

Registered number: 08322707

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

Members

M Payne

The Diocese of Gloucester Educational Trust, represented by Rev S Wookey

N Sullivan

Trustees

N Sullivan, Foundation Governor¹

A Whitworth, Staff Governor

K Seaward, Foundation Governor, Vice Chair (resigned 31 August 2018)¹

Y Webster, Foundation Governor, Chair¹

C Nicholls, Foundation Governor (resigned 31 August 2018)

V Jones, Parent Governor

T Brazil, Parent Governor

P Owen, Foundation Governor

F Loomes, Foundation Governor

R Chorley, Foundation Governor

Rev S Wookey, Ex officio

C Yeates (née Christison), Foundation Governor

C Ellyatt, Head Teacher, Accounting Officer

B Herbert, Parent Governor (appointed 15 May 2017, resigned 26 November 2017)

R Jones, Foundation Governor (appointed 1 February 2017)

K Teague, Staff Governor (resigned 31 August 2018)

C Harris, Parent Governor (appointed 14 June 2018)

K Collins, Staff Governor

D Wardlaw, Co-opted Governor (appointed 28 November 2017)¹

¹ Finance and Audit Committee

Company registered number

08322707

Company name

St David's Church of England Primary Academy

Principal and registered office

East Street
Moreton-in-Marsh
Gloucestershire
GL56 0LQ

Company Secretary

T Maull

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

Advisers (continued)

Head Teacher

C Ellyatt

Senior Leadership Team

C Ellyatt, Head Teacher

S Pates, SENDco

R Veeder, Deputy Head

K Harding, Staff

L Brazier, School Business Manager

Independent auditors

Randall & Payne LLP

Chargrove House

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

Bankers

Lloyds Bank PLC

Moreton in Marsh

Gloucestershire

GL56 0AY

Solicitors

Lee Bolton Monier Williams

1 The Sanctuary

Westminster

London

SW1 3JT

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

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.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

St David's Church of England Primary Academy provides education for pupils aged 4 to 11 in and around Moreton in Marsh, Gloucestershire. It has a pupil capacity of 315 and a role of 268 in the school census on 18th January 2018.

Structure, governance and management

a. Constitution

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

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

The Trustees of St David's Church of England Primary Academy are also the directors of the charitable company for the purpose of company law.

The charitable company is known as St David's Church of England Primary Academy, incorporated on 7th December 2012 and opened on 1st January 2013.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. 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.

c. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Members As stated in the Articles of Association, the Members of the Academy are The Diocese of Gloucester Educational Trust, represented by Rev S Wookey, and 2 persons who are appointed by the Diocese of Gloucester Educational Trust. In line with DfE recommendations and the Articles, the members have unanimously agreed to increase their number to 5. One new Member is awaiting confirmation by the Diocese and another is expected to be in place in 2019. Members are very conscious of the importance of appointing a person with the appropriate skills.

Foundation Governors: the Members appoint a minimum of ten Governors one of whom is the incumbent as an ex officio governor. Foundation governors are nominated by the Parochial Church Council of Moreton in Marsh, appointed, and reappointed, by the Diocesan Board of Education for Gloucestershire, and serve a 4 year term.

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

Staff Governors: the Members appoint up to three Staff Governors who are elected by staff at the academy. If a staff post becomes vacant the normal process of election takes place after due notice is given to all staff through the school communication channels. The Head teacher is, for all purposes, an ex officio Governor. The term of office for Staff Governors is 4 years at which point they may be re-appointed or re-elected.

Parent Governors: Three Parent Governors are elected by parents of registered pupils at the academy. Where a vacancy for a Parent Governor occurs the Governing Body ensures the normal process of election takes place after due notice is given to all parents through the school communication channels. The term of office for Parent Governors is 4 years at which point they may be re-appointed or re-elected.

Co-opted Governors: The Academy's Articles allow 2 co-opted governors. As a result of a skills audit, a new governor has been co-opted onto the Board who has extensive financial knowledge relevant to academies.

Before confirming selection, all governors are subject to an enhanced DBS check.

d. Policies and procedures adopted for the induction and training of Trustees

Following their appointment/election all new Governors/Trustees receive an introduction to their role from the Chairman and are initially assigned a mentor. A New Governor file has been placed on Governor zone of the school website containing a New Governor booklet, Governor Code of Conduct and other useful papers/articles. All new Governors are actively encouraged to take advantage of available courses so as to gain a better understanding of the role and responsibilities of being a School Governor. Additionally, Governors with specific roles within the Governing Body are strongly encouraged to undertake specific training and all Governors are strongly advised to avail of safeguarding training. The cost of such training will be reimbursed by the Academy.

e. Organisational structure

Before conversion to academy status on 7th December 2012 St David's Church of England Primary was a voluntary aided (VA) Church of England school. The relative autonomy of a VA school meant that the former Governing Body was structured to undertake similar roles to those required of the trustees of an academy. Consequently, whilst the extra responsibilities of the trustees of the academy have been recognised, its structure still reflects its successful predecessor.

The trustees are responsible for:

- setting the vision, Christian ethos and objectives for the academy
- approving strategic plans and monitoring and evaluating the performance of the academy against these plans and objectives
- approving the annual budget and ensuring the solvency of the academy
- ensuring that appropriate arrangements are in place to enable the academy to meet statutory responsibilities
- provide support and challenge to the leadership team of the academy

At St David's the majority of the roles and responsibilities of the trustees have been delegated to a small number of committees, - Strategy committee, Finance and Audit Team, Ethos Group, Learning and Development Team and Resources Team. Operational management is the responsibility of the Head Teacher and members of the Senior Leadership Team (SLT).

The SLT is responsible to the trustees for the implementation and monitoring of plans and policies, student safeguarding and education and the day-to-day operation of the academy. They also provide advice to trustees on a range of educational and business management functions. School policies are developed by senior members of the School's staff, to reflect both the strategic direction agreed by the trustees and also statutory

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

requirements. These policies are approved and adopted by the Governing Body, and implemented as procedures and systems by the SLT and other designated members of staff.

The trustees have approved a scheme that allows financial responsibilities to be delegated, within limits, to facilitate effective running of the academy.

f. Connected organisations, including related party relationships

St David's Church of England Primary Academy formed a trading company with Bourton on the Water Primary Academy called Fosseway Academy Collaborative Trust, but this company is not active.

g. Trustees' indemnities

Since the incorporation of the Charitable Company on 7th December 2012 the Governors (directors) have been indemnified in respect of their legal liability for financial loss arising as a result of maladministration, accidental error or omission in the course of their official duties. As explained in the Financial Statements the limit of this indemnity is £10,000,000.

Objectives and Activities

a. Objects and aims

The principal object and activity of the academy is to provide education for pupils between the ages of 4 and 11 in accordance with the school motto and our Christian values.

During the year the trustees have carefully considered and updated the school's vision and aims and this now appears on all documentation. Our school motto, 'enquiring minds, caring hearts, creative hands', remains unchanged and is at the heart of everything we do.

Our vision states that 'Our school's Christian foundation guides, challenges and inspires every child to reach their full potential as they become life-long learners and confident citizens, equipped to lead and serve'.

The aims that which help us achieve our vision are

- To create a safe, positive and dynamic learning environment, shaped by our Christian values, that enable us to grow – intellectually, spiritually, creatively and physically
- To provide a rich and varied curriculum that inspires teachers to challenge and motivate every child
- To nurture curiosity, creativity, enjoyment and interest in all areas of learning
- To develop and strive for the highest standards of teaching and learning by supporting staff and governors in their professional development
- To build on flourishing relationships between school, home, church and the community
- To work collaboratively with other local schools and share best practice
- To be an inclusive school serving our local community as it grows
- To encourage a commitment to democracy, justice, mutual respect and tolerance
- To equip children with confidence, empathy, self-respect and an insight into the world ahead of them

Our school motto, vision and aims are all supported by our Christian values. Our core values of *compassion, perseverance and respect* are taught alongside the values of courage, forgiveness, friendship, hope, justice, service, thankfulness, trust and truthfulness. These statements, combined with the Christian values, provide a strong basis from which the children will develop into responsible, thoughtful, active members of society.

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b. Objectives, strategies and activities

Before conversion to an academy, St David's was a voluntary aided church school. The Governing Body determined to maintain the Christian ethos, values, standards and achievements of the School. Our core values of compassion, respect and perseverance underpin all activities. We believe that an excellent education strengthened by our Christian values, provides the best possible way for our children to achieve their full potential, both academically and socially.

The Academy continues to work to fulfil the School's medium and longer term plans as set out in the Developing the Vision document September 2018, Raising Attainment Plan (September 2018) and the objectives set by Ofsted in July 2016.

The objectives set by Ofsted in July 2016 were:

1. To ensure monitoring activities focus sharply on the learning and progress of different groups so that leaders can precisely plan further improvement
2. To ensure that subject leaders new to their roles receive the training and support they need to drive further improvement in their subjects
3. To ensure that the teaching of writing is of a consistently high quality across the school so that all pupils learn effectively and make good progress.

The Raising Attainment Plan September 2017/2018 focused on these objectives:

Raising Attainment Plan 2017/2018:

1. 100% of teaching in school is consistently good, with a growing percentage outstanding (33%), triangulated through lesson observations, books trawls, pupil conferencing and planning.
 - All staff to be more aware of how groups of pupils (SEND, EAL, FSM, PP, girls, boys) are performing in their classes
 - To improve the standard of writing across school
 - To improve attainment and progress in Maths in Y6 compared to the previous year
2. Performance management and pupil progress meetings increase accountability and tracking is used to inform teaching and learning.
 - CPD for all staff to support curriculum and development areas
3. Needs are reviewed in pupil progress meetings to ensure pupils needing additional support, or extension of learning, are identified and programmes implemented.

Targets going forward in 2018/2019 will focus on Quality First Teaching in every class to challenge and inspire all our children and raise standards in both attainment and progress, while vulnerable groups will be closely monitored and supported to make accelerated progress. Specifically our foci will be

- Reading – vulnerable groups especially SEN, boys, and years 3, 5, and 6
- Writing – vulnerable groups, greater depth across the school and years 4, 5, and 6
- Maths – groups across the school particularly SEN, girls and years 3, 5, and 6

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c. Activities for achieving objectives

To achieve these objectives we have a comprehensive staff performance management review cycle which is closely linked to professional development programmes which are effective and relevant. We use data to constantly measure pupil progress, which subsequently informs our actions and interventions. Our target setting systems are robust and monitored by senior staff and governors. We maintain close links with parents and carers who form part of the educational 'triangle' to ensure children are well supported, academically, emotionally, physically and socially.

The academy works with other local primary schools to share expertise and experience as widely as possible. Staff benefit from cross teaching and training; they collaborate to share ideas and raise standards of teaching and learning, both in school and model good teaching practice to other local schools. The RE coordinator has established a group of local C of E schools to embed best practice in the teaching of RE and to monitor assessments and implement the new RE curriculum. The academy has established strong working relationships with other schools and colleges and work experience is offered to secondary schools pupils.

The Family Support Worker has organised a number of workshops, alongside Adult Education, for parents and carers as well as giving valuable help to individual families needing support. The school premises are used for breakfast and after school clubs which operate in term time. Coffee mornings have been held where parents can access support from school, the school nurse and the parent support advisor. Parenting classes are organised and parents welcomed as volunteers in school.

Musicians from the academy are actively involved in the community, playing regularly in the orchestra at the monthly family services in St David's church and at local fêtes and residential homes in Moreton. The school choir has been successful in county competitions and performed at Moreton Music festival and Christmas market, as well as at school functions.

A wide-range of extra-curricular activities, including clubs, educational trips and visits, are offered to enhance and support the curriculum. Children have taken part in music, sport, maths and science events with local secondary academies. Our Year 6 pupils took part in a 'dragons' den' challenge which resulted in their bread recipe being made by the local supermarket and being sold at the summer fair.

d. Public benefit

The Governors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by St David's Church of England Primary is the maintenance and development of the high quality education provided by the School, to the children of Moreton in Marsh and the surrounding parishes. In doing this St David's not only offers a broadly-based academic education with a strong Christian ethos, but aims to educate the whole individual.

Achievements and performance

a. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of Accounting Policies.

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b. Key performance indicators

The main financial performance indicator is to achieve a balanced budget and sufficient reserves to meet unforeseen circumstances. This is carefully managed so that appropriate funding is spent on pupils attending the academy in the current year while balancing the need to carry forward contingency funding in line with the Reserves Policy.

As funding is predominantly based on pupil numbers this is also a key financial performance indicator. The academy continues to be popular with local families and pupil numbers are expected to increase as the town expands due to planning permission being granted for a number of new housing estates.

Targets: The Finance and Audit committee set the following key financial performance indicators to measure performance:

- A balanced budget
- Pupil numbers maintained
- Maximise uptake of free school meal (FSM)
- Explore and develop all possible sources of income

Setting a Balanced Budget – the Governors set a balanced budget at the start of the year and anticipated a small surplus would be achieved resulting in an increase in reserves. The outturn for the year shows an increase in unrestricted reserves of £14,000 and an increase in operating restricted reserves of £36,000. **KPI achieved.**

Pupil Numbers Maintained – The school continues to promote itself in the local press and the community in order to attract pupils. A number of Open Days and outreach activities to local nurseries and playgroups were arranged to promote the Academy. The October census for 2017 showed 270 pupils, a decrease of one pupil on the prior year. In addition intake numbers for reception classes for September 2018 is up on the previous year, unlike many other local Primary schools. **KPI achieved.**

Maximise uptake of Free School Meals – a focussed strategy to improve the uptake rate for eligible pupils was discussed and agreed in the current year and has begun to be implemented in 2018/19. This has included additional information being provided at parents evenings, as well as a more detailed introduction to and discussion of eligibility for the funding with parents of EYFS children upon joining the school. The aim being to encourage all of those who are eligible to apply. **KPI achieved.**

Explore and Develop all Funding Sources – Two local charities that have supported the school in the past have been approached for funding and this has been successful. FOSDA also made a larger than normal donation at the end of the year to support the school's budget in the following year. Additional charities have been approached since the start of the new academic year and again this has been successful. Applications for support from national charities and other funding programmes not previously considered to be made in the forthcoming year. **KPI achieved.**

Key academic performance indicators

An inspection by HMI in July 2016 found that the academy 'continues to be good'. While the Ofsted report acknowledges the progress made in achieving the objectives set, as detailed below, they remain an important area in the school Raising Attainment Plan, especially the aim to deliver more outstanding lessons.

Action 1: Improve attainment in Mathematics.

The Ofsted report of July 2016 states, "As a result of the strong focus on developing pupils' calculation and

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problem solving skills, standards in mathematics have risen. Teachers challenge the most able pupils to ensure that they reach the highest standards. During the inspection, pupils demonstrated perseverance and strong attitudes to learning, particularly when solving problems that challenge their thinking. Pupils' attainment in mathematics has increased and is now above the national average at the end of Year 6. While this objective has been achieved, and new actions have been set by the July 2016 Ofsted, the school will continue to nurture pupils' excellent attitude to learning, in all areas of the curriculum.

Action 2: Although teaching is consistently good, not enough lessons are outstanding.

During the November 2012 inspection 29% of lessons were graded as outstanding, however, changes were made to the Ofsted criteria in September 2015 and the quality of teaching is no longer assessed in this way. Inspectors use a considerable amount of first-hand evidence gained from observing pupils in lessons, talking to them about their work, scrutinising their work and assessing how well leaders are securing continual improvements in teaching. Direct observations in lessons is supplemented by a range of other evidence to enable inspectors to evaluate the impact that teachers and support assistants have on pupils' progress.

As a result of this change the Ofsted report of July 2016 does not make specific reference to the quality of teaching, but comments on "effective teaching", "high quality teaching led by teachers and teaching assistants with strong subject knowledge", "Middle leaders are very committed to leading improvement in their subject" and also acknowledged the Head teacher's "decisive and urgent action to improve pupils' achievement and progress". The school continues to focus on consistently good teaching and strives to deliver more outstanding lessons.

Statutory inspection of Anglican and Methodist Schools (SIAMS)

In an inspection by the Diocese of Gloucester in April 2016 the academy was found to be outstanding in all four key areas, one of a very few schools graded so highly. The report says, "St David's can be regarded as a centre of excellence for RE. Due to the inspirational and highly effective leadership of the subject coordinator, all members of the teaching staff now teach RE with growing levels of confidence and impressive ability." Also, Leadership in RE and collective worship is exemplary which leads to very high standards of practice by all involved in teaching and learning across the school." The school continues to be at the forefront of teaching and learning in RE and actively involved in supporting the Diocese in the roll out of the new RE curriculum.

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c. Review of activities

Assessment results for 2018

Official Published Data 2017-2018

EYFS

Good level of development

| | Expected standard or higher | | | | Average total points Score | | |
|-------------|-----------------------------|----------|-------|--|----------------------------|----------|------|
| | School | National | LA | | School | National | LA |
| 2016 | 69.4% | 69.3% | 66.7% | | 34.4 | 34.4 | 35.2 |
| 2017 | 67.6% | 70.7% | 68.3% | | 31.9 | 34.5 | 35.1 |
| 2018 | 71.9% | 71.5% | 69.3% | | 34.7 | 34.6 | 35.3 |

EYFS Information

- 5 out of the 7 areas of learning and development are needed to get GLD - communication and language/ physical development/ personal, social and emotional development/ literacy/ mathematics.
- 2 areas of learning and development are not taken into account for GLD - understanding the world and expressive art and design.
- Baseline prediction (Nov 17) suggested that if children made expected progress then the GLD would have been 47% based on 33 pupils
- Therefore, made accelerated progress to get 71.9% at GLD based on 32 children

Phonics

| | Y1- Expected standard or higher | | | | Y2 - Retakes | | |
|-------------|---------------------------------|----------|-------|--|--------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 89.7% | 80.6% | 80% | | 100% | 66.7% | 66.1% |
| 2017 | 86.5% | 81.2% | 79.4% | | 66.7% | 61.6% | 62.5% |
| 2018 | 71.1% | 82.6% | 81.4% | | 50% | 61% | 62.1% |

Year 1 Phonics Information

- September 2017 – 33 children / July 2018 -37 children
- 3 out of 4 in year admissions did not make the level for phonics. If these children are taken out of the percentages then the pass for phonics would be 76%
- 2 children were 1 mark below passing
- Reading for this cohort in EYFS (16-17) was 70.6% (therefore, if in year admissions were taken out then this would have shown that those children made good progress to move from 70% to 76%)

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Y2 Retakes

- 8 children took retakes this year
- 3 out of the 8 children, who did not pass, were in year admissions. If the new admissions were taken out then the pass percentage would be 80%, with the other child who did not pass on an EHCP

Year 2

SATS Reading

| | Expected standard or higher | | | | Greater Depth | | |
|-------------|-----------------------------|----------|-------|--|---------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 78.3% | 74% | 72.6% | | 17.4% | 23.6% | 22.8% |
| 2017 | 85.7% | 75.6% | 75% | | 17.9% | 25.2% | 24.9% |
| 2018 | 79.5% | 75.5% | 75.3% | | 28.2% | 25.7% | 26.1% |

Teacher Assessed Writing

| | Expected standard or higher | | | | Greater Depth | | |
|-------------|-----------------------------|----------|-------|--|---------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 73.9% | 65.5% | 61.3% | | 26.1% | 13.3% | 11.8% |
| 2017 | 71.4% | 68.2% | 66.1% | | 10.7% | 15.6% | 13.6% |
| 2018 | 74.4% | 69.9% | 69% | | 15.4% | 15.9% | 14.6% |

SATS Maths

| | Expected standard or higher | | | | Greater Depth | | |
|-------------|-----------------------------|----------|-------|--|---------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 82.6% | 72.6% | 69.3% | | 15.2% | 17.8% | 15.4% |
| 2017 | 92.9% | 75.1% | 73.8% | | 14.3% | 20.5% | 18.3% |
| 2018 | 74.4% | 76.1% | 75.3% | | 28.2% | 21.8% | 20.2% |

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RWM Exceeding or better

| | Expected standard or higher | | | | Greater Depth | | |
|-------------|-----------------------------|----------|-------|--|---------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 71.7% | 60.3% | 55.7% | | 10.9% | 8.9% | 7.5% |
| 2017 | 71.4% | 63.7% | 61.3% | | 7.1% | 11% | 9.3% |
| 2018 | 69.2% | 65.4% | 64.3% | | 15.4% | 11.7% | 10.4% |

Points from Year 2 Data

- Reading above National Average but dipped from last year. Greater depth in reading has risen
- Writing above National Average but slightly below Greater Depth
- Maths below National Average but above National Average for Maths
- Greater depth has risen in combination of RWM

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Year 6

Year 6 Reading - SATS

| | Achieved Standard | | | | Higher Attainers | | |
|-------------|-------------------|----------|-------|--|------------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 72.1% | 65.7% | 69.4% | | 23.3% | 18.7% | 23.4% |
| 2017 | 65.7% | 71.5% | 74% | | 28.6% | 24.5% | 29.1% |
| 2018 | 76.6% | 75.2% | 75.6% | | 29.8% | 27.9% | 30.2% |

Year 6 Reading - SATS

| | Average scaled score | | |
|-------------|----------------------|----------|-------|
| | School | National | LA |
| 2016 | 104 | 102.6 | 103.7 |
| 2017 | 103.3 | 104.1 | 105 |
| 2018 | 106.1 | 105 | 105.4 |

Year 6 Writing - Teacher Assessed

| | Achieved Standard | | | | Higher Attainers | | |
|-------------|-------------------|----------|-------|--|------------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 73.8% | 74% | 69.5% | | 9.5% | 14.7% | 13.4% |
| 2017 | 62.9% | 76.3% | 72.3% | | 8.6% | 17.7% | 17% |
| 2018 | 59.6% | 78.2% | 76.9% | | 0% | 19.8% | 20% |

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Year 6 Maths - SATS

| | Achieved Standard | | | | Higher Attainers | | |
|-------------|-------------------|----------|-------|--|------------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 76.7% | 69.7% | 69.7% | | 14% | 16.6% | 17.5% |
| 2017 | 51.4% | 74.9% | 75.1% | | 14.3% | 22.6% | 22.9% |
| 2018 | 72.3% | 75.5% | 73.9% | | 12.8% | 23.4% | 22.2% |

Year 6 Maths - SATS

| | Averaged Scaled Score | | |
|-------------|-----------------------|----------|-------|
| | School | National | LA |
| 2016 | 102.9 | 103 | 103.1 |
| 2017 | 99.2 | 104.2 | 104.3 |
| 2018 | 102.5 | 104.4 | 104.1 |

Year 6 Grammar, Punctuation, Spelling - SATS

| | Achieved Standard | | | | Higher Attainers | | |
|-------------|-------------------|----------|-------|--|------------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 72.1% | 72.4% | 72.6% | | 16.3% | 22.5% | 23.4% |
| 2017 | 60% | 76.3% | 76.9% | | 17.1% | 30.9% | 30.6% |
| 2018 | 76.6% | 76.5% | 77.6% | | 29.8% | 34.3% | 32.5% |

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Year 6 GPS - SATS

| | Average Scaled Score | | |
|-------------|----------------------|----------|-------|
| | School | National | LA |
| 2016 | 103.3 | 104 | 104.1 |
| 2017 | 102.3 | 106 | 105.9 |
| 2018 | 105.9 | 106.1 | 105.9 |

Year 6 RWM

| | Achieved Standard | | | | Higher Attainers | | |
|-------------|-------------------|----------|-------|--|------------------|----------|-------|
| | School | National | LA | | School | National | LA |
| 2016 | 57.1% | 53.2% | 53.5% | | 2.4% | 5.4% | 6.2% |
| 2017 | 51.4% | 61% | 60.1% | | 2.9% | 8.7% | 9.3% |
| 2018 | 53.2% | 64.3% | 63.1% | | 0% | 9.8% | 10.1% |

Points from Year 6 Data

- Reading and greater depth has risen along with average scaled score. All above National Average
- Writing low. Year 6 moderated this year and had 2/3 children on the cusp of achieving the expected level. However moderators wanted to see consistency within the work moderated rather than flexibility/best fit in approach as written in the guidance.
- Big increases in attainment this year for Maths but still need to improve greater depth
- RWM percentage low due to writing

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

a. Investment policy and performance

The trustees have delegated authority to the Finance Officer and School Business Manager to utilise the term deposit arrangements with Lloyds Bank in order that interest receipts are maximised in a low risk investment.

b. Principal funding

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period 1st September 2017 to 31st August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period 1st September 2017 to 31st August 2018, total recurrent expenditure, excluding restricted fixed asset funds of £1,331,000 and was covered by recurrent grant funding from the ESFA together with other income resources. The excess of income over expenditure for the accounting period (excluding restricted fixed asset funds and the actuarial pension movement) was £6,000. The total surplus for the year, including fixed asset funds, as seen within the Statement of Financial Activities is £237,000 before actuarial gains on defined benefit pension schemes.

At 31st August 2018 the net book value of fixed assets was £2,752,000 with movements in tangible fixed assets shown in the financial statements. The assets were used for providing education and associated support services to the pupils of the Academy.

c. Financial risk management objectives and policies

The Finance and Audit Team undertakes a comprehensive review of the risks to which the Academy is exposed. A risk register is established which is reviewed, at least annually by the board of governors and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Government Funding

The school receives most of its income from the Government. Gloucestershire continues to be one of the lowest funded counties and budget cuts have continued. The school aims to set a prudent budget and maintain reserves at a level that allows the school to plan for its future and continue to raise attainment despite budget uncertainties.

Pension Deficit

The Local Government Pension Scheme (LGPS) is currently in deficit. The trustees continue to place reliance on the scheme's actuaries and investment fund managers to mitigate this risk by investing the scheme's assets appropriately to reduce the burden of future cashflows.

Staff Risk

The staff team is the school's greatest asset and as such staff retention and staff moral are vitally important and kept under regular review by the Trustees. The school invests in continuing professional development to ensure skills across the school are kept up to date and staff are motivated as well as allowing for succession planning. The staff are involved in decisions about their progression through the performance management process. The school has purchased well-being support from an external provider which offers services such as physiotherapy,

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

counselling, stress coaching and occupational health assessments to the teaching staff.

Technology Risk

The academy has reviewed its IT infrastructure and implemented a number of changes. Broadband access across the school has been updated to provide a secure and reliable network for delivering the curriculum and operating the Academy's management systems. Visitor access is tightly monitored using a visitor pass and coded system. Backups of electronic data are regularly taken and are held off site.

d. Principal risks and uncertainties

Since its incorporation the academy has undertaken work to develop and embed the system of internal control including financial, operational and risk management which is designated to protect the academy's assets and reputation. Exposure to risks is considered on a regular basis by management and the Governors.

An external peer to peer internal assurance reviewer has been appointed on a reciprocal arrangement with Bourton on the Water Primary Academy. Two monitoring visits have taken during the year. The work undertaken during the visits is designed to allow the peer to peer internal assurance reviewer to report to the Trustees giving independent assurance that;

- The financial responsibilities of the governing body are being properly discharged;
- Resources are being managed in an efficient, economical and effective manner;
- Appropriate systems of internal control are being maintained
- Financial Decisions are fully taken into account when reaching decisions.

The monitoring visits by Internal Assurance peer to peer review have included;

- Review of returns to ESFA
- Payroll
- Bank reconciliations
- VAT
- Internal controls

In all cases the Internal Assurance found no areas of weakness. However, the accountants recommended a salary confirmation letter be sent to all staff annually and this has been completed by the Finance Officer.

e. Reserves policy

The trustees have determined that the appropriate level of free reserves should be a minimum of one month's salary (£84k) and a maximum of three times salary (£252k) comprised of 1:2 unrestricted to restricted reserves. The maximum level of reserves would only be retained if this would not have a detrimental impact on the education being provided to current pupils and the smooth running of the school. Through prudent budgeting the academy has managed to increase the level of reserves during this financial year.

The reason for holding this level of reserves is to provide sufficient working capital to cover delays between spending and receipt of grants; to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to allow the Academy to expand as necessary as pupil numbers increase. In addition the formula for schools' funding remains uncertain and the Academy believes maintaining a sufficient reserve is important to allow the school to plan for the future and to continue to raise standards.

The academy's current level of reserves is considered adequate. At the 31 August 2018 unrestricted reserves were £81,000 and restricted reserves, excluding the pension fund, was £300,000 together totalling £381,000 which is above the level of reserves set out above but does not lead to a detrimental impact on the education being provided.

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

Projected deficits on the Local Government Pension Scheme (LGPS) that provide for our support staff are charged to a specific restricted reserve. As at 31st Aug 2018 the deficit on this reserve amounted to £347,000. This does not present the academy with a current liquidity problem. Contributions to the pension scheme are being increased over the next few years in order to reduce the deficit and the situation will be monitored annually.

Fundraising

The main ways in which the school raises additional funds is by application to local and national charities and organising events led by the school's Parent Teacher Association ('FOSDA'). The latter is run by a committee made up of parents and staff of the school. The Headteacher sits on this committee and is involved in deciding the approach to fundraising, the type of events to be run during each academic year and the use of funds raised. No complaints about methods of fundraising have been received. The committee seeks to ensure fundraising conforms to recognised standards and is inclusive and community focussed where possible.

Plans for future periods

a. Future developments

The trustees continue to investigate the need for additional school buildings as numbers are forecast to expand to 51 EYFS children starting in September 2020, due to several large housing developments planned for the town. A working party has been set up to look at expansion options with funding from Section 106 monies, which is supported by Gloucestershire County Council (GCC). The Academy currently has a 1 ½ form entry but as the population of Moreton in Marsh expands there is the need to become a 2 form entry school with capacity for 420 children. Architects have drawn up outline plans to enlarge the school hall, build two additional classrooms and supporting accommodation. Various site surveys have been arranged and a timetable is established taking us through the planning application to the commencement of the expansion build.

Trustees submitted a bid for funding to include a nursery provision within the Academy which was rejected in December 2016. However, discussions are still on-going with Gloucestershire County Council. Initial research has been carried out but due to the perceived financial risk this provision is not being actively pursued at the present.

We would like the school to be able to offer more services for parent/ child support and, to this end, will explore the possibilities of having outreach facilities within school, such as an early help hub serving across adjacent counties. We intend to continue to provide parenting courses and hope to engage a mental health specialist to work with St David's children and parents as needed.

The academy has become a centre for sharing good teaching practise. We intend to develop this further, reaching out to other schools in the local area. We will continue to host sessions such as Science moderating meetings, Charanga, First Aid, RE cluster meetings and sporting events. We will also continue to host courses and workshops for parents.

Governors will continue to play an active and enthusiastic role in school life; constantly self-assess their performance and ensure their work has a positive impact on the teaching and learning at St David's. They will wholeheartedly support and actively challenge the Head Teacher and senior leadership team in their relentless endeavour to drive improvements in progress and attainment of all pupils.

The above projects will allow the school to continue to develop and provide a positive and dynamic learning environment for all of our pupils. However, we are mindful that Government funding has failed to keep pace with increasing staff costs in particular recent pay rises and planned pension cost increases. Although we have operated a prudent expenditure policy again this year and increased our reserves, we are aware that maintaining a balanced budget in the future will not be achieved without using some of the reserves. We have made staff aware that restructuring may be necessary.

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

The Academy will strive to build on the good progress and academic attainment achieved in 2018. Future aims are set out in the School Developing Vision and Raising Attainment Plan 2018/2019.

b. Pay policy for key management personnel

Staff in the Senior Leadership Team undergo annual management reviews, monitored against four agreed targets and assessed using recorded school data. The Head Teacher's performance management is carried out by three trustees and an external moderator and assessed against objectives set out in the Raising Attainment Plan.

No trustee receives any pay or remuneration for their role as trustee.

c. Trade union facility time

The academy trust did not have more than 49 full time equivalent employees throughout any 7 months within the reporting period and therefore is not required to make any further disclosure on Trade Union Facility Time.

Funds held as custodian

The academy does not hold any funds as custodian Trustee on behalf of others.

Strategic report

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.

This was approved by order of the board of trustees, as the company directors, on 29 November 2018 and signed on its behalf by:

S. Yvonne Webster

Y Webster
Chair of Trustees

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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GOVERNANCE STATEMENT

Scope of Responsibility

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

The 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 St David's Church of England 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 4 times during the period. We consider this to be adequate in view of the many visits trustees make to school during the working day, which we believe gives a greater insight into school life and can confirm or challenge information given at committee meetings.

Trustees meet regularly with their link subject leader for discussion; they carry out classroom visits during the working day, go on learning walks and other monitoring activities, engage in conversation/conferencing with pupils and join them on trips. They attend collective worship, church services, school productions, themed events and school fairs to name but a few. Governors meet with parents and carers by attending parents evenings, workshops for parents, open days, and by providing refreshments at school church services. They are actively involved in every aspect of school life.

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

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| N Sullivan, Foundation Governor | 4 | 4 |
| A Whitworth, Staff Governor | 3 | 4 |
| K Seaward, Foundation Governor, Vice Chair | 4 | 4 |
| Y Webster, Foundation Governor, Chair | 4 | 4 |
| C Nicholls, Foundation Governor | 2 | 4 |
| V Jones, Parent Governor | 4 | 4 |
| T Brazil, Parent Governor | 3 | 4 |
| P Owen, Foundation Governor | 4 | 4 |
| F Loomes, Foundation Governor | 4 | 4 |
| R Chorley, Foundation Governor | 1 | 4 |
| Rev S Wookey, Ex officio | 2 | 4 |
| C Yeates (née Christison), Foundation Governor | 3 | 4 |
| C Ellyatt, Head Teacher, Accounting Officer | 4 | 4 |
| B Herbert, Parent Governor | 0 | 1 |
| R Jones, Foundation Governor | 3 | 4 |
| K Teague, Staff Governor | 3 | 4 |
| C Harris, Parent Governor | 1 | 2 |
| K Collins, Staff Governor | 4 | 4 |
| D Wardlaw, Co-opted Governor | 1 | 1 |

In the Report to Governors last year our accountants noted that we 'did not have full attendance at Governor meetings throughout the year' and 'suggested a policy be put in place with a minimum attendance requirement'. The Board has carefully considered this advice with particular regard to the voluntary role of governors and our Christian ethos. It was decided not to set mandatory limits but to treat each case individually, with understanding

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GOVERNANCE STATEMENT (continued)

and compassion. However, the Governor Code of Conduct has been updated and under the heading Commitment it states 'We will make every effort to attend all governor meetings and where we cannot do so it is expected that we explain to the clerk in advance why we are unable to attend' Every governor signs this document each year. Using the same mathematical formula as our accounts used last year our attendance has increased by 6%. We will continue to strive to improve attendance, while at the same time showing understanding of the personal situation of our governors and the valuable contribution they all make to the Academy.

The Finance and Audit Committee is a sub-committee of the main board of trustees. It is made up of four governors along with the Head Teacher, and the School Business Manager in attendance. Its purpose is

- to review the internal and external financial statements to ensure they reflect best practice
- consider findings of the external auditor and peer to peer internal assurance review
- monitor the implication of actions taken as a result of these findings
- review the effectiveness of the internal control systems to ensure the aims, objectives and key performance targets are achieved in the most economic and effective manner

Members of the Finance and Audit team receive emails from the SBM as necessary between meetings, including such information as details of quotations for items/ work and budget updates so as to assist in decision making at meetings. In addition to the 5 full committee meetings, the Chair of finance and Chair of Governors met with the SBM to finalise the accounts prior to the accountants visit to school to report to full governing body. Going forward, and in line with the new recommendations in the Governance Handbook 2018, the Chair of finance will meet monthly with the SBM for an update on the financial position of the Academy, while ensuring 6 meetings per year take place with the full committee.

Attendance at meetings in the period was as follows:

| Trustee | Meetings attended | Out of a possible |
|--------------------|-------------------|-------------------|
| N Sullivan (Chair) | 5 | 5 |
| Y Webster | 5 | 5 |
| K Seaward | 5 | 5 |
| C Ellyatt | 5 | 5 |
| D Wardlaw | 1 | 2 |

Governance Reviews

An evaluation of governance was undertaken, primarily by the Learning and Development Team, and also by the full governing body, to assess the impact and effectiveness of the board of governors. As a result a timetable of monitoring activities was established, focussing clearly on the key areas of the Raising Attainment Plan. This resulted in a much greater understanding by governors and enhanced their ability to question. For example, they observed the strategies employed in the intervention groups for years 1 and 2 to improve standards in phonics and the emphases on using 'talk for writing' to improve writing skills across both key stages. Other monitoring visits focused on support for SEND/PP pupils, such as pre teach and 'mop up', both of which continued to help these vulnerable groups who achieved very good progress. Regular governor visits continued to take place to monitor and evaluate progress in writing across the whole school and will remain a governor monitoring priority going forward.

A valuable course entitled Effective Governance was attended by almost every governor and was both stimulating and instructive. Governors enjoyed having time for discussion and the outcome was a governor action plan. This included clarifying the school's vision, aims and mission statement, agreeing a new governor Code of Conduct document, updating the terms of reference of all committees and writing a New Governor Induction Booklet as part of the new governor file on the governor zone of the school website. Further training for the whole Board is planned for the coming year as we continue to improve our effectiveness in carrying out our strategic function.

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GOVERNANCE STATEMENT (continued)

Governors also considered a new recommendation in the 2018 Handbook that staff governors should not be part of the Board. Our Articles of Association specify 'up to 3 staff governors may be elected'. We feel that staff governors bring a useful perspective to meetings and we encourage them to contribute to discussions, perhaps enlarging on an item in the Head Teacher's report or giving us a staff view on a related point. Staff governors are always asked to leave the meeting if a sensitive item is on the agenda. But in an effort to meet this recommendation we have not replaced one staff governor this academic year. However, both staff who have agreed to stay on the Board have particular skills which we are very keen to retain. One has extensive local knowledge while the other has considerable experience of pre-school settings which will be invaluable to the Board as we investigate the various business scenarios for such a provision.

Governors undertook a skills audit to identify any knowledge, experience or skills the board still needs in order to deliver its functions effectively and also to identify where further training is required. The governing body works as a team and the audit showed that in each skill area trustees had useable knowledge, experience, and understanding, gained from training and delivery in the workplace. All governors scored at the highest level when questioned about their commitment to improving education at the Academy and willingness to devote time, enthusiasm and effort to the duties of trustee. However the audit highlighted that, although a number of trustees had some financial experience, they did not have a professional level of competence. For this reason it was decided to co-opt a governor onto the board with the relevant skills. We were delighted to welcome a very experienced school business manager from another school as a trustee and member of the finance and audit group.

In both the Ofsted and SIAMS inspections the impact and effectiveness of the board of governors received very favourable comments. The Ofsted report says, "Governors make a strong contribution to the work of the school. They visit the school regularly and have in-depth understanding of the leaders' actions. They use their considerable skills, which they bring to the governing body, to ask searching questions to check the impact of agreed actions. This is supporting the school to improve quickly." One of the key strengths of the school identified in the SIAMS report states: "Work of the governors in monitoring and evaluating the impact of Christian distinctiveness in all areas of school life is vigorous, insightful and challenging. This leads to a highly effective cycle of continuous reflection and improvement".

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 available. The Accounting Officer for the academy has delivered improved value for money during the year, for example:

Within the recent Ofsted report it was recorded that 'the Parent Support Adviser (PSA) works closely with families to support individual pupils'. In particular, this member of staff has tackled the urgent need to improve the attendance of disadvantaged pupils and those with specific needs, including special educational needs and/or disabilities. As a result of this work, attendance for these pupils has risen, although it continues to need her attention. Parents spoke highly of 'the care and support the school provides at times of need'. This benefit has come about as a direct result of increasing the hours of the PSA and has proved to be excellent value for money. However as social issues continue to increase and become more complex the work of the PSA becomes all the more necessary.

The Academy has also allocated extra money to fund additional teaching assistants (TAs) to lead intervention programmes to raise standards where our data has shown a weakness. This has had a very positive impact resulting in much improved maths results at end of KS 2 compared to last year. In KS1 TAs have been trained to deliver intervention programmes, especially in phonics. This has proved to be excellent value for money and the benefits, especially of a good grounding in KS1, continues to be felt further up the school. Much of our teacher training is now done 'in house', as staff share their expertise, or alternatively one teacher attends a course and

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GOVERNANCE STATEMENT (continued)

then leads a training session in school. This works well, as additional support can be given if required and provides good value for money.

Rates for hire of the school hall have been increased and also for Moreton Play Space (MPS), our before and after school club. We also raised our adult child ratio at MPS which was much lower than the recommended ratio and in so doing we have increased our income. We have actively sought sponsorship from local businesses and now a Moreton estate agent has agreed to support our school prospectus.

The School Business Manager (SBM) is constantly seeking good value for money. The finance and Audit team diligently consider all the options she presents and in this way have been able to reduce our insurance costs. Also by using our higher level TAs to teach while teachers are having their planning and preparation time out of the classroom we have improved continuity, better management and understanding of the class and achieved good value for money. We have continued to reduce printing costs, utilities and administration costs. We have been very fortunate in our new caretaker who is able to do lots of maintenance jobs, carpentry, grounds maintenance, painting and decorating etc. to a high standard, giving us excellent value for money compared to having to employ outside contractors.

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 St David's Church of England Primary Academy for the period 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, which has been in place for the period 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 and is very ably led by a governor who is highly qualified in this area. Staff are given guidance to manage risk in a way appropriate to their authority and through training the Academy seeks to learn from good practice.

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 Audit Team of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

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GOVERNANCE STATEMENT (continued)

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor. However the governors appointed K Franklin, Finance Officer of Bourton on the Water Primary Academy to perform peer reviews. Following K Franklin's move to another school, the new Finance Officer at Bourton on the Water school, A Wilks, will continue to do our peer reviews.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Twice a year the reviewer reports to the board of trustees on the operation of the system of control and on the discharge of the board of governors' financial responsibilities. No significant issues have been identified, but where systems could be improved, processes have been put in place by the finance officer/ school business manager to address the areas identified

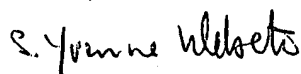
Review of Effectiveness

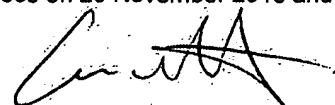
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit 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 29 November 2018 and signed on their behalf, by:


Y Webster
Chair of Trustees


C Ellyatt
Accounting Officer

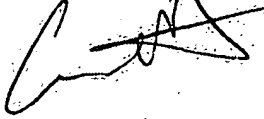
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St David's Church of England 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 no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



C. Ellyatt
Accounting Officer

Date: 29 November 2018

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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 29 November 2018 and signed on its behalf by:

S. Yvonne Webster

Y Webster
Chair of Trustees

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY

Opinion

We have audited the financial statements of St David's Church of England 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.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
DAVID'S CHURCH OF ENGLAND 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.

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

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

Date: 14 December 2018

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 14 May 2013 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 St David's Church of England 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 St David's Church of England 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 St David's Church of England 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 St David's Church of England Primary Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of St David's Church of England Primary Academy's funding agreement with the Secretary of State for Education dated 19 December 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.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST DAVID'S
CHURCH OF ENGLAND 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, 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.

Randall - Payne LLP

Randall & Payne LLP

Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

Date: *14 December 2018*

ST DAVID'S CHURCH OF ENGLAND 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 | - | 39 | 310 | 349 | 61 |
| Charitable activities | 3 | - | 1,211 | - | 1,211 | 1,221 |
| Other trading activities | 4 | 58 | 26 | - | 84 | 71 |
| Other income | | 1 | 2 | - | 3 | 1 |
| Total income | | 59 | 1,278 | 310 | 1,647 | 1,354 |
| Expenditure on: | | | | | | |
| Raising funds | | 34 | - | - | 34 | 33 |
| Charitable activities | | 3 | 1,295 | 80 | 1,378 | 1,314 |
| Total expenditure | 5 | 37 | 1,295 | 80 | 1,412 | 1,347 |
| Net income / (expenditure) before transfers | | 22 | (17) | 230 | 235 | 7 |
| Transfers between Funds | 16 | (10) | (9) | 19 | - | - |
| Net income / (expenditure) before other recognised gains and losses | | 12 | (26) | 249 | 235 | 7 |
| Actuarial gains on defined benefit pension schemes | 20 | - | 121 | - | 121 | 92 |
| Net movement in funds | | 12 | 95 | 249 | 356 | 99 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 67 | (40) | 3,287 | 3,314 | 3,215 |
| Total funds carried forward | | 79 | 55 | 3,536 | 3,670 | 3,314 |

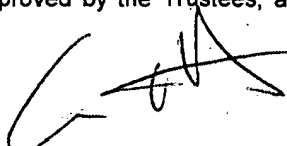
ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08322707

BALANCE SHEET
AS AT 31 AUGUST 2018

| | Note | £000 | 2018 £000 | £000 | 2017 £000 |
|--|------|--------------|---------------------|--------------|---------------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 2,751 | | 2,791 |
| Current assets | | | | | |
| Debtors | 14 | 789 | | 468 | |
| Cash at bank and in hand | | 477 | | 448 | |
| | | <u>1,266</u> | | <u>916</u> | |
| Creditors: amounts falling due within one year | 15 | <u>(102)</u> | | <u>(89)</u> | |
| Net current assets | | | <u>1,164</u> | | <u>827</u> |
| Total assets less current liabilities | | | <u>3,915</u> | | <u>3,618</u> |
| Defined benefit pension scheme liability | 20 | | <u>(245)</u> | | <u>(304)</u> |
| Net assets including pension scheme liabilities | | | <u><u>3,670</u></u> | | <u><u>3,314</u></u> |
| Funds of the academy | | | | | |
| Restricted income funds: | | | | | |
| Restricted income funds | 16 | 300 | | 264 | |
| Restricted fixed asset funds | 16 | <u>3,536</u> | | <u>3,287</u> | |
| Restricted income funds excluding pension liability | | <u>3,836</u> | | <u>3,551</u> | |
| Pension reserve | | <u>(245)</u> | | <u>(304)</u> | |
| Total restricted income funds | | | <u>3,591</u> | | <u>3,247</u> |
| Unrestricted income funds | 16 | | <u>79</u> | | <u>67</u> |
| Total funds | | | <u><u>3,670</u></u> | | <u><u>3,314</u></u> |

The financial statements on pages 32 to 57 were approved by the Trustees, and authorised for issue, on 29 November 2018 and are signed on their behalf, by:


Y Webster
Chair of Trustees


C Ellyatt
Head Teacher

The notes on pages 35 to 57 form part of these financial statements.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

| | Note | 2018 £000 | 2017 £000 |
|--|------|--------------|--------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 18 | 55 | 94 |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (33) | (30) |
| Capital grants from DfE Group | | 7 | 7 |
| Net cash used in investing activities | | (26) | (23) |
| Change in cash and cash equivalents in the year | | 29 | 71 |
| Cash and cash equivalents brought forward | | 448 | 377 |
| Cash and cash equivalents carried forward | 19 | 477 | 448 |

The notes on pages 35 to 57 form part of these financial statements.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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**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.

St David's Church of England 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.

ST DAVID'S CHURCH OF ENGLAND 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.

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

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.

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.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

| | | |
|---|---|-------------------|
| L/Term Leasehold buildings and building modifications | - | 2% straight line |
| Furniture and equipment | - | 10% straight line |
| Plant and equipment | - | 20% straight line |
| Computer equipment | - | 33% straight line |

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

Where the Trust has been granted use of school buildings from the Diocese of Gloucester under a Supplemental Agreement, the Academies Accounts Direction indicates that where the Academy Trust concludes it has control over access and works of the land and buildings they can be recognised as an asset. The land and buildings have been included within the long-term property of the Trust as the Diocese of Gloucester are currently not exerting control over the assets.

The Supplemental Agreements include the right for the Diocese of Gloucester trustees to give not less than 2 years written notice to the Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements. In addition, no restrictive access or restrictions on work has occurred in the financial year.

1.6 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.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 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.

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

1.10 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 14. 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 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.11 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.

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 20, 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.

1.13 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.

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(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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.

Critical areas of judgment:

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

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 | - | 39 | - | 39 | 54 |
| Capital Grants | - | - | 7 | 7 | 7 |
| S106 grant | - | - | 303 | 303 | - |
| | - | 39 | 310 | 349 | 61 |
| Total 2017 | - | 54 | 7 | 61 | |

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

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 (GAG) | - | 1,013 | 1,013 | 1,037 |
| Rates Reclaim | - | 3 | 3 | 2 |
| Pupil Premium | - | 66 | 66 | 69 |
| Other DfE and ESFA | - | 38 | 38 | 36 |
| Local Authority - Special Educational Needs (SEN) | - | 67 | 67 | 62 |
| Other Government Revenue Grants | - | 24 | 24 | 15 |
| | - | 1,211 | 1,211 | 1,221 |
| <i>Total 2017</i> | - | 1,221 | 1,221 | |

4. Other income generating activities

| | Unrestricted funds 2018 £000 | Restricted funds 2018 £000 | Total funds 2018 £000 | Total funds 2017 £000 |
|-----------------------------------|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Before & After School Club Income | 53 | - | 53 | 43 |
| Rental Income | 5 | - | 5 | 6 |
| Swimming Income | - | 3 | 3 | 3 |
| PSA Recharge Income | - | 11 | 11 | 10 |
| Trip Income | - | 12 | 12 | 9 |
| | 58 | 26 | 84 | 71 |
| <i>Total 2017</i> | 49 | 22 | 71 | |

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

5. Expenditure

| | Staff costs 2018 £000 | Premises 2018 £000 | Other costs 2018 £000 | Total 2018 £000 | Total 2017 £000 |
|---------------------------------------|-----------------------------|--------------------------|-----------------------------|-----------------------|-----------------------|
| Expenditure on fundraising activities | - | - | 34 | 34 | 33 |
| Educational operations: | | | | | |
| Direct costs | 836 | 13 | 66 | 915 | 890 |
| Support costs | 210 | 90 | 163 | 463 | 424 |
| | <u>1,046</u> | <u>103</u> | <u>263</u> | <u>1,412</u> | <u>1,347</u> |
| <i>Total 2017</i> | <u>1,012</u> | <u>92</u> | <u>243</u> | <u>1,347</u> | |

6. Analysis of expenditure by activities

| | Activities undertaken directly 2018 £000 | Grant funding of activities 2018 £000 | Support costs 2018 £000 | Total 2018 £000 | Total 2017 £000 |
|-------------------------------|--|---|----------------------------------|-----------------------|-----------------------|
| Educational operations direct | 915 | 34 | 456 | 1,405 | 1,347 |
| <i>Total 2017</i> | <u>952</u> | <u>33</u> | <u>362</u> | <u>1,347</u> | |

Analysis of direct costs

| | Educational operations £000 | Total 2018 £000 | Total 2017 £000 |
|--------------------------|-----------------------------------|-----------------------|-----------------------|
| Staff Expenses | 3 | 3 | 2 |
| Educational Supplies | 19 | 19 | 24 |
| Other Staff Costs | 11 | 11 | 10 |
| Other | 33 | 33 | 26 |
| Wages and salaries | 670 | 670 | 660 |
| National insurance | 49 | 49 | 54 |
| Pension cost | 117 | 117 | 110 |
| Depreciation | 13 | 13 | 4 |
| | <u>915</u> | <u>915</u> | <u>890</u> |
| <i>At 31 August 2017</i> | <u>890</u> | <u>890</u> | |

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6. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Educational operations £000 | Total 2018 £000 | Total 2017 £000 |
|--------------------------|-----------------------------------|-----------------------|-----------------------|
| Pension cost | 8 | 8 | 8 |
| Staff costs | 175 | 175 | 155 |
| Depreciation | 60 | 60 | 59 |
| Other Staff Costs | 4 | 4 | 4 |
| Insurance | 4 | 4 | 9 |
| Technology Costs | 1 | 1 | 2 |
| Other | 37 | 37 | 43 |
| Maintenance of Premises | 20 | 20 | 22 |
| Cleaning and Caretaking | 23 | 23 | 21 |
| Rates | 7 | 7 | 7 |
| Energy | 16 | 16 | 14 |
| Security | 2 | 2 | - |
| Catering | 45 | 45 | 46 |
| Other Premises Costs | 10 | 10 | 7 |
| Legal & Professional | 44 | 44 | 27 |
| Auditor Costs | 7 | 7 | - |
| | <u>463</u> | <u>463</u> | <u>424</u> |
| <i>At 31 August 2017</i> | <u>424</u> | <u>424</u> | |

During the year ended 31 August 2018, the academy incurred the following Governance costs:

£7,970 (2017 - £7,770) included within the table above in respect of educational operations support.

7. Net income/(expenditure)

This is stated after charging:

| | 2018 £000 | 2017 £000 |
|---|--------------|--------------|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 73 | 64 |
| Auditors' remuneration - audit | 6 | 5 |
| Auditors' remuneration - other services | 2 | 3 |
| Operating lease rentals | 2 | 1 |

8. Auditors' remuneration

The auditors' remuneration amounts to an audit fee of £5,850 (2017: £4,700), and non audit services of £2,120 (2017: £2,625).

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9. Staff costs

a. Staff costs

Staff costs were as follows:

| | 2018 £000 | 2017 £000 |
|--|--------------|--------------|
| Wages and salaries | 787 | 767 |
| Social security costs | 56 | 60 |
| Operating costs of defined benefit pension schemes | 198 | 176 |
| | <u>1,041</u> | <u>1,003</u> |
| Agency staff costs | 5 | 9 |
| | <u>1,046</u> | <u>1,012</u> |

b. Staff numbers

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

| | 2018 No. | 2017 No. |
|----------------|-------------|-------------|
| Teaching staff | 14 | 15 |
| Support staff | 29 | 29 |
| Management | 1 | 1 |
| | <u>44</u> | <u>45</u> |

Average headcount expressed as a full time equivalent:

| | 2018 No. | 2017 No. |
|----------------|-------------|-------------|
| Teaching staff | 13 | 13 |
| Support staff | 18 | 15 |
| Management | 1 | 1 |
| | <u>32</u> | <u>29</u> |

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

c. Key management personnel

The key management personnel of the academy trust comprise the Senior Management Team. The total amount of employee emoluments (including employer pension contributions) received by key management personnel for their services to the academy trust was £219,875 (2017: £212,467)

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10. 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 | 2017 |
|---|----------------------------|-------------|-------------|
| | | £000 | £000 |
| C Ellyatt, Headteacher and Accounting Officer | Remuneration | 55-60 | 50-55 |
| | Pension contributions paid | 5-10 | 5-10 |
| K Collins, Staff Governor | Remuneration | 30-35 | |
| | Pension contributions paid | 5-10 | |
| P Fountain, staff | Remuneration | | 25-30 |
| | Pension contributions paid | | 0-5 |
| K Teague, Staff Governor | Remuneration | 25-30 | 20-25 |
| | Pension contributions paid | 0-5 | 0-5 |
| A Whitworth, staff | Remuneration | 10-15 | 10-15 |
| | Pension contributions paid | 0-5 | 0-5 |

During the year, 2 Trustees received reimbursed expenses totalling £198 (2017 - £274) during their role as an employee.

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10 million on any one claim and the cost for the year ended 31 August 2018 was £110 (2017 - £108).

12. Other finance income

| | 2018 | 2017 |
|--|-------------|-------------|
| | £000 | £000 |
| Interest income on pension scheme assets | 15 | 9 |
| Interest on pension scheme liabilities | (23) | (17) |
| | <u>(8)</u> | <u>(8)</u> |

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

13. Tangible fixed assets

| | Leasehold property £000 | Furniture and fixtures £000 | Plant and equipment £000 | Computer equipment £000 | Total £000 |
|-----------------------|-------------------------------|-----------------------------------|--------------------------------|-------------------------------|---------------|
| Cost | | | | | |
| At 1 September 2017 | 2,912 | 43 | 69 | 37 | 3,061 |
| Additions | - | 2 | 4 | 27 | 33 |
| At 31 August 2018 | 2,912 | 45 | 73 | 64 | 3,094 |
| Depreciation | | | | | |
| At 1 September 2017 | 188 | 13 | 38 | 31 | 270 |
| Charge for the year | 41 | 5 | 14 | 13 | 73 |
| At 31 August 2018 | 229 | 18 | 52 | 44 | 343 |
| Net book value | | | | | |
| At 31 August 2018 | 2,683 | 27 | 21 | 20 | 2,751 |
| At 31 August 2017 | 2,724 | 30 | 31 | 6 | 2,791 |

Included in land and buildings is leasehold land at valuation of £849,000 (2017: £849,000), (cost £NIL (2017 - £NIL)) which is not depreciated.

The land is owned by the Board of Education Gloucester but the Academy has the right to use these for the provision of education. The Governors believe that to show a true and fair view of the accounts it should be capitalised on the basis that the risks and rewards fall with the school.

14. Debtors

| | 2018 £000 | 2017 £000 |
|--------------------------------|--------------|--------------|
| Trade debtors | 2 | 2 |
| Other debtors | 16 | 11 |
| Prepayments and accrued income | 771 | 455 |
| | <u>789</u> | <u>468</u> |

15. Creditors: Amounts falling due within one year

| | 2018 £000 | 2017 £000 |
|------------------------------------|--------------|--------------|
| Trade creditors | - | 1 |
| Other taxation and social security | 27 | 31 |
| Accruals and deferred income | 75 | 57 |
| | <u>102</u> | <u>89</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year (continued)

| | 2018 £000 | 2017 £000 |
|--------------------------------------|----------------------|----------------------|
| Deferred income | | |
| Deferred income at 1 September 2017 | 30 | 31 |
| Resources deferred during the year | 31 | 30 |
| Amounts released from previous years | (30) | (31) |
| Deferred income at 31 August 2018 | 31 | 30 |

Included within deferred income is high needs SEN income, universal infant free school meals income and PSA income for the 18/19 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

| | Balance at 1 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 | 67 | 59 | (35) | (10) | - | 81 |
| Other General funds | - | - | (2) | - | - | (2) |
| | <u>67</u> | <u>59</u> | <u>(37)</u> | <u>(10)</u> | <u>-</u> | <u>79</u> |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 210 | 1,002 | (977) | (9) | - | 226 |
| Other DFE/ESFA/LA Grants | - | 10 | (10) | - | - | - |
| Pupil Premium | - | 66 | (66) | - | - | - |
| Donation | 1 | 12 | (12) | - | - | 1 |
| Warneford Trust | 33 | 15 | (16) | - | - | 32 |
| Sports & PE Grant | 20 | 18 | (9) | - | - | 29 |
| FOSDA | - | 13 | (1) | - | - | 12 |
| Other ESFA grants not capital | - | 38 | (38) | - | - | - |
| PSA | - | 11 | (11) | - | - | - |
| Supply reimbursement of Insurance | - | 2 | (2) | - | - | - |
| Rates reclaim | - | 3 | (3) | - | - | - |
| Local Authority SEN | - | 67 | (67) | - | - | - |
| Other Revenue Grants | - | 6 | (6) | - | - | - |
| Educational Income | - | 15 | (15) | - | - | - |
| Pension reserve | (304) | - | (62) | - | 121 | (245) |
| | <u>(40)</u> | <u>1,278</u> | <u>(1,295)</u> | <u>(9)</u> | <u>121</u> | <u>55</u> |

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

16. Statement of funds (continued)

Restricted fixed asset funds

| | | | | | | |
|-------------------------------------|--------------|--------------|----------------|-----------|------------|--------------|
| Transferred from predecessor school | 2,791 | - | (72) | 33 | - | 2,752 |
| Condition Improvement Fund | 47 | - | (2) | - | - | 45 |
| Devolved Formula Capital Grant | 7 | 7 | - | (14) | - | - |
| Gloucester Diocese s106 funds | 9 | - | - | - | - | 9 |
| | 433 | 303 | (6) | - | - | 730 |
| | <u>3,287</u> | <u>310</u> | <u>(80)</u> | <u>19</u> | <u>-</u> | <u>3,536</u> |
| Total restricted funds | <u>3,247</u> | <u>1,588</u> | <u>(1,375)</u> | <u>10</u> | <u>121</u> | <u>3,591</u> |
| Total of funds | <u>3,314</u> | <u>1,647</u> | <u>(1,412)</u> | <u>-</u> | <u>121</u> | <u>3,670</u> |

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

The restricted general fund includes grants receivable from the ESFA/DfE, Local Authority and other government grants to be used for the primary educational activity of the academy.

Included in the restricted fixed asset fund there is one academy capital maintenance grant. It relates to window works.

The general funds include mostly before and after school club income and expenditure.

The PSA fund (Parent Support Advisor fund) is used to cover the salary of an employee.

The Warneford trust fund is to do with a donation made to the school to be spent on specific works.

The S106 monies is to expand the school due to building works in the area which may increase the number of children wanting a place at the school.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 September 2016 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 August 2017 £000</i> |
|-------------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|---|
| General Funds - all funds | 65 | 49 | (37) | (10) | - | 67 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 154 | 1,016 | (947) | (13) | - | 210 |
| Other DfE/EFA/LA Grants | - | 23 | (23) | - | - | - |
| Pupil Premium | - | 69 | (69) | - | - | - |
| Donation | 4 | 16 | (19) | - | - | 1 |
| Warneford Trust | - | 38 | (5) | - | - | 33 |
| Other revenue grants | 15 | 15 | (10) | - | - | 20 |
| SEN | - | 62 | (62) | - | - | - |
| Other EFA grants not capital | - | 36 | (36) | - | - | - |
| PSA | - | 10 | (10) | - | - | - |
| Educational Income | - | 12 | (12) | - | - | - |
| Supply reimbursement of Insurance | - | 1 | (1) | - | - | - |
| Pension reserve | (347) | - | (49) | - | 92 | (304) |
| | <u>(174)</u> | <u>1,298</u> | <u>(1,243)</u> | <u>(13)</u> | <u>92</u> | <u>(40)</u> |
| Restricted fixed asset funds | | | | | | |
| Transferred from predecessor school | 2,824 | - | (63) | 30 | - | 2,791 |
| Condition Improvement Fund | 51 | - | (4) | - | - | 47 |
| Devolved Formula Capital Grant | 7 | 7 | - | (7) | - | 7 |
| Gloucester Diocese s106 funds | 9 | - | - | - | - | 9 |
| | 433 | - | - | - | - | 433 |
| | <u>3,324</u> | <u>7</u> | <u>(67)</u> | <u>23</u> | <u>-</u> | <u>3,287</u> |
| Total restricted funds | <u>3,150</u> | <u>1,305</u> | <u>(1,310)</u> | <u>10</u> | <u>92</u> | <u>3,247</u> |
| Total of funds | <u>3,215</u> | <u>1,354</u> | <u>(1,347)</u> | <u>-</u> | <u>92</u> | <u>3,314</u> |

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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 - all funds | 65 | 49 | (37) | (10) | - | 67 |
| | - | 59 | (35) | (10) | - | 14 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 154 | 2,018 | (1,924) | (22) | - | 226 |
| Other DfE/EFA/LA Grants | - | 33 | (33) | - | - | - |
| Pupil Premium | - | 135 | (135) | - | - | - |
| Donation | 4 | 28 | (31) | - | - | 1 |
| Warneford Trust | - | 53 | (21) | - | - | 32 |
| Other revenue grants | 15 | 33 | (19) | - | - | 29 |
| SEN | - | 75 | (63) | - | - | 12 |
| Other EFA grants not capital | - | 74 | (74) | - | - | - |
| PSA | - | 21 | (21) | - | - | - |
| Educational Income | - | 12 | (12) | - | - | - |
| Supply reimbursement of Insurance | - | 3 | (3) | - | - | - |
| Rates Reclaim | - | 3 | (3) | - | - | - |
| Local Authority SEN | - | 67 | (67) | - | - | - |
| Other Revenue Grants | - | 6 | (6) | - | - | - |
| Educational Income | - | 15 | (15) | - | - | - |
| Pension reserve | (347) | - | (111) | - | 213 | (245) |
| | (174) | 2,576 | (2,538) | (22) | 213 | 55 |

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Restricted fixed asset funds

| | | | | | | |
|-------------------------------------|--------------|--------------|----------------|-----------|------------|--------------|
| Transferred from predecessor school | 2,824 | - | (135) | 63 | - | 2,752 |
| Condition Improvement Fund | 51 | - | (6) | - | - | 45 |
| Devolved Formula Capital Grant | 7 | 14 | - | (21) | - | - |
| Gloucester Diocese s106 funds | 9 | - | - | - | - | 9 |
| | 433 | 303 | (6) | - | - | 730 |
| | <u>3,324</u> | <u>317</u> | <u>(147)</u> | <u>42</u> | <u>-</u> | <u>3,536</u> |
| | <u>3,150</u> | <u>2,893</u> | <u>(2,685)</u> | <u>20</u> | <u>213</u> | <u>3,591</u> |
| Total of funds | <u>3,215</u> | <u>3,001</u> | <u>(2,757)</u> | <u>-</u> | <u>213</u> | <u>3,672</u> |

17. 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 | (1) | - | 2,752 | 2,751 |
| Current assets | 183 | 300 | 784 | 1,267 |
| Creditors due within one year | (102) | - | - | (102) |
| Provisions for liabilities and charges | - | (245) | - | (245) |
| Difference | (1) | - | - | (1) |
| | <u>79</u> | <u>55</u> | <u>3,536</u> | <u>3,670</u> |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2017 £000 | Restricted funds 2017 £000 | Restricted fixed asset funds 2017 £000 | Total funds 2017 £000 |
|--|------------------------------------|----------------------------------|--|-----------------------------|
| Tangible fixed assets | - | - | 2,791 | 2,791 |
| Current assets | 67 | 353 | 496 | 916 |
| Creditors due within one year | - | (89) | - | (89) |
| Provisions for liabilities and charges | - | (304) | - | (304) |
| | <u>67</u> | <u>(40)</u> | <u>3,287</u> | <u>3,314</u> |

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18. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2018 | 2017 |
|--|--------------|-------------|
| | £000 | £000 |
| Net income for the year (as per Statement of Financial Activities) | 235 | 7 |
| Adjustment for: | | |
| Depreciation charges | 73 | 63 |
| Increase in debtors | (321) | (5) |
| Increase/(decrease) in creditors | 13 | (14) |
| Capital grants from DfE and other capital income | (7) | (7) |
| FRS102 pension adjustments | 62 | 50 |
| Net cash provided by operating activities | 55 | 94 |

19. Analysis of cash and cash equivalents

| | 2018 | 2017 |
|--------------|-------------|-------------|
| | £000 | £000 |
| Cash in hand | 477 | 448 |
| Total | 477 | 448 |

20. 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 Hymans Robertson LLP. 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 £17,311 were payable to the schemes at 31 August 2018 (2017 - £15,579) 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.

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20. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- 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 £117,229 (2017 - £110,202).

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 £83,000 (2017 - £72,000), of which employer's contributions totalled £58,000 (2017 - £58,000) and employees' contributions totalled £14,000 (2017 - £14,000). The agreed contribution rates for future years are 23% for employers and 5.5%-7.5% for employees.

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

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20. Pension commitments (continued)

Principal actuarial assumptions:

| | 2018 | 2017 |
|--|--------|--------|
| Discount rate for scheme liabilities | 2.80 % | 2.50 % |
| Rate of increase in salaries | 2.60 % | 2.70 % |
| Rate of increase for pensions in payment / inflation | 2.30 % | 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 |

| | At 31 August 2018 £000 | At 31 August 2017 £000 |
|-----------------------------|------------------------------|------------------------------|
| Sensitivity analysis | | |
| Discount rate -0.5% | 131 | 121 |
| Salary increase rate +.05% | 17 | 18 |
| Pension increase rate +0.5% | 113 | 101 |

The above changes would result in an increase or decrease in the pension fund liabilities of the amounts shown.

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 | 455 | 392 |
| Bonds | 138 | 104 |
| Property | 53 | 38 |
| Cash | 13 | 11 |
| Total market value of assets | 659 | 545 |

The actual return on scheme assets was £17,000 (2017 - £80,000).

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20. Pension commitments (continued)

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

| | 2018 | 2017 |
|------------------------------------|---------------|---------------|
| | £000 | £000 |
| Current service cost | (121) | (99) |
| Interest income | 15 | 9 |
| Interest cost | (23) | (17) |
| Total | (129) | (107) |
| Actual return on scheme assets | 17 | 80 |

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

| | 2018 | 2017 |
|---|-------------|-------------|
| | £000 | £000 |
| Opening defined benefit obligation | 849 | 732 |
| Current service cost | 121 | 99 |
| Interest cost | 23 | 17 |
| Employee contributions | 16 | 14 |
| Actuarial gains | (104) | (12) |
| Benefits paid | (1) | (1) |
| Closing defined benefit obligation | 904 | 849 |

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

| | 2018 | 2017 |
|---|-------------|-------------|
| | £000 | £000 |
| Opening fair value of scheme assets | 545 | 385 |
| Interest income | 15 | 9 |
| Return on assets excluding amounts included in net interest | 17 | 80 |
| Employer contributions | 67 | 58 |
| Employee contributions | 16 | 14 |
| Benefits paid | (1) | (1) |
| Closing fair value of scheme assets | 659 | 545 |

ST DAVID'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

21. 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 £ | 2017 £ |
|-------------------------|--------------|--------------|
| Amounts payable: | | |
| Within 1 year | 2,271 | 1,703 |
| Between 1 and 5 years | 1,136 | 5,678 |
| Total | 3,407 | 7,381 |

22. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

23. 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.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

Simon Whitworth, who is husband of Ana Whitworth, Governor, was engaged for plumbing services. The value of expenditure in the year on these services was £nil (2017: £198) and £nil was outstanding at the year end.