

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018



BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members

Mr T Newstead
Mrs J Pickup
Mr I Cornelius

Trustees

Mr J Jones, Head Teacher^{1,2,3,4}
Professor A Gibbons, Chair of Governors (resigned 1 November 2017)¹
Mr G Hyland, Vice Chair of Governors (to 1 November 2017) then Chair of
Governors (from 1 November 2017)^{1,2}
Ms V Browning, Staff Governor³
Ms F Formby, Community Governor^{2,4}
Mr J Moore, Staff Governor (resigned 15 September 2017)^{2,3}
Ms S Oughton, Staff Governor³
Mrs J Pickup, Authority Governor^{1,4}
Mrs K Pulham, Community Governor⁴
Mr D Souch, Parent Governor^{2,3}
Mr T Williams, Parent Governor¹
PC S Crawford, Community Governor¹
Mr S Gurmin, Parent Governor^{1,4}
Mrs J Kilbey, Staff Governor
Mrs A Roberts, Parent Governor
Mr R Webster, Parent Governor
Mrs S Ward, Clerk to the Governors

¹ Curriculum Committee

² Finance Committee

³ Premises Committee

⁴ Staff & Pupils Committee

Company registered number

08321599

Company name

Bourton-on-the-Water Primary Academy

Principal and registered office

School Hill, Bourton-on-the Water, Cheltenham, Gloucestershire, GL54 2AW

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Company secretary

Mrs K Franklin (to March 18)
Mrs A Wilks (From March 18)

Accounting officer

Mr J Jones

Key Management Personnel

Mr J Jones, Headteacher
Mr J Moore, Deputy Headteacher (seconded)
Mrs L Connor, Deputy Headteacher
Miss N Salmon, Senior Leader
Ms J Cooper, Pre School OSC Manager
Mrs K Franklin, School Business Manager (to March 18)
Mrs A Wilks, School Business Manager (from March 18)

Independent auditors

Randall & Payne LLP, Chargrove House, Shurdington Road, Shurdington, Cheltenham, Gloucestershire,
GL51 4GA

Bankers

Lloyds Bank Plc, High Street, Moreton-in-Marsh, Gloucestershire, GL56 0AY

Solicitors

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

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

Chairmans's Statement
For the year ended 31 August 2018

The school has had another fantastic year and our results at the end of the academic year reflect the hard work of our staff and pupils both in and out of the classroom.

A key focus for the year was for more of our pupils to attain greater depth in Reading, Writing and Maths. We were delighted to see evidence of this in our SATs results which placed our pupils at or well above the national averages for the numbers of pupils working at greater depth in those subjects; a big improvement. Our SATs results have continued the upward trend of recent years in progress and attainment; across the entire curriculum our results are above the national averages for KS2. Our work on KS1 phonics has also produced results where pupils behind the curve on arriving at our school have caught up by the end of KS1 and our phonics scores at the end of Y2 are above the national average.

The Real Schools Guide ranked us in the top 5% of all Primary Schools in January 2018 nationally across a range of measures, which further validated our results and approach.

The school continues to live the CARE philosophy. The nurture hub enables us to support pupils who are finding school challenging in a supportive environment and our tight focus on pupil groups requiring additional support in reading and writing means no pupil is ever left behind.

The school has also finally seen the results of recent work to improve facilities. Work commenced just before Christmas to begin the extension of the school hall including canteen facilities and a purpose-built kitchen. We were able to extend the scope of this work to include new administrative offices and a proper reception area. The work was completed just in time for the new academic year in September 2018. This enables us to deliver more learning and physical activities in a large, safe space for our children and will ensure staff can work in professional surroundings. In the next academic year we have secured additional funds to improve the outside area including a multi-use games area.

Away from the classroom the school continues to see success in sports (including football, athletics and floorball), music (our choir participated at the Young Voices festival at the NEC and also at the Cheltenham Music Festival) and the arts (such as the LAMDA programme). The good behaviour of our pupils on away days is often remarked upon and makes us very proud of our children.

The head teacher and governing body have taken a leading role in discussions with a cluster of local schools with regards to the potential formation of a Multi-Academy Trust and our head teacher has recently been co-opted onto the board of governors at the Cotswold School, expanding our network and collaboration with other local schools.

This has been another exceptional year made possible by teamwork, but especially by the efforts of a creative and hardworking head teacher and his staff, assisted by enthusiastic and supportive governors and trustees. I personally feel very proud to help serve the school.

Giles Hyland
Chair of Trustees
26 November 2018

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for pupils aged 4 - 11 serving a catchment area in Bourton on the Water and surrounding villages. It has a pupil capacity of 259 and had a roll of 245 in the school census of October 2018. The trustees assure that all places exceeding PAN went through an independent appeals panel and that with the Local Authority the capacity of the school is set to grow to further with new housing being built and under section 106 protocols.

Structure, governance and management

CONSTITUTION

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association is the primary governing document of the academy trust.

The Trustees of Bourton-on-the-Water Primary Academy are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Bourton-on-the-Water Primary Academy.

It is also known as Bourton-on-the-Water Primary School.

Details of the Trustees who served during the 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.

The members are:-

Mr Tim Newstead
Mrs Jane Pickup
Mr Ian Cornelius
Prof. Alan Gibbons

TRUSTEES' INDEMNITIES

In accordance with common practice, a number of insurances have been taken out to cover claims arising out of errors, negligence and omissions during Academy business.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The company's articles of association are the primary documents for governance. Members of the Academy are originally appointed by the Secretary of State but Members may appoint others according to need. Under the articles, the number of Trustees may be no less than three. To that end, the Board of Trustees, served by a Clerk, is made up of 8 Co-opted or Members appointed Trustees, 3 Parent members, 2 Staff members and Head teacher. Associate members may also be appointed but have no voting rights. The Members may appoint Trustees to ensure a breadth of skills on the body.

Parent members are elected by ballot. The electorate is made up of the parents from the Schools registered pupils. Associate Trustees are invited to join as they offer skills and thoughts needed to boost the 'capacity' of the Board.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The induction, training and support offered to a trustee will vary depending on the level of knowledge of each new appointment. Some general principles exist:

1. A new Trustee will be inducted by an incumbent
2. A new trustee will meet with the school Principal and Chair of Governors
3. Key documents for new trustees will be provided via the School's Virtual learning Environment and will include the Equality policy, The Safeguarding Policy and the Trustees Code of Conduct.

ORGANISATIONAL STRUCTURE

The management of the trust consists of three levels. They are

- the Board of Trustees,
- the Sub Committees (Finance, Curriculum, Pupil and Staff, Premises)
- the Senior Management Team (SMT) made up of Mr Jones, Mrs Connor and Miss Salmon
- the Administrative team made up of Mr Jones, Mrs Connor, Mrs Franklin (replaced by Mrs Wilks following resignation), Ms Agg, Mrs Rogers and Ms Cooper (Pre-school manager) (replaced by Mrs Sorely - sick cover)

The aim is to devolve decision making to those who have most experience of the running of the school. The SMT undertake management on a day to day basis. The trustees support the SMT to manage the school by providing support, monitoring various standards and holding decision making to account.

The budget is set by the Board of Trustees, which also sets targets for School Improvement and manages the performance appraisal of the Head teacher and Deputy Head teacher. Policy statements are written to drive the decision making process on a day by day basis. The SMT support the Trustees in the creation of such policies, the analysis of data and undertaking monitoring of systems, reporting back via reports to the Trustees.

As trustees we acknowledge we have overall responsibility for ensuring that Bourton on the Water Primary Academy Trust 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bourton on the Water Primary Academy Trust 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.

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Trust employs a School Partner to support them make decisions on the pay and remuneration of the Head Teacher / Principal. To that end, a group of Trustees meet with Mr David Westlake, to review and set targets that go beyond the day to day running of the Trust and that ensure the success of the Trust. Following this meeting the group report to the Personnel Committee who make recommendations about remuneration to the Full Board of Trustees.

TRADE UNION FACILITY TIME

The Trust does not have over 49 permanent, full time equivalent staff.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

A Star – a company in which Mr J Jones (a trustee of the trust) has an interest.

Maths Passport - a company in which Mr J Jones & Mr J Moore (trustees of the trust) have an interest.

Pulham & Sons – a company in which Mrs K Pulham (a trustee of the trust) has an interest.

The Trust is supporting Sherborne C of E secondment of its Deputy Head teacher to the Headship of that School.

The Trust is part of an organisation of other schools in the local area that meet to discuss local solutions to issues arising. This has no impact on Trust policy.

The Trust provides administration services to three schools for which it is paid.

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TRUSTEES' REPORT (continued)
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Strategic report

Objectives & Activities

OBJECTS AND AIMS

Our objectives are to

Ensure pupils reach their full potential based on their starting points

- Improve the effectiveness of the Academy in producing a broad and balanced curriculum
- To ensure all business is carried out against the principles of value for money
- Comply with all statutory obligations
- Maintain close links with all stakeholders
- Conduct all activity in accordance to the highest standards of integrity, probity and openness.

Our clear educational Mission Statement is to 'Challenge, Amaze, Respect, Enjoy.' Our tag line - 'We CARE' - underpins every aspect of school life and is key to ensuring high levels of motivation, enthusiasm and excitement in learning.

Our aims are to

- *Challenge ourselves so that we show determination to improve and succeed*
- *Amaze ourselves so that we celebrate the achievements of others and ourselves*
- *Respect ourselves so that we look after ourselves, each other and our community*
- *Enjoy ourselves so that we achieve our potential and gain skills for life.*

a. OBJECTIVES, STRATEGIES AND ACTIVITIES

Our key activities and strategies for 2017/18 were identified in our publically published School Development Plan. They were to

- Challenge Pupils by
 - ◆ Raising the number of pupils working at greater Depth in R,W and M
 - ◆ Manage the High Need Year 3 cohort so they increase the proportion of pupils working at or within age related expectations
 - ◆ Improving the quality of writing across topics
- Amaze Pupils by
 - ◆ Enhancing our curriculum through redesign and staff CPD
 - ◆ Updating and Implementing our self-Evaluation practices
- Respect Each Other and Our Community
- ◆ Undertaking a new build and re-designing Lunchtime practices

Other priorities were

- Review and Update Safeguarding practices in light of Keeping Children Safe in Education and Working Together to Support Children
- Embed a new set of Non Negotiables in pedagogy
- Widen parent visit opportunities
- Working closely with the Teaching school to manage and lead Teacher Training.

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TRUSTEES' REPORT (continued)
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PUBLIC BENEFIT

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 core purpose is to support the local community by providing high quality education as recognised by OFSTED and through published results. And can be found via the Ofsted website. On top of this the public have benefitted from

- The use of the facilities
- The provision of support services through the parental support advisor who signposts aid to families
- The provision of Pre-School service for the community on the site
- The provision of out of school-hours child care through the breakfast club, out of hours club and holiday club
- The provision of a Nurture Hub that allowed Parents and Children from other schools to develop stronger relationships and trust
- Provision for high quality Professional Development Training Courses for Teachers across Gloucestershire
- Provision of First Aid Training for Staff from Schools across the cluster and Parents
- Support for colleague Head teachers across the County
- Support for Families in the cluster through Multi Agency Meetings

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TRUSTEES' REPORT (continued)
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KEY PERFORMANCE INDICATORS

The Trustee Body, along with School staff reviewed the School success at an end of year review conference. A number of self-evaluative processes allowed the group to identify developmental areas for the year. Furthermore with a local School Improvement Planner and former Lead Inspector for Tribal undertook a review of the Schools performance in 2018 and created a number of targets for the Head Teacher to meet as key indicators for performance.

These were monitored during the course of Full Governing Body Meetings, Committee meetings and various Trustee visits. Committees met with a number of staff members to review School Development targets and to check on progress. Challenging questions were asked of school leaders. Decisions related to policy and strategy were made throughout the year that reflected school improvement and then actions delegated to the Head Teacher and senior leaders to meet these.

Furthermore, the Head teacher's Performance Targets reflected these areas.

These Key performance indicators are:

- Academic - Key Stage 2 Performance to be judges above National Averages (National Average in brackets). The specific target set through the Head Teachers Performance Management cycle of 2017/18 was to increase in particular the % of pupils attaining Greater Depth in each measured subject.

Table 1 - Attainment at Key Stage 2

	Attained Age Related expectation in Reading	Attained Age Related expectation in Writing	Attained Age Related expectation in Maths	Attained Age Related Expectation in all 3 (RWM)	Attained Age Related in Grammar, Punctuation and Spelling
2016	84% (66%)	89% (74%)	74% (70%)	68% (53%)	95% (72%)
2017	88% (71%)	88% (76%)	88% (77%)	78% (61%)	95% (78%)
2018*	95% (75%)	97% (78%)	95% (76%)	93% (64%)	95% (78%)

* still un-validated data (awaiting Government produced ISDR)

Table 2 - Progress of key Stage 2 Pupils from Key Stage 1 against the National Average Floor (in brackets)

	Reading	Writing	Maths
Progress Score 2016	+2.5 (-0.5)	+2.3 (-0.7)	+0.2 (-0.5)
Progress Score 2017	+3.1 (0)	+2.0 (0)	+0.8 (0)
Progress Scores 2018	+2.9 (0)	+3.5 (0)	+1.8 (0)

Table 3 - Pupils Working at a Greater Depth (Nat avg in brackets)

	Reading	Writing	Maths	SPaG	RWM
2016	27% (19%)	19% (22%)	11% (17%)	35% (22%)	5% (5%)
2017	25% (25%)	15% (18%)	12.5% (23%)	52% (31%)	8% (8%)
2018	42% (28%)	26% (20%)	24% (24%)	47% (34%)	11%

The evidence in Table 3 suggests this KPI was met.

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- Pupil Well Being (as measured by Attendance and Liking of School)

The specific target related to this was to ensure the percentage of persistent absentees reported by Assessing School performance online was below the National Average

96% of pupils surveyed by the SMT expressed an enjoyment of School

School absence data stood at 3% against the National average of 4% (DFE figures)

Persistent absentee figures stood at 2.8% compared with National figure of 8.3% (DFE) - This is evidence that the KPI was met

- Financial – Keep a £30,000 Operating Surplus of Unrestricted Revenue

The specific target was to ensure an operating surplus using reserves.

The auditors' financial report (below) suggests that this KPI has not been met in the period. The auditors are in agreement with the governors that the academy appears to remain a going concern for the next 12 months.

Other performance Indicators

Site and Premises Committee - 2018

1. To ensure all policies and risk assessments are reviewed, updated and monitored. -

A number of policies regarding risk assessment and H and S were reviewed during the course of the year. Amendments around fire safety, risk assessments were made to keep the Academy compliant. **KPI Achieved**

2. To review, advise on all minor works including reactive maintenance, servicing and interrogate costs associated with these works to ensure cost efficiencies are being maintained and best value is gained for the school.

The committee is driven to avoid reactive maintenance where possible by implementing on-going planned maintenance, upgrades to the school fabric as per the committee's 2014 improvement schedule states. All servicing was compliant and all minor works regularly completed and monitored. **KPI Achieved**

3. To assist/advise and prioritise School Building Works including CIF bid funding.

The committee during the year continued to prioritise two activities to improve the school's facilities.

The first was to complete the building work that we started at the end of 2017. This utilised the section 106 monies we had been allocated due to the housing developments within the village. We used the Gloucestershire County Council Building Framework to project manage the works.

This building work was successfully completed by early June 2018 and gave the school a larger extended main hall, new kitchen, new head teachers office and an additional classroom converted from the current canteen. It will also provide additional staff/visitor parking. Shortly into 2018 we were notified that additional monies had been realised due to again Section 106 monies, this enabled us to finalise and instruct the phase 2 of our 2016 masterplan which was the new office and reception including a new main entrance, new WC facilities and reorganised admin space. This work commenced and was completed over the summer holidays of 2018. We had an official opening with Adam Henson (local TV celebrity and farmer) for all the works in September 2018. **KPI achieved**

The second priority was the CIF bid applications and this year we applied for two separate bids. One was based on Safeguarding and was linked to the office build works and the other was a bid on the external infant playground and canopies around the school. We found out in April 2018 that we had not been successful on the safe guarding bid but had been successful on the playground improvement works. This was for around £450,000 and would include a new MUGA pitch on the infant side of the school. Due to the main building works on the hall and office spaces we have not commenced this phase of works yet but will commence them in early 2019. **KPI partly achieved** due to the fact we secured 1 out of the 2 bids during 2018

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TRUSTEES' REPORT (continued)
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Curriculum Committee Key Performance Indicators:

1. To ensure that the school track and respond to the performance of pupils:

Curriculum meetings regularly met with the Data, Maths and Literacy leaders. They took part in Q & A sessions and learned from presentations which gave evidence of attainment and progress. The result is that the Trustees were very clear about the tracking systems and the impact of benchmarking. This was also presented through the review of the recent SATS results and Trustees were made aware of the school's focus and agenda for the new Year 6 cohort and predictions about their ARE. The Trustees were keen to view the work undertaken by staff to make sure these ARE being met successfully. Trustees also met with Foundation subject leaders to learn about coverage and assessment systems as well as PSHE and RE updates. Trustees also were introduced to the new National Changes with Ofsted and had a clearer viewpoint of some of the changes being implemented for September 2019. **KPI met**

2. To ensure Teaching non negotiables are applied:

The committee reviewed the key non-negotiables identified in the SDP. These statements formed a report template for Governor visits. As a result, observations found that non negotiables were in place consistently across the school reflecting the Teaching pedagogy promoted by the Trustees. **KPI met**

3. To ensure the school provides a balanced curriculum:

Learning Walks allowed the Trustees to see a variety of subjects on show. Meetings with subject leads evidenced that the school was following a broad curriculum and allowing children many opportunities to learn and experience other subjects than English and Maths. **KPI met**

Staff and Pupils Cte Key Performance Indicators:

1. Ensure the Head Teacher's appraisal and the teaching staff's Performance Management Cycle are completed.

The targets set for the Head Teacher for 2017-18 have been met and this view is supported by a series of excellent SAT results. His remuneration will be discussed by the FGB at the end of the reporting period. New targets for 2018-19 will be established shortly. The Head Teacher has reported on the PM cycle and the Committee has heard from evidence from teachers that the system is in place and working well. **KPI achieved.**

2. Monitor levels of attendance and the behaviour of all pupils and ensure that the academy complies fully with all safeguarding legislation.

The Head Teacher regularly generates a comprehensive briefing document which addresses all aspects of pupil well-being. The Committee discusses this and where necessary makes recommendations being made on how to best support those in our care. There is a regular cycle review of all school policies to ensure we remain compliant with all relevant legislation. **KPI achieved.**

3. Monitor stakeholder attitudes in and around the school including those of pupils, parents and the local community.

The Committee studies data from both the on-line pupil survey and the SMT survey both of which suggest that the vast majority of stakeholders, in particular the pupils, are very happy with the school. Governors visit the school routinely and their reports support this view. **KPI achieved.**

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TRUSTEES' REPORT (continued)
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Finance Committee Key Performance Indicators 2017/18

1. **Budgetary Management:** Did the committee manage funds in line with the school budget? Measure: Did we finish the year within 5% of the proposed budget surplus of 5% of GAG.
During the meetings the committee reviewed the spending of the Academy against its proposed budget. Where budget areas went over the expected spend the Committee held the FO and HT to account for these overspends, to evidence why and what steps were taken to minimise expense and demonstrate sound budgetary management. Minutes evidence these discussions. At the end of the year the Academy brought forward a surplus of operational reserves of £12K which was below the expected figure but did not see the Academy suffering from cash flow issues or overdrawn. **KPI Not met**
2. **Debt Management:** Committee to actively monitor and minimise aged debt. Measure: Level of aged debt at year end should be no higher than previous year.
The level of aged and bad debt was actively managed in line with the finance policy and was discussed at meetings (see minutes). Some new debt was acquired and there will be some debt written off in 2018/19. Most debt is from 2-3 individuals using the Out of School or Pre-School service and their childs continued use is being monitored. **KPI Met**
3. **Strategic Finance Objectives:** KPI 3: Committee to oversee and explore additional commercial opportunities and support and encourage development of these opportunities. Measure: Out of School Club, Holiday Club and Preschool target of £4k profit with a stretch target of £7.5k.
The profit/loss records of the OSC and Pre-School were monitored closely throughout the year by the cte. The setting as whole made a modest profit of just over £6k. More importantly the cte noted that the OFSTED inspection noted a Good judgement and suggested raising the numbers to 32 from the previous 24. - **KPI Met**
4. **Compliance & Best Practice:** KPI 4: Committee to ensure auditors recommendations and best practice is applied to policies and implemented in practice. Measure: All audit recommendations of 2016/17 are met.
The Committee considered all recommendations arising from the auditor's report and asked the FO and HT to report on their implementation. Following the Audit , A STAR education completed a proof of charge at cost and this was approved and submitted to the ESFA. Changes in personnel have meant improved delegation of responsibility and roll, but training needs are required to make practice as efficient as possible. The use of Pulham's Coaches on a commercial basis means that the **KPI not met**

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TRUSTEES' REPORT (continued)
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Financial review

RESERVES POLICY

The Academy Reserves statement is that the Academy should not hold Reserves in excess of £30,000. The current level of operating reserves is £12,000. This is a considerable drop in reserves in year reflecting

- Unexpected staffing for pupils with SEN needs / managed moves / growing behaviour and social issues

The Trustees were aware of an expected deficit in year budget for 2017/18 culminating in a sharp reduction in reserves. Unsupported pay awards and increases to employer National Insurance Levels cannot be estimated given that such awards fall outside the Trust's control but had an impact in year. The In-Year changes of circumstance were

- Large number of Year 3 pupils requiring immediate and specific support without EHCP
- Two new EHCP where the school had to fund the first £6,000
- Managed move pupil from an PRU requiring 1:1 support 35hours per week from Easter

These funds exist to cover fluctuations in staffing and or to support the pupils with special needs where the school pays the first £6,000 of any high need support. They are also there to help the school drive pupil progress so that children leave Primary School with the ability to Read, Write and undertake Maths against a set standard.

A considerable amount of Capital Reserves exist to complete a CIF project between August 2018 and April 2019. These funds have been allocated accordingly but will be invested until used from 2018/19.

INVESTMENTS POLICY

The trust does not hold a savings account but given funding from the bids it is considering setting up an account with a higher interest rate but is cautious of cash flow issues. Investment strategy and policy is part of the wider Finance Policy that is reviewed annually by the Trustees.

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TRUSTEES' REPORT (continued)
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PRINCIPAL RISKS AND UNCERTAINTIES

The following are identified by the Trustees as risks to be managed in the foreseeable future:-

- A) Head Teacher well-being – The trust relies heavily on the effectiveness of the Head Teacher/ Principal. His physical and mental health will impact on the success of the Trust
 - a) Risk is managed
 - i) through the Personnel Committee in its meetings
 - ii) Employing Head Teacher support through COSMIC
 - iii) Developing staff to undertake roll in his absence
 - iv) Performance Management process
- B) National Pay awards – The Trust has always passed on the pay awards as agreed by the Minister. An increase in staff pay falls outside of the budgeting setting period and reports suggest this will be above the 2% planned for
 - a) Risk is managed
 - i) Maintaining reserves
 - ii) Identifying income raising initiatives
 - iii) Managing in year appointments
- C) Under Performance – The Trust requires learning as measured by statutory KS2 assessment to be at least at the norm.
 - a) Risk is managed
 - i) A thorough self-evaluation process monitored by the Trustees
 - ii) Performance management of Teaching staff led by the SMT and reported to Trustees
 - iii) Understanding and implementing change through a School development Plan based on research
 - D) Building – The Trust requires the building to be fit for purpose and safe
 - a) Risk is managed by
 - i) Appointment of an operations manager supported by the Site Cte of Trustees
 - ii) A Maintenance programme
 - iii) Strategic decision making by the FGB in relation to future build after reports from the Head Teacher
 - iv) Review and testing of statutory policies and procedures
 - E) Children with SEND - The Trustees are aware that Gloucestershire Local Authority is looking to withdraw levels of funding for pupils with SEND.
 - a) Risk is managed by
 - i) Carefully review pupils needs through the current practices
 - ii) Reviewing the role of Teaching assistants in the school
 - iii) Looking at new ways of meeting need
 - F) Changes to Funding Formula that will impact on funding levels - The Trustees are aware that Gloucestershire are removing the minimum funding guarantee
 - a) Risk is managed by
 - i) Preparing a three year indicative budget with reviews every term
 - ii) Looking to raise funds through selling services and staff to other schools
 - G) Reserve Depletion
 - a) Risk managed by
 - i) Careful review of cash flow on a monthly basis
 - ii) Audit of staffing in April prior to setting new budget
 - iii) Risk Assessment of natural wastage around MDSU and TA when staff leave
 - iv) Monthly reporting of spend to Finance Cte

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

GOING CONCERN

The auditors are agreed that the Trust is a going concern for the Year 2018/19 and given that a balanced budget has been set for the year, provided that careful monitoring and risk aversion takes place, the 3 year forecast sees reserves quickly return to a more rosy level. However the Trust acknowledges the need for rigorous risk management particularly of risks e), f) and g) above.

FUNDRAISING

Fundraising for the trust falls under the arms of:

1. The Friends of Bourton School - FOBS - a charitable Parent-Teacher organisation
- ♦ They are unrelated to the Trust

PRINCIPAL FUNDING

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 201/ and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Funding obtained through the DfE via the ESFA has ensured that we have supported the key objectives identified in our School Development Plan. Resources have been purchased to ensure we have developed the role of SEN within the school as well as enabling us to purchase robust assessment resources.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity.

Plans for future periods

FUTURE DEVELOPMENTS

The key objectives for 2018-19 are to provide resourcing to allow for

- Ensure 80% of pupils identified as HA at KS1 go on to score 110+ at KS2 in R and W and M
- To improve Teacher IT knowledge to include in curriculum 2019
- To develop a knowledge based curriculum (Glossary Led) to sit alongside our skills in preparation for OFSTED cycle 2019/20
- Review Feedback and metacognition practices within our pedagogy
- To enhance SEN provision in preparation for the demise of EHCP funded support
- Support Vulnerable Families as defined by KCSIE 2018 in order to improve resilience
- Look for MAT partners in order to better use resources to promote better outcomes for children

FUNDS HELD AS CUSTODIAN

The Trust holds funds for the COSMIC group of North Cotswold Head Teachers.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 4 December 2018 and signed on its behalf by:


.....
Mr G Hyland
Chair of Governors

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Bourton-on-the-Water Primary Academy has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bourton-on-the-Water Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year.

Meetings were held on 23/5/18, 26/4/18, 21/3/18, 24/1/18, 29/11/17, 22/11/17, 11/10/17

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Jones, Head Teacher	6	7
Mr G Hyland, Vice Chair of Governors (to 1 November 2017) then Chair of Governors (from 1 November 2017)	7	7
Ms V Browning, Staff Governor	5	7
Ms F Formby, Community Governor	5	7
Ms S Oughton, Staff Governor	6	7
Mrs J Pickup, Authority Governor	6	7
Mrs K Pulham, Community Governor	2	7
Mr D Souch, Parent Governor	5	7
Mr T Williams, Parent Governor	5	7
PC S Crawford, Community Governor	0	3
Mr S Gurmin, Parent Governor	7	7
Mrs J Kilbey, Staff Governor	3	7
Mrs A Roberts, Parent Governor	5	7
Mr R Webster, Parent Governor	6	7
Mrs S Ward, Clerk to the Governors	7	7

Absences were all accepted by the Trustees.

The Governors also met with other Governing Bodies to discuss a MAT on 24/5/18.

The Governors also hosted a conference with all staff to discuss School Improvement on 11/07/18.

Governance reviews

As part of the cycle of committee meetings the Terms of reference are reviewed and the key performance indicators updated (see Performance Indicators in Trustees report). On top of this a review of Governance is carried out by an external adviser. The next full review is due in 2018/19 and will focus on

- a) Structure
- b) TOR
- c) Effectiveness

In light of this, herewith are reports from the Chairs of committee for 2017-18

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Staff and Pupils Committee

The Staff and Pupils Committee is responsible for:

- * all personnel issues,
- * Performance management,
- * Staff training,
- * Pupil welfare and
- * The quality of the school's interaction with parents and the local community and social services.

The Committee places particular emphasis on:

- Safeguarding and PREVENT.
- Looked After Children.
- The progress of SEND pupils.
- General Data Protection Regulations.

Other areas for which the Committee holds responsibility include, but are not limited to:

- All aspects of Safeguarding, Looked After Children and PREVENT, including the provision of necessary policies, framework, and reporting mechanisms.
- Regular review of the school's performance against national statistics for specific vulnerable groups including SEND and Pupil Premium.
- Provision of guidance and assistance to the Head Teacher and Governing Body on all matters relating to personnel issues, performance management, training, pupil welfare, safeguarding, the school in the community, and extended services.
- Oversee the school's adherence to GDPR.
- Making proposals for and approve class and staff structures within the constraints of the school's budget.
- Take part in staff recruitment, promotion and severance (including redundancy) making use of County approved systems and in accordance with the Governors' policies.
- Undertake and implement the Head Teacher's performance management including making recommendations to the Governing Body on the Head Teacher's pay award).
- In consultation with the Head teacher, consider each year's School Improvement/Development Plan and post-OfSTED Action Plan priorities related to pupil /staff well-being, and monitor Continuing Professional Development and coaching support priorities.
- Review the Performance Management procedures at the school and ensure that the cycle is carried out annually.
- Undertake and analysis the results of parent/pupil surveys in order to monitor the impact of school improvements.
- Monitor the value and suggest improvements to the School's liaison with Parents and the wider community, including feeder playgroups and secondary providers.
- Monitor the effectiveness of communication between the school and parents.
- Oversee and, when necessary, arbitrate the school's "In year" admissions policy.
- Support the Head Teacher in the establishment of a Multi-Academy Trust.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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GOVERNANCE STATEMENT (continued)

- Generate and review all policies and Codes of Conduct relating to staff and pupils. These shall include but not be limited to:
 - * Safeguarding and Child Protection
 - * PREVENT
 - * SEND
 - * LAC
 - * GDPR
 - * Health and Safety
 - * Behaviour and Discipline
 - * Anti-bullying (including homophobic and trans-phobic policy)
 - * Admissions
 - * Enrichment
 - * Drugs
 - * Sex and Relationships
 - * Equality of opportunity
 - * Visits
 - * Lone Working
 - * Grievance
 - * Complaints
 - * Performance Management
 - * Social Networking
 - * Governors' Code of Conduct
 - * Staff Attendance and Discipline (including staff sickness and absence)
 - * Confidentiality

During the period the Committee met on 5 occasions: 8 May 18, 13 Mar 18, 22 Jan 18, 5 Dec 17, 9 Oct 17.

Attendance:

Trustee	Meetings attended	Out of a possible
Mr S Gurmin	5	5
Mr J Jones. Head Teacher	5	5
Ms F Formby	3	5
Mrs J Kilbey	2	5
Mrs J Pickup	4	5
Mrs K Pulham	3	5
Mrs S Ward		

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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GOVERNANCE STATEMENT (continued)

Finance Committee

The Finance Committee is responsible for:

- Providing guidance and assistance to the Head teacher and Board of Trustees on all matters relating to budgeting and finance, with reference to EFA statutory guidance and the Trusts' own funding agreement.
- Reviewing regularly the detail of the financial procedures agreed in Trusts' own funding agreement
- Preparing and reviewing financial policy statements, including consideration of long-term planning and resourcing.
- Considering each year's School Development Plan (or post-OfSTED Action Plan) and determining priorities, and draw up an annual budget plan for approval by the Board of Trustees
- Reviewing the Finance and Charging Policies annually
- Monitoring of income and expenditure of all funds and to report the financial situation to the full Board of Trustees each term
- Monitoring the impact of spending decisions upon educational achievement in the school
- Monitoring the expenditure delegated to the Head teacher for the day-to-day financial management of the school.
- Ensuring the audit of all funds by means of review of bank statements, bank reconciliations and signing off requirements within predefined limits as per the finance policy
- Providing financial information, as required, for inclusion in reports to parents

During the school year 2017-18 the committee met 5 times; 1/11/17, 7/12/18, 15/3/18, 10/5/18 and with the Auditors on 29/11/17

Attendance by members was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Webster (Chair)	3	5
Mr G Hyland	3	5
Mr D Souch	4	5
Mr J Jones	4	5
Mrs A Roberts	2	5
Mr S Gurmin	4	5

Kate Franklin the School Finance Officer also attended 2/2 of these meetings.

Amanda Wilks, the School Finance Officer also attended 1/2 meetings (replacing Kate Franklin)

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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GOVERNANCE STATEMENT (continued)

The Curriculum Committee

The Curriculum Committee is responsible for:

- All matters relating to the school curriculum, standards of attainment and achievement, the development of a learning culture and the benchmarking of school performance.
- The creation, review, monitoring of the curricula improvements agreed by the Board of Trustees and published in the School Improvement Plan and Curriculum Development plans
- The review of statistical data as provided by the DFE and Fisher Family Trust (FFT)
- The monitoring of the work of subject leaders through their action plans and report to the full Governing Body each term.
- The audit of standards – (ensuring school self-evaluation systems take place)
- Providing curriculum information, as required, for inclusion in reports to parents.
- Monitoring the visits of other professionals to the school via visit notes
- Reporting to the full board of trustees after each of its meetings

Five Meetings: 23/5/2018, 18/4/2018, 24/1/2018; 22/11/2017, 11/10/2017

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Jones, Head Teacher	5	5
Professor A Gibbons, Cte Chair for 11/10/17	1	5
Mrs S Ward, Clerk to the Governors	5	5
Mrs J Pickup	5	5
Mrs A Roberts, Cte Chair from 22/11/17	5	5
Mr G Hyland	4	5
Mr S Gurmin	5	5
Mr T Williams	3	5

Premises / Site Committee

The Premises / Site Committee is responsible for

- * The monitoring of the Health and Safety Action Plan
- * The monitoring of the Fire Safety Audit
- * The position of the Works register
- * The position of Servicing Items
- * Premises related Finance
- * Premises related bids and projects
- * The Review of policies related to site including H and S, Accessibility and Lettings
- * To identify issues around Premises to the Headteacher
- * The establishment of and maintenance of an Asset register

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Souch, Cte Chair	2	2
Ms S Oughton	2	2
Ms V Browning	2	2
Mr T Williams, Staff Governor	2	2
Mr R Webster	1	2
Mrs C Agg (co opted)	1	2

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Head Teacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- Monitoring spends
 - o This is done
 - by signing off orders, invoices and cheques
 - Monitoring of the Chart of Accounts with the Finance Officer
 - Preparing reports for the ESFA with the Finance Officer
 - Checking the monthly bank reconciliation
- Benchmarking spends against Other similar Schools
 - o This is done
 - by measuring staff numbers and hours against other schools
- Ensuring that Best Value Principles as set out in the Finance Policy are adhered to
 - o This is done
 - by preparing reports for the Governors
 - asking for reviews of the Finance Policy
- Responding to Audit reports
 - o This is done
 - Through carefully reading reports and amending the Schools risk assessment accordingly
 - Setting and implementing action plans
- Responding to ESFA regulations
- Undertaking a review of insurances
- Amended staffing hours
 - o This is done
 - Through a PM cycle with Teachers
 - Responding to needs of pupils

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bourton-on-the-Water Primary Academy for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the 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 Liz Brazier, the Finance Manager of St David's C of E Primary School to perform peer review.

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

- testing of payroll systems
- testing of purchase systems
- testing of control accounts/ bank reconciliations

On an annual basis, the reviewer reports to the board of trustees through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

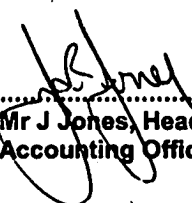
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the board of trustees on 4 December 2018 and signed on their behalf, by:


.....
Mr G Hyland
Chair of Governors


.....
Mr J Jones, Headteacher
Accounting Officer

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

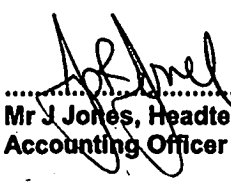
As Accounting Officer of Bourton-on-the-Water Primary Academy I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

• K Pulham – Trustee

The trust purchased transport from Pulham & Sons, at above the limit of the Finance Policy. The trust made the purchase at arms' length following a competitive tendering exercise and offered value for money in accordance with its financial regulations, which Mrs Pulham neither participated in, nor influenced. In entering into the transaction the trust has complied with the requirements of ESFA's Academies Financial Handbook


.....
Mr J Jones, Headteacher
Accounting Officer

Date: 4 December 2018

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 4 December 2018 and signed on its behalf by:



.....
Mr G Hyland
Chair of Governors

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOURTON-ON-THE-WATER PRIMARY ACADEMY**

OPINION

We have audited the financial statements of Bourton-on-the-Water Primary Academy (the 'Academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOURTON-ON-THE-WATER PRIMARY ACADEMY**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the 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 our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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 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.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BOURTON-ON-THE-WATER PRIMARY ACADEMY**

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Stokes ACCA (Senior statutory auditor)

for and on behalf of

Randall & Payne LLP

Chartered Accountants & Statutory Auditors

Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Date: 13 *Robert Stokes* 2018

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BOURTON-ON-THE-WATER PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 December 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bourton-on-the-Water Primary Academy during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF BOURTON-ON-THE-WATER PRIMARY ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Bourton-on-the-Water Primary Academy's funding agreement with the Secretary of State for Education dated 7 February 2012, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BOURTON-ON-THE-WATER PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

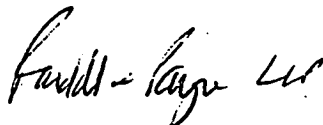
The work undertaken during the audit included:

- Consideration and corroboration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity;
- Discussions with and representations from the Accounting Officer and other Key management personnel;
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

CONCLUSION

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

During the year there were transactions with a declared related party above the de minimis limit of £2,500 that were not carried out at cost. Whilst this is not in compliance with the ESFA requirements the Trustees have taken appropriate steps to ensure that the transactions are fully compliant with their value for money requirements and do not represent any loss to the Academy.



Randall & Payne LLP

Chartered Accountants & Statutory Auditors

Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Date: 13 December 2018

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME FROM:						
Donations and capital grants	2	6	18	1,243	1,267	85
Charitable activities	3	-	1,134	-	1,134	1,082
Other trading activities	4	72	124	-	196	228
TOTAL INCOME		78	1,276	1,243	2,597	1,395
EXPENDITURE ON:						
Raising funds		121	-	-	121	138
Charitable activities		-	1,359	50	1,409	1,343
TOTAL EXPENDITURE	7	121	1,359	50	1,530	1,481
NET BEFORE TRANSFERS		(43)	(83)	1,193	1,067	(86)
Transfers between Funds	18	12	(3)	(9)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(31)	(86)	1,184	1,067	(86)
Actuarial gains on defined benefit pension schemes	23	-	104	-	104	93
NET MOVEMENT IN FUNDS		(31)	18	1,184	1,171	7
RECONCILIATION OF FUNDS:						
Total funds brought forward		31	(381)	2,252	1,902	1,895
TOTAL FUNDS CARRIED FORWARD		-	(363)	3,436	3,073	1,902

The notes on pages 35 to 59 form part of these financial statements.


BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08321599

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	2017 £000
FIXED ASSETS				
Tangible assets	15		2,217	2,240
CURRENT ASSETS				
Debtors	16	984		41
Cash at bank and in hand		367		168
		<u>1,351</u>		<u>209</u>
CREDITORS: amounts falling due within one year	17	(120)		(130)
NET CURRENT ASSETS			<u>1,231</u>	<u>79</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,448</u>	<u>2,319</u>
Defined benefit pension scheme liability	23		(375)	(417)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>3,073</u></u>	<u><u>1,902</u></u>
FUNDS OF THE ACADEMY				
Restricted fixed asset funds:				
Restricted income funds	18	12		36
Pension fund	18	(375)		(417)
Restricted fixed asset funds	18	<u>3,436</u>		<u>2,252</u>
Total restricted fixed asset funds			<u>3,073</u>	<u>1,871</u>
Unrestricted income funds	18			<u>31</u>
TOTAL FUNDS			<u><u>3,073</u></u>	<u><u>1,902</u></u>

The financial statements on pages 32 to 59 were approved by the Trustees, and authorised for issue, on 4 December 2018 and are signed on their behalf, by:


.....
Mr G Hyland
Chair of Governors


.....
Mr J Jones, Headteacher
Accounting Officer

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash used in operating activities	20	(1,016)	(48)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(28)	(47)
Capital grants from DfE Group		7	7
Capital funding received from sponsors and others		1,236	29
Net cash provided by/(used in) investing activities		1,215	(11)
Change in cash and cash equivalents in the year		199	(59)
Cash and cash equivalents brought forward		168	227
Cash and cash equivalents carried forward	21	367	168

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Bourton-on-the-Water Primary Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Leasehold property	-	2% straight line
Furniture and fixtures	-	20% straight line
Computer equipment	-	25% straight line
Assets under construction	-	Not depreciated

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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 incorporating income and expenditure account.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.12 Taxation

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

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 Fund accounting

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

Restricted fixed asset funds are resources which 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 Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Donations	6	18	-	24	50
Capital Grants	-	-	1,243	1,243	35
	<u>6</u>	<u>18</u>	<u>1,243</u>	<u>1,267</u>	<u>85</u>
<i>Total 2017</i>	<u>14</u>	<u>36</u>	<u>35</u>	<u>85</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA grants				
General Annual Grant	-	913	913	880
Rates Reclaim	-	4	4	-
Pupil Premium and Service Premium	-	44	44	48
Universal Infant Free School Meals (UiFSM)	-	42	42	42
PE and Sports Grant	-	18	18	9
Local Authority - Special Educational Needs (SEN)	-	23	23	28
Local Authority - Early Years	-	68	68	75
Other Government Revenue Grants	-	1	1	-
Other Income	-	21	21	-
	<u>-</u>	<u>1,134</u>	<u>1,134</u>	<u>1,082</u>
<i>Total 2017</i>	<u>-</u>	<u>1,081</u>	<u>1,081</u>	

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Supply reimbursement	-	8	8	1
Before & after school club income	61	-	61	72
Trip and other student income	-	46	46	44
Rental income	-	-	-	1
Preschool income	7	-	7	33
Secondment income	-	70	70	72
Windrush income	4	-	4	5
	<u>72</u>	<u>124</u>	<u>196</u>	<u>228</u>
Total 2017	<u>112</u>	<u>116</u>	<u>228</u>	

5. DIRECT COSTS

	Activities £000	Total 2018 £000	Total 2017 £000
Staff Expenses	10	10	14
Educational Supplies	17	17	18
Educational Consultancy	3	3	1
Other Staff Costs	8	8	9
Insurance	3	3	2
Other	48	48	50
Wages and salaries	711	711	662
National insurance	58	58	51
Pension cost	125	125	122
Depreciation	3	3	5
	<u>986</u>	<u>986</u>	<u>934</u>
Total 2017	<u>934</u>	<u>934</u>	

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

6. SUPPORT COSTS

	Activities £000	Total 2018 £000	Total 2017 £000
Pension income	11	11	10
Insurance	10	10	3
Technology Costs	9	9	5
Other	16	16	14
Maintenance of Premises	8	8	8
Cleaning and Caretaking	3	3	3
Rates	11	11	11
Energy	13	13	10
Catering	68	68	70
Other Premises Costs	11	11	12
Legal & Professional	39	39	58
Auditor Costs	9	9	7
Wages and salaries	94	94	94
National insurance	5	5	5
Pension cost	69	69	51
Depreciation	47	47	49
	<u>423</u>	<u>423</u>	<u>410</u>
<i>Total 2017</i>	<u>410</u>	<u>410</u>	

During the year ended 31 August 2018, the Academy incurred the following Governance costs:
£5,210 (2017 - £4,300) included within the table above in respect of audit fees.

7. EXPENDITURE

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Expenditure on raising voluntary income	121	-	-	121	138
Activities:					
Direct costs	900	3	83	986	934
Support costs	168	101	154	423	410
	<u>1,189</u>	<u>104</u>	<u>237</u>	<u>1,530</u>	<u>1,482</u>
<i>Total 2017</i>	<u>1,130</u>	<u>103</u>	<u>249</u>	<u>1,482</u>	

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total 2018 £000	Total 2017 £000
Educational activities	986	423	1,409	1,334
Total 2017	934	400	1,334	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets:		
- owned by the charity	50	55
Impairment of fixed assets	-	(4,400)
Auditors' remuneration - audit	6	5
Auditors' remuneration - other services	3	2
Operating lease rentals	-	4

10. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £5,850 (2017: £4,800), and other audit services of £2,540 (2017: £2,175).

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

11. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	905	872
Social security costs	68	62
Operating costs of defined benefit pension schemes	210	186
	<u>1,183</u>	<u>1,120</u>
Agency staff costs	6	10
	<u>1,189</u>	<u>1,130</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	12	10
Administration	3	20
Management	17	3
	<u>32</u>	<u>33</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	1

Included in the above is 1 staff member who participates in the Teachers Pension Scheme. During the year ended 31 August 2017 the contributions for this staff member was £11,044 (2017 - £10,771).

d. Key management personnel

The key management personnel of the academy 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 during the year ended 31 August 2018 was £251,830 for 7 employees (2017: £258,623, 6 employees).

BOURTON-ON-THE-WATER PRIMARY ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

12. TRUSTEES' REMUNERATION AND EXPENSES

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

		2018 £000	2017 £000
Mr J Jones, Head Teacher	Remuneration	65-70	65-70
	Pension contributions paid	10-15	10-15
Ms V Browning, Associate Member	Remuneration	15-20	15-20
	Pension contributions paid	0-5	0-5
Mr J Moore, Staff Governor	Remuneration		45-50
	Pension contributions paid		5-10
Ms S Oughton, Non-Teaching	Remuneration	10-15	10-15
J Kilbey, Staff Governor	Remuneration	30-35	
	Pension contributions paid	5-10	

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016 - £NIL).

13. TRUSTEES' AND OFFICERS' INSURANCE

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

14. OTHER FINANCE INCOME

	2018 £000	2017 £000
Interest income on pension scheme assets	17	10
Interest on pension scheme liabilities	(28)	(20)
	<u>(11)</u>	<u>(10)</u>

BOURTON-ON-THE-WATER PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

15. TANGIBLE FIXED ASSETS

	Leasehold property £000	Furniture and fixtures £000	Computer equipment £000	Assets under construction £000	Total £000
Cost					
At 1 September 2017	2,220	166	40	-	2,426
Additions	-	1	3	24	28
Disposals	-	(5)	-	-	(5)
At 31 August 2018	2,220	162	43	24	2,449
Depreciation					
At 1 September 2017	82	69	35	-	186
Charge for the year	16	30	3	-	49
On disposals	-	(3)	-	-	(3)
At 31 August 2018	98	96	38	-	232
Net book value					
At 31 August 2018	2,122	66	5	24	2,217
At 31 August 2017	2,138	97	5	-	2,240

The long-term leasehold property is held under a 125 year lease from Gloucestershire County Council, active from 1st February 2013.

16. DEBTORS

	2018 £000	2017 £000
Trade debtors	5	16
Other debtors	13	3
Prepayments and accrued income	966	22
	984	41

17. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	28	12
Other taxation and social security	34	36
Accruals and deferred income	58	82
	120	130

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FOR THE YEAR ENDED 31 AUGUST 2018

17. CREDITORS: Amounts falling due within one year (continued)

	2018	2017
	£000	£000
Deferred income		
Deferred income at 1 September 2017	82	43
Resources deferred during the year	58	82
Amounts released from previous years	(82)	(43)
	<hr/>	<hr/>
Deferred income at 31 August 2018	58	82
	<hr/>	<hr/>

In the year, resources were deferred for staff recharges, educational visits, specialist services, the free school meals and rates relief grants.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Balance at September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General Funds - all funds	31	-	(31)	-	-	-
OSC & Holiday Club	-	62	(74)	12	-	-
Donations	-	5	(5)	-	-	-
Rising Stars	-	7	(7)	-	-	-
Nurture Room	-	4	(4)	-	-	-
	<u>31</u>	<u>78</u>	<u>(121)</u>	<u>12</u>	<u>-</u>	<u>-</u>
Restricted funds						
GAG	36	912	(945)	9	-	12
LA Early Years	-	69	(57)	(12)	-	-
Trip Income	-	46	(46)	-	-	-
Other Income	-	45	(45)	-	-	-
Pupil Premium	-	44	(44)	-	-	-
UIFSM	-	42	(42)	-	-	-
Secondment Income	-	25	(25)	-	-	-
LA SEN	-	23	(23)	-	-	-
Non-government Grants	-	21	(21)	-	-	-
Donations	-	18	(18)	-	-	-
PE & Sports Grant	-	18	(18)	-	-	-
Supply Reimbursement	-	8	(8)	-	-	-
Rates Reclaim	-	4	(4)	-	-	-
Other Government	-	-	-	-	-	-
Revenue	-	1	(1)	-	-	-
Pension reserve	(417)	-	(62)	-	104	(375)
	<u>(381)</u>	<u>1,276</u>	<u>(1,359)</u>	<u>(3)</u>	<u>104</u>	<u>(363)</u>

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

Restricted fixed asset funds

Restricted Fixed Asset Funds - all funds	2,240	-	(50)	28	-	2,218
CIF	9	-	-	(9)	-	-
DFC	3	7	-	(4)	-	6
S106 Fund	-	778	-	-	-	778
Healthy Pupils Capital Fund	-	458	-	(24)	-	434
	<u>2,252</u>	<u>1,243</u>	<u>(50)</u>	<u>(9)</u>	<u>-</u>	<u>3,436</u>
Total restricted funds	<u>1,871</u>	<u>2,519</u>	<u>(1,409)</u>	<u>(12)</u>	<u>104</u>	<u>3,073</u>
Total of funds	<u>1,902</u>	<u>2,597</u>	<u>(1,530)</u>	<u>-</u>	<u>104</u>	<u>3,073</u>

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

GAG Fund - This fund represents grants received for the Academy's operational activities and development.

Pupil Premium - Funding from the ESFA to support disadvantaged pupils of all abilities to perform and close the gap between them and their peers.

UIFSM - Grant income received to cover the provision of school meals for eligible children.

PE & Sports Grant - funding towards the provision of physical education.

Local Authority Early Years - Grants received from the Local Authority to contribute towards the academy's early years provision.

Local Authority SEN - Grants received from the Local Authority to contribute towards the provision of education for pupils with special educational needs.

Trip Income - contributions made towards the Academy's educational visits.

Secondment Income - Funds received by the academy for the provision of staff member's services to other schools.

Supply Reimbursement - monies received from the insurance provider for staff absence.

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
General funds						
General funds	42	121	(132)	-	-	31
Restricted funds						
Restricted Funds - all funds	-	1,238	(1,249)	47	-	36
Pension Reserve	(468)	-	(43)	-	94	(417)
	<u>(468)</u>	<u>1,238</u>	<u>(1,292)</u>	<u>47</u>	<u>94</u>	<u>(381)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	2,249	-	(56)	47	-	2,240
Capital grants unspent	71	35	-	(94)	-	12
Total restricted funds	<u>1,852</u>	<u>1,273</u>	<u>(1,348)</u>	<u>-</u>	<u>94</u>	<u>1,871</u>
Total of funds	<u>1,894</u>	<u>1,394</u>	<u>(1,480)</u>	<u>-</u>	<u>94</u>	<u>1,902</u>

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General Funds	42	121	(163)	-	-	-
OSC & Holiday Club	-	62	(74)	12	-	-
Donations	-	5	(5)	-	-	-
Rising Stars	-	7	(7)	-	-	-
Nurture Room	-	4	(4)	-	-	-
	<u>42</u>	<u>199</u>	<u>(253)</u>	<u>12</u>	<u>-</u>	<u>-</u>

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

Restricted funds

Restricted Funds	-	2,150	(2,194)	56	-	12
LA Early Years	-	69	(57)	(12)	-	-
Trip Income	-	46	(46)	-	-	-
Other Income	-	45	(45)	-	-	-
Pupil Premium	-	44	(44)	-	-	-
UIFSM	-	42	(42)	-	-	-
Secondment Income	-	25	(25)	-	-	-
LA SEN	-	23	(23)	-	-	-
Non-government Grants	-	21	(21)	-	-	-
Donations	-	18	(18)	-	-	-
PE & Sports Grants	-	18	(18)	-	-	-
Supply Reimbursement	-	8	(8)	-	-	-
Rates Reclaim	-	4	(4)	-	-	-
Other Government Revenue	-	1	(1)	-	-	-
Pension Reserve	(468)	-	(105)	-	198	(375)
	<u>(468)</u>	<u>2,514</u>	<u>(2,651)</u>	<u>44</u>	<u>198</u>	<u>(363)</u>

Restricted fixed asset funds

Restricted Fixed Asset Funds - all funds	2,249	-	(106)	75	-	2,218
Capital grants unspent	71	35	-	(103)	-	3
DFC	-	7	-	(4)	-	3
S106 Fund	-	778	-	-	-	778
Healthy Pupils Capital Fund	-	458	-	(24)	-	434
	<u>2,320</u>	<u>1,278</u>	<u>(106)</u>	<u>(56)</u>	<u>-</u>	<u>3,436</u>
	<u>1,852</u>	<u>3,792</u>	<u>(2,757)</u>	<u>(12)</u>	<u>198</u>	<u>3,073</u>
Total of funds	<u>1,894</u>	<u>3,991</u>	<u>(3,010)</u>	<u>-</u>	<u>198</u>	<u>3,073</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
General funds	31	78	(121)	12	-	-
Restricted funds	(381)	1,276	(1,359)	(3)	104	(363)
Restricted fixed asset funds	2,252	1,243	(50)	(9)	-	3,436
	<u>1,902</u>	<u>2,597</u>	<u>(1,530)</u>	<u>-</u>	<u>104</u>	<u>3,073</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
General funds	42	121	(132)	-	-	31
Restricted funds	(468)	1,238	(1,292)	47	94	(381)
Restricted fixed asset funds	2,320	35	(56)	(47)	-	2,252
	<u>1,894</u>	<u>1,394</u>	<u>(1,480)</u>	<u>-</u>	<u>94</u>	<u>1,902</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	2,217	2,217
Current assets	-	131	1,219	1,350
Creditors due within one year	-	(119)	-	(119)
Provisions for liabilities and charges	-	(375)	-	(375)
	<u>-</u>	<u>(363)</u>	<u>3,436</u>	<u>3,073</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2017 £000</i>	<i>2017 £000</i>	<i>2017 £000</i>	<i>2017 £000</i>
Tangible fixed assets	-	-	2,241	2,241
Current assets	18	130	59	209
Creditors due within one year	-	(130)	-	(130)
Provisions for liabilities and charges	-	(417)	-	(417)
	<u>18</u>	<u>(417)</u>	<u>2,300</u>	<u>1,903</u>

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

	<i>2018 £000</i>	<i>2017 £000</i>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	1,067	(86)
Adjustment for:		
Depreciation charges	49	54
Loss on the sale of fixed assets	2	-
(Increase)/decrease in debtors	(941)	8
Decrease in creditors	(12)	(30)
Capital grants from DfE and other capital income	(1,243)	(35)
FRS 102 adjustments	62	41
Net cash used in operating activities	<u>(1,016)</u>	<u>(48)</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<i>2018 £000</i>	<i>2017 £000</i>
Cash in hand	367	168
Total	<u>367</u>	<u>168</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. CAPITAL COMMITMENTS

At 31 August 2018 the Academy had capital commitments as follows:

	2018 £000	2017 £000
Contracted for but not provided in these financial statements	15,804	-

Capital commitments shown are in respect of project management and design fees for the Multi-use Games Area.

23. PENSION COMMITMENTS

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

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

Contributions amounting to £33,824 were payable to the schemes at 31 August 2018 (2017 - 36,035) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.

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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £80,667 (2017 - £79,134).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £93,000 (2017 - £86,000), of which employer's contributions totalled £76,000 (2017 - £70,000) and employees' contributions totalled £17,000 (2017 - £16,000). The agreed contribution rates for future years are % for employers and % for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.70 %	2.70 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.4	22.4
Females	24.6	24.6
Retiring in 20 years		
Males	24.0	24.0
Females	26.4	26.4

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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

	At 31 August 2018 £000	At 31 August 2017 £000
Sensitivity analysis		
Discount rate -0.5%	144	130
Salary increase rate +0.5%	22	23
Pension increase rate +0.5%	120	106

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	517	453
Bonds	158	120
Corporate bonds	-	-
Debt instruments	-	-
Property	60	44
Cash and other liquid assets	15	12
Total market value of assets	750	629

The actual return on scheme assets was £19,000 (2017 - £70,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £000	2017 £000
Current service cost	(127)	(103)
Past service cost	(15)	(12)
Interest income	17	10
Interest cost	(28)	(20)
Total	(153)	(125)
Actual return on scheme assets	19	70

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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

	2018 £000	2017 £000
Opening defined benefit obligation	1,046	950
Current service cost	127	103
Interest cost	28	20
Employee contributions	17	16
Actuarial gains	(85)	(24)
Benefits paid	(8)	(19)
	<u>1,125</u>	<u>1,046</u>
Closing defined benefit obligation	<u>1,125</u>	<u>1,046</u>

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

	2018 £000	2017 £000
Opening fair value of scheme assets	629	482
Interest income	17	10
Actuarial losses	19	70
Employer contributions	76	70
Employee contributions	17	16
Benefits paid	(8)	(19)
	<u>750</u>	<u>629</u>
Closing fair value of scheme assets	<u>750</u>	<u>629</u>

24. OPERATING LEASE COMMITMENTS

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

	2018 £000	2017 £000
Amounts payable:		
Within 1 year	1	6
Between 1 and 5 years	1	2
	<u>2</u>	<u>8</u>
Total	<u>2</u>	<u>8</u>

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NOTES TO THE FINANCIAL STATEMENTS
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25. MEMBERS' LIABILITY

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

26. 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

	2018 £000	2017 £000
A Star Educational Conferencing Ltd (J Jones)	1	3
Pulham & Sons (Coaches) Ltd (K Pulham)	4	5
Wild Rock Limited (T Williams)	-	-
	<hr/>	<hr/>

An at cost agreement is not in place with Pulhams & Sons (Coaches) Ltd and our regularity audit opinion is qualified on this basis. The transactions are considered to represent best value for money for the academy.