy re; behaviours identified at each stage. Review procedures for Stage 3 & 4.
- Audit SMSC provision across the school. Review & update SMSC policy.
- Set up Collective Worship tab on the website & add updates from monthly services.
- Set up KS2 Collective Worship club for pupils to plan their own led collective worship.
- Continue to use 'take home' elements following monthly services. Invite specific year group parents to monthly services.
- Monitor Pupil Premium attendance levels half termly. Follow procedures specified in attendance policy.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Priority Four: Outcomes for Pupils

Targets

- To maintain the high end of year outcomes for FS, Yr 2 & Yr 4 pupils.
- Increase Yr 1 Phonics pass rate to at least 85%.
- Increase attainment and progress for low ability, Pupil Premium & summer born groups, closing the gap through the year.
- Track GLD children in Yr 1 & Yr 2 to ensure they are on target to achieve expected levels by the end of KS1.
- Increase writing attainment by improving spelling across the school, particularly in KS2.

Success Criteria

- End of year outcomes remain above LA & National levels.
- Phonics pass rate is at least 85%
- Attainment gap for vulnerable groups has closed over the year.
- GLD children attain expected end of year levels in KS1.
- Writing attainment increases from 2016 results.

Actions

- Monitor attainment & progress half termly.
- KS leaders to write termly reports with action points.
- Maths & English leaders to write termly reports with action points.
- Phonics groups continue daily. Children's progress to be assessed regularly.
- Vulnerable groups to be identified on English & Maths plans. Work supported / differentiated.
- Pupil progress meetings to focus on progress and attainment of vulnerable groups.
- SLT to monitor progress and attainment of vulnerable groups through data & book scrutiny
- GLD children allocated as a group on target tracker. Monitor attainment & progress termly.
- Spelling targets from Target Tracker to be covered through spelling groups & in English lessons. Gaps analysis tool used to identify targets to focus on. Spelling is monitored regularly.

Priority Five: Cross Phase Project

Targets

- To raise KS2 accountability across all settings to ensure a continual joint journey of high expectations for our pupils and reduce transition barriers.
- To continue to share a common language and provision for our KS2 pupils that is based on trust and teamwork to work together.
- To continue to have a shared focus on the KS2 teaching and learning pedagogy in all our practices.

Success Criteria

- Raise KS2 outcomes at all year groups, raising accountability at each stage
- Raise quality of pedagogy for T&L across all settings and all T&L to be good or better
- Have a shared common language and pedagogy across all settings to aid a seamless pupil continual learning journey
- More robust systems in place to track children and all settings to have a common understanding of AfL and Target Tracker to reduce barriers on transition
- Ensure a clear rationale and partnership is in place that will effectively challenge under performance in each setting

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Actions

- Develop a clear rationale showing short, medium, long term objectives including data outcomes, tracking processes. Adopt Primary model and principles across 5 sites – to view change of place as not a barrier / focus to be on shared pedagogy and T&L
- Use some directed time to get KS2 staff across all schools to meet periodically across the yr to reduce barriers & gain trust in working relationships / agree a common language
- Continue with transition cluster meetings with KS2 staff

Public Benefit

St Mary's CE Academy Stotfold is an Academy converter catering for children aged 4 to 9 years of age and strives to promote and support the advancement of education within the Stotfold area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. For example:-

- Academy Staff run a number of Clubs for the benefit of the children which includes Netball, Keep Fit, Ocarina, Art, Film, Choir to name a few.
- Premier Sport support the curriculum with many sports including football, rugby, hockey, tennis, gymnastics and ball skills. Children take part in tournaments alongside other local schools.
- Year 4 children have six weeks of swimming lessons at Saxon Pool in Biggleswade.
- A breakfast tennis club is run one morning each week.
- A Spanish Teacher teaches the children Spanish one evening each week.
- Redborne Sports Partnership organise many sporting events for local schools, provide support and arrange tournaments.
- An ex-parent, Steve Darlow organises Cricket Club each summer term which culminates in cricket finals and a tournament.
- The children sing at some local Church services and to groups related to them.
- The children take part in activities at Stotfold Watermill annual open weekend.
- We organise Stotfold Festival; a week of activities in June each year where organisations and groups hold activities and open events to raise awareness and funds for their causes. The week ends with Stotfold Festival Fete where the community comes together to provide an afternoon of traditional village fete style entertainment and activities which raises funds for a selected Charity. In 2017 The Sick Children's Trust at Addenbrookes Hospital received £2,239
- Inspiring Music and Bedfordshire Music Service come in to teach children to play instruments such as African drums and violin.

Wherever possible the school aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:-

- Premier Sport use the facilities during some holidays to provide sporting activities for children.
- The Churches Together Group use the school for a week in the summer holiday to run Stotfold Christian Holiday Club which is open to all children of the local community.
- The School Council invite local senior citizens of Stotfold in for termly coffee and activity mornings.
- The School hosted a Christmas lunch for the charity Contact the Elderly in December 2016.
- entertainment and activities which raises funds for a selected Charity. In 2017 The Sick Children's Trust at Addenbrookes Hospital received £2,239
- Inspiring Music and Bedfordshire Music Service come in to teach children to play instruments such as African drums and violin.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Strategic report

Achievements and performance

Our achievements this year include the following:

- Building on the good work undertaken to further develop St Mary's following its 'Good' judgement by Ofsted in 2016.
- Very good Year 4 Assessment results.
- Year 2 SATs results were excellent; above National and Local Averages due to the excellent additional work undertaken by KS1 staff. This was a big improvement on the results of 2016.
- Phonics results were in line with the National and Local Averages.
- Excellent Early Years Foundation Stage Profile results, well above Local and National Averages.
- A very successful Creative Arts Week.
- Other special events our annual Personal, Social, Health and Citizenship Education (PSHCE) Day, our Harvest Festival and a Book Fair.
- Involvement in Stotfold Mill Weekend and the co-ordination and involvement in Stotfold Festival.
- Musical activities included Whole School Concerts at Christmas and in the Summer, both raising significant funds for charity.
- KS2 children undertaking a five week block of African drumming lessons.
- The choir has also performed at local churches and events.
- Great sporting success, and involvement in many sports events.
- We held a very enjoyable RE Day.
- Many successful Liaison events with local schools.
- Continuation of delivering Children's Centre Services in Stotfold, Arlesey and Fairfield Park.
- Visits by various year groups to Stotfold Mill, Rock UK Outdoor Activity Centre, Hazard Alley and various whole year group trips were undertaken.
- The School Council organised many events, including three Coffee Mornings/Afternoons for local Senior Citizens.
- The SMSA organised many successful events, raising funds for many school activities and initiatives including an amazing climbing frame.
- Over £4,600 was raised for various charities including Children In Need, the Royal British Legion, British Heart Foundation, Comic Relief, London Fire Victims, etc and as mentioned above, our organisation of Stotfold Festival Fete enabled £2,239 to be forwarded to the Sick Children's Trust at Addenbrookes Hospital.
- We supported Samaritan's Purse Shoebox Appeal again with parents and children filling shoeboxes with gifts and useful items for less fortunate children.
- We organised a Christmas lunch for some senior citizens as part of the Contact the Elderly initiative.

As hoped, Stotfold and District Children's Centre CIC has made a surplus of £10,021 which has been gift aided to the academy.

Key performance indicators

The Academy measures its success partly through a series of performance indicators. These indicators comprise:

- Academy popularity/admissions
- SATS results and other indicators of student progress
- Staff performance management
- Financial health
- Staff turnover
- SIP report
- Self evaluation

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

To ensure standards are continually raised, the Academy:

- Operates a programme of lesson observations
- Carries out Half Termly pupil progress meetings
- Operates a programme of learning walks / drop ins
- Operates a programme of performance management / appraisal reviews for Teachers and support staff
- Tracks and tackles underachievement as indicated by a number of measures (for example, by ongoing data analysis at class, year, and key stage levels)
- Employs an external adviser (SIP)
- School Development Plan
- Critical friend Governor challenges and enquiries at FGB meetings, evidence within FGB minutes
- Self Evaluation Document

Our primary objective for 2016-17 was for our children to attain above national figures for reading, writing and mathematics across the school, but specifically at the end of KS1

Our end of KS1 results for 2016 were below local and national levels. This was identified as a major priority and strategies were put in place to improve these results. Actions taken included:

- Detailed analysis of 2016 SATs tests to identify areas of weakness.
- An action plan to address identified weaknesses
- Developed use of assessment against the Interim Framework
- Appointment of a new Year 2 teacher
- Rigorous monitoring of teaching and data analysis to track pupil attainment and progress
- A programme of intervention to support children at risk of not meeting age related expectations
- Purchase of new teaching resources to support reading comprehension

The impact of these actions ensured that end of Key Stage 1 results in 2017 were significantly improved from the previous year, and were above both local and national averages.

	St Mary's 2017		Local Authority 2017		National 2016	
	% of pupils working at expected standard or greater depth	% of pupils working at greater depth	% of pupils working at expected standard or greater depth	% of pupils working at greater depth	% of pupils working at expected standard or greater depth	% of pupils working at greater depth
Reading	83%	23%	79%	33%	74%	24%
Writing	75%	25%	70%	21%	65%	13%
Maths	85%	23%	77%	25%	73%	18%

Work across the school has focussed on improving attainment and progress to exceed local and national averages. Staff have developed their use of assessment to inform their planning to great effect. An established programme of monitoring and evaluation of teaching, learning and planning has ensured that children are making at least expected progress. Results at key assessment points for 2017 have all met our targets.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Foundation Stage

	Good Level of Development (GLD)
St. Mary's	75%
Local Authority	72%
National	69%

Yr 1 Phonics

	% passed
St. Mary's 2017	82%
Local Authority 2017	82%
National 2016	81%

Yr 4 Results

	St Mary's		Local Authority	
	% of pupils working at expected standard or greater depth	% of pupils working at greater depth	% of pupils working at expected standard or greater depth	% of pupils working at greater depth
Reading	87%	43%	82%	37%
Writing	74%	40%	72%	24%
Maths	89%	36%	70%	28%

Key Performance Indicators

The Governors consider that the following are key performance indicators for the Academy Trust:

- Pupils numbers (leading directly to the Education Funding Agency ("EFA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Percentage of income received from EFA spent on total staff costs;
- Income per pupil;
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure per pupil;

The Governors have been pleased that expectations for all key performance indicators listed, have been successfully met during the period.

The Governors receive regular monitoring reports which are reviewed and discussed at the Resources Committee. Continual assessment against policies, aims and financial budgets is undertaken to ensure effective management of grants and funds received.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2016 were 232, St Mary's CE Academy is a popular school and with the continual expansion of Stotfold now starting in the St Mary's catchment area, our numbers are likely to increase significantly

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Another key financial performance indicator is staffing costs as a percentage of total pupil based income. For 2016/17 this was 81.69%.

With regards to pupil numbers, St Mary's CE Academy is in the process of applying to the Secretary of State for an increase in capacity from 240 to 300 pupils. Our staffing costs have risen this year due to our committed staff's longevity. We are mindful of these costs and additionally of the value that our staff bring by ensuring our excellent results year on year. The Governing Body understand the need to monitor these costs and have a fluid five year projection to ensure that the staff can continue to deliver an outstanding education for the pupils by building an effective team to achieve our goals and aspirations while keeping a watchful eye on these costs.

There is an ongoing increase in numbers of pupils entering St Mary's CE Academy with more complex needs and this has required that these needs must be cared for to ensure that the children thrive. The Governing Body are mindful of this and we are developing our staff's skills to support the pupil's needs

Going concern

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

Financial review

The principal source of funding for St Mary's Church of England Academy, Stotfold's income is the General Annual Grant from the Education Funding Agency

For the year ended 31st August 2017, the Trust received £1,036,374 of GAG and other funding. Of this, £182,542 was from trading activities such as school meals, the after school hours club and recharge of costs reclaimed from other site users.

Of the GAG and specific child related income received, the greatest proportion is spent on wages and salaries and support costs to deliver the primary objective of the Academy which is educating the children.

Reserves policy

Under our Funding Agreement with the Secretary of State for Education, St Mary's is no longer subject to a restriction of the General Annual Grant that can be carried forward.

The reserves policy is divided between restricted and unrestricted reserves. Restricted reserves are held for specific projects and purposes and unrestricted reserves are to deal with emergencies and unplanned for events. Unrestricted reserves should be sufficient to cover at least one month's running costs of the Academy.

The balance of restricted reserves excluding the fixed asset and pension reserve at 31st August 2017 is £1,691 and the Unrestricted Reserve balance as at the same date £243,976. The average monthly running cost of the Academy is £101k. The additional Unrestricted Reserves are earmarked to cover the uncertainties in government funding alongside ever increasing staff costs. The school building is currently in good repair but a programme of maintenance and redecoration is in progress.

As with other Academies and Local Authorities, our share of the Local Government Pension Scheme is in deficit and this amounted to £596,000 as at 31st August 2017.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Investment policy and powers

The Academy has looked at investment opportunities but feels there are currently insufficient funds to warrant an Investment Policy at this present time. Interest is currently received on cash in the Bank at a favourable rate and would require a large amount of funds to be invested for a significant period for any benefit to be seen.

Principal risks and uncertainties

There are a number of risks and uncertainties that can impact the performance of the Academy, many of which are beyond the control of the Academy Trust. The main risks that the Academy is exposed to are summarised below. For each of these risks the probability, impact and seriousness are considered at Governor and Senior Leadership Team meetings:-

- **Operational and reputational:** The continuing success of the Academy depends on maintaining the high standing it has in the community together with the friendly, approachable ethos whilst maintaining education of the highest standard. Governors regularly review the aims and ethos of the Academy and ensure that student achievement is closely monitored.
- **Financial:** A material decrease in income could adversely affect provision. All schools are subject to standstill or reducing budgets whilst the costs of providing education, including staff on-costs in the form of Pension and National Insurance contributions are increasing.
- **Staff retention and recruitment:** There is currently little movement in staff from St Mary's but failure to retain key members of the team or recruit high quality staff with the necessary experience and commitment when vacancies occur would be considered a significant risk. Our Academic success depends on this.
- **Safeguarding and Child Protection:** The Governors continue to ensure that the highest standards are maintained and has a link Governor to oversee the operation of child protection policies and procedures, including health & safety and behaviour.
- **Governance and Management:** Failure to effectively manage the Academy's finances, internal controls, compliance with legislation and regulations, statutory returns etc. Governors have undergone training to review their own effectiveness across all areas and using internal and external agents, these risks are mitigated.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Equal Opportunities and Disabled persons policies (Equalities Policy)

The schools policy on equal opportunities outlines the commitment of the staff and Governors of St Mary's Church of England Academy, Stotfold to ensure that equality of opportunity is available to all members of the school community. For our school, this means, not simply treating everybody the same but understanding and tackling the different barriers which could lead to unequal outcomes for different groups of students in the school. It also means celebrating and valuing the equal opportunity achievements and strengths of all members of the school community. These include:-

- Students
- Teaching staff
- Support staff
- Parents/carers
- Community governors
- Multi-agency staff linked to the school
- Visitors to the school
- Students on placement

St Mary's Church of England Academy, Stotfold is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. St Mary's Church of England Academy, Stotfold provides training and development for all its employees, including people with disabilities, tailored where appropriate, to ensure they have the opportunity to achieve their potential. If a St Mary's Church of England Academy, Stotfold employee becomes disabled while in our employment, St Mary's Church of England Academy, Stotfold will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

Employee Information Policy

St Mary's Church of England Academy, Stotfold includes two staff trustees on its board and has the Head Teacher as ex-officio Governor. This ensures that:

- Employees views are taken into account on decisions affecting their interests; and
- There is a common awareness on the part of all employees of all factors that affect the academy's performance.

St Mary's Church of England Academy, Stotfold also undertakes discussions with employees and their unions when making decisions that affect employee interests to ensure that employees views are reflected in decisions made and their interests are protected.

Plans for future periods

Our priority is to continually improve the teaching and learning of the children where we can show increased progress in line with our Good grading from Ofsted. Funds are being spent to support the work of the teaching staff.

With increased capacity in school, we need to maintain the popularity of St Mary's but manage the intake to ensure that financial stability is maintained and affordability of staff and resources is not compromised.

Funds held as custodian trustee on behalf of others

Neither St Mary's Church of England Academy, Stotfold nor any of its Trustees act as custodian trustee.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

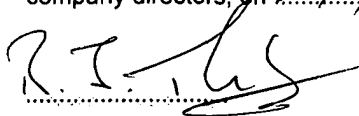
Auditor

In so far as the Trustees are aware:

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

A resolution proposing that Wilkins Kennedy LLP be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20/11/17 and signed on its behalf by:



R Thornley

Co-Chair of Governors

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that St Mary's Church Of England Academy, Stotfold has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Mary's Church Of England Academy, Stotfold 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.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Rev B Britt	4	4
A Matthews (Co-Chair of Governors)	2	4
L Anderson	4	4
S Calver	4	4
A Clarey	4	4
K Pattullo	1	4
D Flanagan	3	4
S Bishop (Accounting Officer)	4	4
R Thornley (Co-Chair of Governors)	3	4
S Steptoe	4	4
A Lyons (Resigned 13 December 2016)	1	1
E Jack (Resigned 31 December 2016)	2	2
J Braithwaite	4	4
S Crone	4	4
E Garside (Appointed 17 April 2017)	1	1

Mr Robert Thornley and Mrs Anna Matthews continued as joint Chair. This has worked well during the year as most meetings have been attended by one of the Chairs. Mrs Sarah Crone has undertaken the Internal Audit role during the year. Mrs Emma Garside joined the Governing Body as a Parent Governor in May 2017.

Governance Overview

- Head's Report for Full Governor Meetings continues to follow the four Ofsted Areas of Achievement, Teaching and Learning, Behaviour and Safety, Leadership and Management. Governors appreciate the clarity of reports and the Ofsted Action Plan is regularly updated and discussed at meetings.
- The Heads Report, Governors Agenda and Minutes have a sharper focus on priorities.
- Matters Arising features towards the end of each meeting as a lot of areas are already on the Agenda allowing the meetings to focus on more current important points. Meetings are more productive and informative.
- Governors now ask more questions and the Clerk incorporates these into the body of all Minutes.
- Governors now attend new parents evenings and other events to liaise with and get to know parents.
- The School Council regularly meets and discusses ideas which they put to staff.
- Learning Walks are more focused and priorities listed on the feedback forms. Governors have spoken to both staff and children about what they are particularly looking at and this has been fed back to other Governors. Book scrutinies have been undertaken.
- Governors together with the Head Teacher monitor the website to ensure this meets requirements.
- Performance Management and teaching staff pay progression has been improved with formal procedures in place.
- An accurate Action Plan is updated regularly with evidence against it on what has been implemented.
- The use and impact of Pupil Premium and Sports Premium are now more closely monitored and records are in place to reflect this.

A Governance review will be undertaken in the Autumn Term 2017.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Resources Committee is a sub-committee of the main board of trustees. The Resources Committee meets at least once a term but more frequent meetings can be arranged if necessary.

The main responsibilities of the Resources Committee are detailed in written terms of reference which have been authorised by the governing body. The main responsibilities include:

- The initial reviews and authorisation of the annual budget;
- The regular monitoring of actual expenditure and income against budget;
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DFE guidance issued to academies;
- Authorising the award of contracts over £10,000;
- Authorising changes to the academy personnel establishment and ensure the school provides a safe educational environment.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Matthews (Co-Chair of Governors)	2	4
L Anderson	4	4
S Calver	2	4
D Flanagan	4	4
S Bishop (Accounting Officer)	4	4
S Steptoe	3	4
S Crone	3	4

Review of value for money

As accounting officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

Improving educational results:

- Teaching staff performance targets have focused on raising attainment and improving the quality of teaching, which has led to improved standards and results.
- Teaching Assistants are tasked with ensuring they are aware of all vulnerable groups and how to support them, alongside their peers.

Focus on individual pupils:

- Across both Key Stages, additional support is still given in small group settings for children of all capabilities covering those with SEN and more able children.
- Pupil Premium children all have individualised education plans and their progress and attainment is tracked.
- Half termly pupil progress meetings are held between staff and Senior Leadership team to monitor individual pupil performance.
- Both our Safeguarding and SEN lead staff are given additional time to attend meetings and undertake their additional workload to ensure children receive any support that is available from the appropriate authorities.

Better income generation and on site activity monitoring:

- Income owed to us is recovered. Our only current letting is for the Meeting Room which is hired out occasionally for Health & Safety training.
- The After School Hours Club and Children's Centre are invoiced regularly to recoup full costs of utility expenditure incurred by the academy on their behalf.
- The After School Hours Club provides term time provision only which is very successful and the Club made a very modest profit during the year. INSET days have limited uptake so are covered in conjunction with Premier Sport.

The purpose of the system of internal control

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

Capacity to handle risk

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The risk and control framework

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

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

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

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

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

- testing of payroll systems
- testing of purchase systems
- testing of bank reconciliations
- testing of income sources through to banking and reconciliation
- testing of petty cash system and processes
- testing of Business Charge card expenditure

The original Reviewer unfortunately did not complete her report for the Resources Committee however the new Reviewer completed the report and will arrange a date to complete her next checks once the year end formalities are complete.

Review of effectiveness

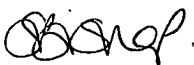
As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the Board of Trustees on 20/11/17 and signed on its behalf by:



A Matthews
Co-Chair of Governors



S Bishop
Accounting Officer

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2017

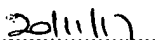
As accounting officer of St Mary's Church of England Academy, Stotfold I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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's 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.



S Bishop
Accounting Officer


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ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

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

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

In preparing these accounts, the Trustees are required to:


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

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

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

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

Approved by order of the Board of Trustees on 20/11/17 and signed on its behalf by:


R Thornley
Co-Chair of Governors

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD (CONTINUED)

Opinion

We have audited the consolidated financial statements of St Mary's Church of England Academy, Stotfold (the 'academy trust') and its subsidiary (the 'group') for the year ended 31 August 2017 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated statement of cash flows and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion, the consolidated financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the consolidated financial statements is not appropriate; or
- the Trustees have not disclosed in the consolidated financial statements any identified material uncertainties that may cast significant doubt about the group's or 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 consolidated 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 consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD (CONTINUED)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Trustees are responsible for assessing the group's and 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 group or the academy trust or to cease operations, or have no realistic alternative but to do so.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD (CONTINUED)

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

Use of our report

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



Mandy Wilson FCA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP

Chartered Accountants
Statutory Auditor
5 Yeomans Court
Ware Road
Hertford
Hertfordshire
SG13 7HJ

Dated: 8th December 2017

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 May 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Mary's Church of England Academy, Stotfold during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Mary's Church of England Academy, Stotfold's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Mary's Church of England Academy, Stotfold's funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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

Wilkins Kennedy LLP

Reporting Accountant

Wilkins Kennedy LLP
5 Yeomans Court
Ware Road
Hertford
Hertfordshire
SG13 7HJ

Dated: *8th December 2017*

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted funds:		Total 2017	Total 2016 as restated
	Notes	£	General	Fixed asset	£	£
Income and endowments from:						
Donations and capital grants	3	4,728	-	38,917	43,645	140,399
Charitable activities:						
- Funding for educational operations	4	-	1,172,301	-	1,172,301	1,161,187
Other trading activities	5	148,352	10,011	-	158,363	132,560
Investments	6	518	-	-	518	1,400
Total income and endowments		153,598	1,182,312	38,917	1,374,827	1,435,546
Expenditure on:						
Raising funds	7	-	8,004	-	8,004	10,375
Charitable activities:						
- Educational operations	8	113,088	1,123,173	35,674	1,271,935	1,158,356
- Cost of other activities	7	-	114,499	-	114,499	114,781
Total expenditure	7	113,088	1,245,676	35,674	1,394,438	1,283,512
Net income/(expenditure)		40,510	(63,364)	3,243	(19,611)	152,034
Transfers between funds		-	(35,918)	35,918	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	278,000	-	278,000	(337,000)
Net movement in funds		40,510	178,718	39,161	258,389	(184,966)
Reconciliation of funds						
Total funds brought forward		169,264	(721,617)	323,856	(228,497)	(43,531)
Total funds carried forward		209,774	(542,899)	363,017	29,892	(228,497)

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

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

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2016		Funds	General	Fixed asset	2016
As restated	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	9,405	-	130,994	140,399
Charitable activities:					
- Funding for educational operations	4	-	1,029,039	-	1,029,039
- Other trading activities	5	78,872	53,688	-	132,560
- Other incoming resources	5	-	132,148	-	132,148
- Investments	6	1,400	-	-	1,400
Total income and endowments		89,677	1,214,875	130,994	1,435,546
Expenditure on:					
Raising funds	7	-	10,375	-	10,375
Charitable activities:					
- Educational operations	8	46,198	1,081,613	30,545	1,158,356
- Cost other activities	7	-	114,781	-	114,781
Total expenditure	8	46,198	1,206,769	30,545	1,283,512
Net income		43,479	8,106	100,449	152,034
Transfers between funds		-	(154,670)	154,670	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	22	-	(337,000)	-	(337,000)
Net movement in funds		43,479	(483,564)	255,119	(184,966)
Reconciliation of funds					
Total funds brought forward		125,785	(238,053)	68,737	(43,531)
Total funds carried forward		169,264	(7,221,617)	323,856	(228,497)

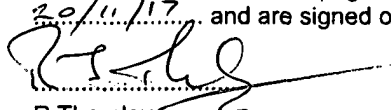
ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2017

		2017		2016 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		363,017		323,856
			<u>363,017</u>		<u>323,856</u>
Current assets					
Stocks	14	2,353		4,746	
Debtors	15	40,260		49,701	
Cash at bank and in hand		307,062		288,233	
		<u>349,675</u>		<u>342,680</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(79,300)		(104,033)	
Net current assets			<u>270,375</u>		<u>238,647</u>
Total assets less current liabilities			633,392		562,503
Creditors: amounts falling due after more than one year	17		(7,500)		-
Net assets excluding pension liability			625,892		562,503
Defined benefit pension liability	22		(596,000)		(791,000)
Net assets			<u>29,892</u>		<u>(228,497)</u>
Funds of the Academy Trust:					
Restricted funds	20				
- Fixed asset funds			363,017		323,856
- Restricted income funds			53,101		69,383
- Pension reserve			(596,000)		(791,000)
Total restricted funds			<u>(179,882)</u>		<u>(397,761)</u>
Unrestricted income funds	20		<u>209,774</u>		<u>169,264</u>
Total funds			<u>29,892</u>		<u>(228,497)</u>

The accounts set out on pages 32 to 65 were approved by the Board of Trustees and authorised for issue on 20/11/17 and are signed on its behalf by:


R Thornley
Co-Chair of Governors

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

ACADEMY BALANCE SHEET

AS AT 31 AUGUST 2017

		2017	2016
	Notes	£	as restated £
Fixed assets			
Tangible assets	12	360,851	322,659
Investments	13	1	1
		<u>360,852</u>	<u>322,660</u>
Current assets			
Stocks	14	2,353	4,746
Debtors	15	51,087	56,517
Cash at bank and in hand		<u>256,427</u>	<u>252,694</u>
		309,867	313,957
Current liabilities			
Creditors: amounts falling due within one year	16	<u>(56,701)</u>	<u>(91,339)</u>
Net current assets		<u>253,166</u>	<u>222,618</u>
Total assets less current liabilities		<u>614,018</u>	<u>545,278</u>
Creditors: amounts falling due after more than one year	17	<u>(7,500)</u>	-
Net assets excluding pension liability		<u>606,518</u>	<u>545,278</u>
Defined benefit pension liability	22	<u>(596,000)</u>	<u>(791,000)</u>
Net assets		<u>10,518</u>	<u>(245,722)</u>
Funds of the Academy Trust:			
Restricted funds	20		
- Fixed asset funds		360,851	322,659
- Restricted income funds		1,691	52,158
- Pension reserve		<u>(596,000)</u>	<u>(791,000)</u>
Total restricted funds		<u>(233,458)</u>	<u>(416,183)</u>
Unrestricted income funds	20	<u>243,976</u>	<u>170,461</u>
Total funds		<u>10,518</u>	<u>(245,722)</u>

The accounts set out on pages 32 to 65 were approved by the Board of Trustees and authorised for issue on 20/11/17 and are signed on its behalf by:


R Thornley
Co-Chair of Governors

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	23		56,583		142,039
Cash flows from investing activities					
Dividends, interest and rents from investments		518		1,400	
Capital grants from DfE and EFA		27,404		130,994	
Capital funding from sponsors and others		11,513		-	
Payments to acquire tangible fixed assets		(77,190)		(286,118)	
			(37,755)		(153,724)
Change in cash and cash equivalents in the reporting period			18,828		(11,685)
Cash and cash equivalents at 1 September 2016			288,233		299,918
Cash and cash equivalents at 31 August 2017			307,062		288,233

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

St Mary's Church of England Academy, Stotfold is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

1.1 Basis of preparation

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

St Mary's Church of England Academy, Stotfold meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Basis of consolidation

The accounts consolidate on a line by line basis the results of the academy and Stotfold and District Children's Centre CIC. A separate statement of financial activity and income and expenditure for the academy is not preserved because the academy has taken advantage of the exemptions afforded by the Companies Act 2006 and paragraph 397 of the SORP.

1.4 Income

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

Grants receivable

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

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

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

1.6 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The Academy Trust occupies land and buildings at Rook Tree Lane, Stotfold, part of which are owned by the Diocese of St Albans. The Academy Trust occupies the land and buildings under a licence on the same basis as when it was a maintained school. The continuing permission of the Diocesan Trustees is pursuant to and subject to the Trustees' charitable objects and is part of the Church of England's commitment to provide state funded education in partnership with the state. Under the terms of an agreement between the Secretary of State and the Academy Trust the Diocesan Trustees will give the Academy Trust not less than two years' notice to terminate the occupation of the land and buildings. The Governors have concluded that the value of land and buildings occupied by the Academy Trust should not be recognised in the balance sheet as the Diocese of St Albans has the right to consent to works, including capital works. The Governors have therefore concluded that the academy Trust does not have control as defined by the Academies Accounts Direction 2016 to 2017.

Moreover, the Governors have decided not to account for the Academy Trust's occupancy of the land and buildings by means of a notional annual rental charge in the accounts, offset by income from a notional annual donation or gift of equivalent value from the Diocesan Trustees as owners of the freehold interest. The Governors have been unable to identify any objective method for calculating such a notional rent. The School playing fields are leased from the Local Authority over a period of 125 years and have therefore been included in fixed assets but not depreciated.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land and buildings	2% on buildings only. Land is not depreciated
Computer equipment	25% & 5%
Fixtures, fittings & equipment	25%

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

1.7 Liabilities

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

1.8 Leasing commitments

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

1.9 Investments

The academy's shareholding in the wholly owned subsidiary, Stotfold and District Children's Centre CIC, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

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. 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 cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Stock

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

1.12 Taxation

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

1.13 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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

1.14 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/donor and include grants from the Education and Skills Funding Agency and the Department for Education.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 judgement

There are no critical areas of judgement.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Donations and capital grants - Group

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donated fixed assets	-	11,513	11,513	-
Capital grants	-	27,404	27,404	130,994
Other donations	4,728	-	4,728	9,405
	<u>4,728</u>	<u>38,917</u>	<u>43,645</u>	<u>140,399</u>

Donations and capital grants - Academy

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donated fixed assets	-	11,513	11,513	-
Capital grants	-	27,404	27,404	130,994
Other donations	14,751	-	14,751	16,611
	<u>14,751</u>	<u>38,917</u>	<u>53,668</u>	<u>147,605</u>

4 Funding for the Academy Trust's educational operations – Group

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	870,436	870,436	860,235
Other DfE / ESFA grants	-	97,757	97,757	75,246
	<u>-</u>	<u>968,193</u>	<u>968,193</u>	<u>935,481</u>
Other government grants				
Local authority grants	-	204,108	204,108	194,854
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other funds				
Other incoming resources	-	-	-	30,852
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funding	<u>-</u>	<u>1,172,301</u>	<u>1,172,301</u>	<u>1,161,187</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Funding for the Academy Trust's educational operations – Academy

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	870,436	870,436	860,235
Other DfE / ESFA grants	-	97,757	97,757	75,246
	<u>-</u>	<u>968,193</u>	<u>968,193</u>	<u>935,481</u>
Other government grants				
Local authority grants	-	68,181	68,181	62,706
	<u>-</u>	<u>68,181</u>	<u>68,181</u>	<u>62,706</u>
Other funds				
Other incoming resources	-	-	-	30,852
	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,852</u>
Total funding	<u>-</u>	<u>1,036,374</u>	<u>1,036,374</u>	<u>1,029,039</u>

5 Other trading activities - Group

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Catering income	63,965	-	63,965	63,179
Hire of facilities	-	-	-	1,020
Trip income	-	10,011	10,011	10,683
Other income	84,387	-	84,387	57,678
	<u>148,352</u>	<u>10,011</u>	<u>158,363</u>	<u>132,560</u>

Other trading activities - Academy

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Catering income	63,965	-	63,965	63,179
Hire of facilities	-	-	-	1,020
Trip income	-	10,011	10,011	10,683
Other income	108,566	-	108,566	63,229
	<u>172,531</u>	<u>10,011</u>	<u>182,542</u>	<u>138,111</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

6	Investment income – Group and Academy				
		Unrestricted funds	Restricted funds	Total 2017	Total 2016
		£	£	£	£
	Short term deposits	518	-	518	1,400
7	Expenditure -Group				
		Staff costs	Premises & equipment	Other costs	Total 2017
		£	£	£	Total 2016
					£
	Children's centre	99,196	833	14,470	114,499
	Expenditure on raising funds	-	-	8,004	8,004
	Academy's educational operations				10,375
	- Direct costs	614,745	5,000	58,552	678,297
	- Allocated support costs	346,493	128,299	118,846	593,638
	Total expenditure	1,060,434	134,132	199,872	1,394,438
	Expenditure -Academy				
		Staff costs	Premises & equipment	Other costs	Total 2017
		£	£	£	Total 2016
					£
	Expenditure on raising funds	-	-	8,004	8,004
	Academy's educational operations				10,375
	- Direct costs	614,745	5,000	58,552	678,297
	- Allocated support costs	346,493	128,299	118,846	593,638
		961,238	133,299	185,402	1,279,939
	Expenditure -Group				
	Net income/(expenditure) for the year includes:			2017	2016
				£	£
	Fees payable to auditor for:				
	- Audit			6,975	7,500
	- Other services			2,150	-
	Operating lease rentals			1,617	-
	Depreciation of tangible fixed assets			38,028	30,999
	Net interest on defined benefit pension liability			17,000	16,000

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities – Group and Academy

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Direct costs - educational operations	-	678,297	678,297	649,655
Support costs - educational operations	113,088	480,550	593,638	508,701
	<u>113,088</u>	<u>1,158,847</u>	<u>1,271,935</u>	<u>1,158,356</u>
Analysis of costs			2017	2016
			£	£
Direct costs				
Teaching and educational support staff costs			607,989	590,636
Staff development			6,756	10,615
Depreciation and amortisation			5,000	5,000
Educational supplies and services			58,552	43,404
			<u>678,297</u>	<u>649,655</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities

Support costs

Support staff costs	346,493	293,706
Depreciation and amortisation	33,026	25,545
Technology costs	-	(1,035)
Maintenance of premises and equipment	58,871	27,196
Cleaning	1,864	926
Energy costs	16,473	21,793
Rent and rates	11,294	4,902
Insurance	8,154	12,693
Catering	43,459	45,001
Finance costs	17,000	16,000
Other support costs	24,935	36,363
Governance costs	32,069	25,611
	<u>593,638</u>	<u>508,701</u>

9 Staff costs – Group

	2017 £	2016 £
Wages and salaries	776,761	786,621
Social security costs	57,358	47,865
Pension costs	203,674	137,443
	<u>1,037,793</u>	<u>971,929</u>
Staff costs	1,037,793	971,929
Supply staff costs	10,070	-
Staff development and other staff costs	12,571	22,253
	<u>1,060,434</u>	<u>994,182</u>
Total staff expenditure	1,060,434	994,182

Staff costs - Academy

	2017 £	2016 £
Wages and salaries	698,846	708,556
Social security costs	52,560	44,147
Pension costs	187,191	120,001
	<u>938,597</u>	<u>971,929</u>
Staff costs	938,597	971,929
Supply staff costs	10,070	-
Staff development and other staff costs	12,571	22,253
	<u>961,238</u>	<u>894,957</u>
Total staff expenditure	961,238	894,957

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017

Staff numbers – Group and Academy

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

	2017 Number	2016 Number
Teachers	8	9
Administration and support	34	46
Management	2	2
Children's Centre	7	2
	<hr/>	<hr/>
	51	59
	<hr/>	<hr/>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

The number of persons employed, expressed as a full time equivalent, was as follows:

	2017 Number	2016 Number
Teachers	8	8
Administration and support	17	17
Management	2	2
Children's Centre	3	2
	<u>30</u>	<u>29</u>

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £208,064 (2016: £247,474).

10 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

S Bishop (Headteacher and Governor)

Remuneration £55,000-£60,000 (2016: £50,000-£55,000)

Employer Pension Contributions £5,000-£10,000 (2016: £5,000-£10,000)

K Pattullo and D Flanagan (2016: K Pattullo, S May and D Flanagan) (Staff Governors)

Remuneration £49,484 (2016: £97,208)

Employer Pension Contributions £8,941 (2016: £16,243)

During the period no trustee expenses were reimbursed.

11 Trustees and officers insurance

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets - Group

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2016	268,500	64,843	82,337	415,680
Additions	11,513	62,403	3,274	77,190
	<u>280,013</u>	<u>127,246</u>	<u>85,611</u>	<u>492,870</u>
At 31 August 2017				
Depreciation				
At 1 September 2016	20,000	31,972	39,852	91,824
Charge for the year	5,000	15,117	17,911	38,028
	<u>25,000</u>	<u>47,089</u>	<u>57,764</u>	<u>129,853</u>
At 31 August 2017				
Net book value				
At 31 August 2017	<u>255,013</u>	<u>80,157</u>	<u>27,847</u>	<u>363,017</u>
At 31 August 2016	<u>248,500</u>	<u>32,871</u>	<u>42,485</u>	<u>323,856</u>

Land and buildings addition relate to a portion of land which was gifted to the Academy by the Local Authority.

Included in cost of land and buildings is land of £30,013 which has not been depreciated.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets - Academy

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2016	268,500	64,843	80,812	414,155
Additions	11,513	62,403	919	74,835
At 31 August 2017	280,013	127,246	81,731	488,990
Depreciation				
At 1 September 2016	20,000	31,972	39,524	91,496
Charge for the year	5,000	15,117	16,526	36,643
At 31 August 2017	25,000	47,089	56,050	128,139
Net book value				
At 31 August 2017	255,013	80,157	25,681	360,851
At 31 August 2016	248,500	32,871	41,288	322,659

Land and buildings addition relate to a portion of land which was gifted to the Academy by the Local Authority.

Included in cost of land and buildings is land of £30,013 which has not been depreciated.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

13 Stotfold and District Children's Centre CIC

Included within the consolidated accounts is the Stotfold and District Children's Centre, Company number 07996433, a Community Interest Company, of which the St Mary's Church of England Academy, Stotfold is the sole member. The Children's Centre carry out the operation of the Children's Sure Start Centre on behalf of the Academy.

	2017 £	2016 £
Grants received	135,927	132,148
Wages	(99,196)	(99,225)
Resources for primary purposes	(35,898)	(27,904)
Premises expenditure	(833)	(409)
	<u>-</u>	<u>4,610</u>

The assets and liabilities of Stotfold and District Children's Centre CIC as at 31 August 2017: were:

	£	£
Fixed assets	2,166	1,197
Debtors	394	390
Bank	50,635	35,539
Creditors	(35,969)	(19,900)
Net Funds	<u>17,226</u>	<u>17,226</u>

14 Stocks – Group and Academy

	2017 £	2016 £
Other stock	<u>2,353</u>	<u>4,746</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

15 Debtors – Group	2017 £	2016 £
Trade debtors	-	-
VAT recoverable	8,365	35,650
Other debtors	2,541	-
Prepayments and accrued income	29,354	14,051
	<u>40,260</u>	<u>49,701</u>

15 Debtors - Academy	2017 £	2016 £
Trade debtors	-	7,206
VAT recoverable	8,365	35,650
Other debtors	13,368	-
Prepayments and accrued income	29,354	13,661
	<u>51,087</u>	<u>56,517</u>

16 Creditors: amounts falling due within one year - Group	2017 £	2016 £
Trade creditors	9,043	4,319
Other creditors	5,886	13,548
Accruals and deferred income	64,371	86,166
	<u>79,300</u>	<u>104,033</u>

Included within other creditors due within one year is a loan of £3,000 from the ESFA under the Condition Improvement Fund. No interest is payable on the loan.

Creditors: amounts falling due within one year - Academy	2017 £	2016 £
Trade creditors	8,557	3,738
Other creditors	5,886	13,548
Accruals and deferred income	42,258	74,053
	<u>56,701</u>	<u>91,339</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17	Creditors: amounts falling due after more than one year Group and Academy	2017	2016
		£	£
	Other creditors	7,500	-
		<u>7,500</u>	<u>-</u>
	Included within other creditors due in more than one year is a loan of £7,500 from the ESFA under the Condition Improvement Fund. No interest is payable on the loan. The loan is repayable in six monthly instalments of £1,500.		
18	Deferred income – Group	2017	2016
		£	£
	Deferred income is included within:		
	Creditors due within one year	50,446	77,466
		<u>50,446</u>	<u>77,466</u>
	Deferred income at 1 September 2016	77,466	39,849
	Released from previous years	(77,466)	(39,849)
	Amounts deferred in the year	50,446	77,466
		<u>50,446</u>	<u>77,466</u>
	Deferred income at 31 August 2017	50,446	77,466
		<u>50,446</u>	<u>77,466</u>
	Deferred income - Academy	2017	2016
		£	£
	Deferred income is included within:		
	Creditors due within one year	29,533	66,553
		<u>29,533</u>	<u>66,553</u>
	Deferred income at 1 September 2016	66,553	28,934
	Released from previous years	(66,553)	(28,934)
	Amounts deferred in the year	29,533	66,553
		<u>29,533</u>	<u>66,553</u>
	Deferred income at 31 August 2017	29,533	66,553
		<u>29,533</u>	<u>66,553</u>

At the balance sheet date the academy was holding funds received in advance for free school meals.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Financial instruments – Group and Academy

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	13,368	7,206
Carrying amount of financial liabilities		
Measured at amortised cost	34,668	24,786
Loan commitments measured at cost less impairment	10,500	-

20 Funds – Group

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	870,436	(829,917)	(38,828)	1,691
Other DfE / ESFA grants	-	97,757	(100,667)	2,910	-
Other government grants	-	68,181	(68,181)	-	-
Children's Centre	29,982	135,927	(114,499)	-	51,410
Other restricted funds	39,401	10,011	(49,412)	-	-
Funds excluding pensions	69,383	1,182,312	(1,162,676)	(35,918)	53,101
Pension reserve	(791,000)	-	(83,000)	278,000	(596,000)
	(721,617)	1,182,312	(1,245,676)	242,082	(542,899)
Restricted fixed asset funds					
DfE / ESFA capital grants	323,856	38,917	(35,674)	35,918	363,017
	323,856	38,917	(35,674)	35,918	363,017
Total restricted funds	(397,761)	1,221,229	(1,281,350)	278,000	(179,882)
Unrestricted funds					
General funds	169,264	153,598	(113,088)	-	209,774
Total funds	(228,497)	1,374,827	(1,394,438)	278,000	29,892

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy. 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.

Other DfE/ESFA grants: This includes pupil premium and sports funding.

Transfer between funds: this relates to the purchase of fixed assets in the year.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Funds –Academy

	Balance at 1 September 2016	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2017
	£	£	£	£	£
Restricted general funds					
General Annual Grant	-	870,436	(829,917)	(38,828)	1,691
Other DfE / ESFA grants	-	97,757	(100,667)	2,910	-
Other government grants	-	68,181	(68,181)	-	-
Other restricted funds	52,158	10,011	(62,169)	-	-
	<u>52,158</u>	<u>1,046,385</u>	<u>(1,060,934)</u>	<u>(35,918)</u>	<u>1,691</u>
Funds excluding pensions	52,158	1,046,385	(1,060,934)	(35,918)	1,691
Pension reserve	(791,000)	-	(83,000)	278,000	(596,000)
	<u>(738,842)</u>	<u>1,046,385</u>	<u>(1,143,934)</u>	<u>242,082</u>	<u>(594,309)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	322,660	38,917	(36,643)	35,918	360,852
	<u>322,660</u>	<u>38,917</u>	<u>(36,643)</u>	<u>35,918</u>	<u>360,852</u>
Total restricted funds	<u>(416,182)</u>	<u>1,085,302</u>	<u>(1,180,577)</u>	<u>278,000</u>	<u>(233,457)</u>
Unrestricted funds					
General funds	170,460	187,800	(114,285)	-	243,975
	<u>170,460</u>	<u>187,800</u>	<u>(114,285)</u>	<u>-</u>	<u>243,975</u>
Total funds	<u>(245,722)</u>	<u>1,273,102</u>	<u>(1,294,862)</u>	<u>278,000</u>	<u>10,518</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Funds - Group

Movements in funds - previous year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	54,884	860,235	(761,646)	(153,473)	-
Other DfE / ESFA grants	-	75,246	(75,246)	-	-
Other government grants	-	62,706	(62,706)	-	-
Children's Centre	12,615	132,148	(114,781)		29,982
Other restricted funds	108,448	84,540	(153,587)	-	39,401
	<u>175,947</u>	<u>1,214,875</u>	<u>(1,167,996)</u>	<u>(153,473)</u>	<u>69,383</u>
Funds excluding pensions					
Pension reserve	(414,000)	-	(40,000)	(337,000)	(791,000)
	<u>(238,053)</u>	<u>1,214,875</u>	<u>(1,207,966)</u>	<u>(490,473)</u>	<u>(721,617)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	68,737	130,994	(30,545)	154,670	323,856
	<u>68,737</u>	<u>130,994</u>	<u>(30,545)</u>	<u>154,670</u>	<u>323,856</u>
Total restricted funds	<u>(169,316)</u>	<u>1,345,869</u>	<u>(1,238,511)</u>	<u>(335,803)</u>	<u>(397,761)</u>
Unrestricted funds					
General funds	125,785	89,677	(45,001)	(1,197)	169,264
Total funds	<u>(43,531)</u>	<u>1,435,546</u>	<u>(1,283,512)</u>	<u>(337,000)</u>	<u>(228,497)</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Funds - Academy

Movements in funds - previous year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	54,884	860,235	(761,646)	(153,473)	-
Other DfE / ESFA grants	-	75,246	(75,246)	-	-
Other government grants	-	62,706	(62,706)	-	-
Other restricted funds	108,448	97,297	(153,587)	-	52,158
	<u>163,332</u>	<u>1,095,484</u>	<u>(1,053,185)</u>	<u>(153,473)</u>	<u>52,158</u>
Funds excluding pensions	(414,000)	-	(40,000)	(337,000)	(791,000)
	<u>(250,668)</u>	<u>1,095,484</u>	<u>(1,093,185)</u>	<u>(490,473)</u>	<u>(738,842)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	70,822	130,994	(32,629)	153,473	322,660
	<u>70,822</u>	<u>130,994</u>	<u>(32,629)</u>	<u>153,473</u>	<u>322,660</u>
Total restricted funds	<u>(179,846)</u>	<u>1,226,478</u>	<u>(1,125,814)</u>	<u>(337,000)</u>	<u>(416,182)</u>
Unrestricted funds					
General funds	125,785	89,677	(45,002)	-	170,460
	<u>125,785</u>	<u>89,677</u>	<u>(45,002)</u>	<u>-</u>	<u>170,460</u>
Total funds	<u>(54,061)</u>	<u>1,316,155</u>	<u>(1,170,816)</u>	<u>(337,000)</u>	<u>(245,722)</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Analysis of net assets between funds - Group

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	363,017	363,017
Current assets	209,774	139,901	-	349,675
Creditors falling due within one year	-	(79,300)	-	(79,300)
Creditors falling due after one year	-	(7,500)	-	(7,500)
Defined benefit pension liability	-	(596,000)	-	(596,000)
	<u>209,774</u>	<u>(542,899)</u>	<u>363,017</u>	<u>29,892</u>

21 Analysis of net assets between funds - Academy

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	360,851	360,851
Fixed asset investments	-	-	1	1
Current assets	243,975	65,892	-	309,867
Creditors falling due within one year	-	(56,701)	-	(56,701)
Creditors falling due after one year	-	(7,500)	-	(7,500)
Defined benefit pension liability	-	(596,000)	-	(596,000)
	<u>243,975</u>	<u>(594,309)</u>	<u>360,852</u>	<u>10,518</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Analysis of net assets between funds - Group

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	323,856	323,856
Current assets	169,264	134,013	39,403	342,680
Creditors falling due within one year	-	(64,630)	(39,403)	(104,033)
Defined benefit pension liability	-	(791,000)	-	(791,000)
	<u>169,264</u>	<u>(721,617)</u>	<u>323,856</u>	<u>(228,497)</u>

21 Analysis of net assets between funds - Academy

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	322,659	322,659
Fixed asset investments	-	-	1	1
Current assets	170,460	104,093	39,404	313,957
Creditors falling due within one year	-	(51,935)	(39,404)	(91,339)
Defined benefit pension liability	-	(791,000)	-	(791,000)
	<u>170,460</u>	<u>(738,842)</u>	<u>323,660</u>	<u>(245,722)</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

22 Pensions and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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.

22 Pensions and similar obligations

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £58,750 (2016: £58,578).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

22 Pensions and similar obligations

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below.

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

Total contributions made	2017 £	2016 £
Employer's contributions	83,000	77,000
Employees' contributions	22,000	21,000
Total contributions	105,000	98,000

Principal actuarial assumptions	2017 %	2016 %
Rate of increases in salaries	2.7	3.1
Rate of increase for pensions in payment	2.4	2.1
Discount rate	2.5	2.1

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

22 Pensions and similar obligations

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

	2017 Years	2016 Years
Retiring today		
- Males	22.4	22.4
- Females	24.5	24.3
Retiring in 20 years		
- Males	24	24.4
- Females	26.2	26.8

Scheme liabilities would have been affected by changes in assumptions as follows:

The Academy Trust's share of the assets in the scheme	2017 Fair value £	2016 Fair value £
Equities	650,940	734,580
Bonds	171,300	95,400
Property	102,780	28,620
Other assets	216,980	95,400
Total market value of assets	1,142,000	954,000
Actual return on scheme assets - gain/(loss)	88,000	132,000
Amounts recognised in the statement of financial activities	2017 £	2016 £
Current service cost	149,000	101,000
Interest income	(21,000)	(30,000)
Interest cost	38,000	46,000
Total operating charge	166,000	117,000

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

22 Pensions and similar obligations

Changes in the present value of defined benefit obligations	2017 £	2016 £
Obligations at 1 September 2016	1,745,000	1,147,000
Current service cost	149,000	101,000
Interest cost	38,000	46,000
Employee contributions	22,000	21,000
Actuarial (gain)/loss	(211,000)	439,000
Benefits paid	(5,000)	(9,000)
At 31 August 2017	<u>1,738,000</u>	<u>1,745,000</u>

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

	2017 £	2016 £
Assets at 1 September 2016	954,000	733,000
Interest income	21,000	30,000
Actuarial gain	67,000	102,000
Employer contributions	83,000	77,000
Employee contributions	22,000	21,000
Benefits paid	(5,000)	(9,000)
At 31 August 2017	<u>1,142,000</u>	<u>954,000</u>

23 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2017 £	2016 £
Net (expenditure)/income for the reporting period	(19,611)	152,034
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(38,917)	(130,994)
Investment income receivable	(518)	(1,400)
Defined benefit pension costs less contributions payable	66,000	24,000
Defined benefit pension net finance cost	17,000	16,000
Depreciation of tangible fixed assets	38,028	30,999
Decrease/(increase) in stocks	2,393	(3,058)
Decrease in debtors	9,441	11,822
(Decrease)/increase in creditors	(17,232)	42,636
Net cash provided by operating activities	<u>56,583</u>	<u>142,039</u>

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

24 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	2,116	559
Amounts due in two and five years	3,174	-
	<u>5,290</u>	<u>559</u>

25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

The following related party transactions took place during the year:

Streets Process Colour Print and Design Limited - a company in which J Street (member) is a close family member of a director.

The academy purchased goods amounting to £727. There was no balance outstanding at the year end.

G Flanagan, who is the son of a Trustee, was employed by the academy as a cleaner and was paid a total of £355. His pay was in line with standard pay rates used by the Academy.

In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2016

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

ST MARY'S CHURCH OF ENGLAND ACADEMY, STOTFOLD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

27 Prior period adjustment - Group

		1 September 2015 £	31 August 2016 £
Reconciliation of funds	Notes		
Funds as previously reported		3,057,777	2,822,728
Adjustments arising:			
Land and buildings adjustment	1	(3,101,308)	(3,051,225)
Funds as restated		<u>(43,531)</u>	<u>(228,497)</u>
Reconciliation of net income for the previous financial period	Notes		2016 £
Net income as previously reported			101,951
Adjustments arising:			
Land and buildings adjustment	1		<u>50,083</u>
Net income as restated			<u>152,034</u>

Notes to restatement

1

A prior year adjustment has been processed to remove Church Land and Buildings from the Academy's Balance Sheet.

The Governors have concluded that the value of land and buildings occupied by the Academy Trust should not be recognised in the balance sheet as the Diocese of St Albans has the right to consent to works, including capital works. The Governors have therefore concluded that the academy Trust does not have control as defined by the Academies Accounts Direction 2016 to 2017. For further details please see accounting policy note 1.5.