

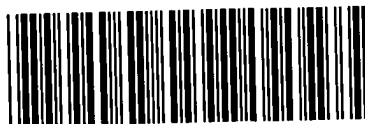
**MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY
TRUST**

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Members

Revd D Furness
K Harriman (resigned 13 December 2016)
S Towndrow
M Youngs

Trustees

C Dark (resigned 13 December 2016)
C Dear
Revd D Furness
J Griffiths (appointed 11 October 2016)
K Harriman (resigned 13 December 2016)
C Haynes (appointed 14 December 2016)
D Heneghan (appointed 14 December 2016)
M Heneghan (resigned 13 December 2016)
M Hill (resigned 31 August 2017)
C Hobby
A Mellor
J Miller (appointed 16 May 2017)
S Nineham (appointed 14 December 2016)
A Tanner
S Teal (appointed 11 October 2016, resigned 16 May 2017)
S Towndrow
B Willis (appointed 1 September 2017)
M Youngs (resigned 24 September 2017)

Company registered number

08612061

Company name

Milford-On-Sea Church of England Primary School Academy Trust

Principal and registered office

Lymington Road
Milford-On-Sea
Lymington
Hampshire
SO41 0RF

<p>MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST (A company limited by guarantee)</p>

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Company secretary

D Cummings

Senior management team

M Hill, Headteacher

B Willis, Assistant Headteacher

L Walton, Assistant Headteacher

D Cummings, School Business Manager

Independent auditors

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Bankers

Lloyds Bank Plc

39 High Street

Lymington

SO41 9ZF

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

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

The trust operates a primary academy for pupils aged 4 to 11 serving a catchment area in Milford-on-Sea and Everton. It has a pupil capacity of 327 and had a roll of 322 in the school census on 6th October 2016.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Milford-on-Sea Church of England Primary School Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Milford-on-Sea CE Primary School. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

In accordance with normal practice, the academy trust has entered into the Risk Protection Arrangement to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring while on academy trust business. Details of the costs can be found in the notes to the accounts.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed as follows:

Parent Trustees: Parent Trustees shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when he/she is elected. The arrangements made for the election of a parent governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if preferred, by having the ballot paper returned to the academy trust by a registered pupil at the academy.

Where a vacancy for a parent governor is required to be filled by election, the governing body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

Staff Trustees: The head teacher shall be treated for all purposes as being an ex officio governor. Two additional staff members are appointed as trustees. All staff in employment at the time are formally notified and invited to nominate a staff member. In the event of Governors receiving more than two nominations, a ballot will be held to appoint two staff trustees.

Community Trustees: The Community Trustees may be appointed by the governing body provided that the person who is appointed as a community governor is a person who lives or works in the community served by the academy, or a person who, in the opinion of the governing body, is committed to the government and success of the academy. Community Trustees are elected by the board of Trustees.

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

Foundation Trustees: Foundation Trustees are recommended by the Parochial Church Council (PCC) to the Diocese of Winchester and Portsmouth who approve the appointment. It always includes the incumbent.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their existing experience and is tailored to meet the needs of the individual. Where necessary induction will provide training on charity and educational legal and financial matters. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees.

Organisational Structure

Milford on Sea Primary School has a management structure of a Governing Body and a Senior Leadership Team led by the Headteacher.

The Governing Body has overarching responsibility for the school, including:

- policy development and strategic planning, including target setting to keep up momentum on school improvement.
- ensuring sound management and administration of the school, and ensuring that managers are equipped with relevant skills and guidance.
- ensuring compliance with legal requirements.
- establishing and maintaining a transparent system of prudent and effective internal controls.
- management of the school's financial, human and other resources.
- monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon.
- helping the school to be responsive to the needs of parents and the community and making it more accountable through consultation and reporting.
- setting the school's standards of conduct and values.
- assessing and managing risk (including preparation of a statement on the school's risk management for its annual report and accounts).
- ensuring that bank accounts, financial systems and financial records are operated by more than one person.
- ensuring that all the school's property is under the control of the trustees.
- keeping full and accurate accounting records.
- preparing accruals accounts giving a true and fair view of the school's incoming resources and application of resources during the year and of its state of affairs at the year end.

The executive powers of the Governing Body are delegated to the Headteacher as the Accounting Officer, unless specifically retained or otherwise set out in approved policies.

The board of trustees meets six times per annum and the Senior Leadership Team meets on a weekly basis.

Arrangements for setting pay and remuneration of key management personnel

All staff pay decisions are made through the Pay Committee which was formed in March 2017 and consists of three trustees. Any approved proposals are put to the Resources Committee and in turn to the Full Governing Body.

The Headteacher's performance management is carried out by a committee of trustees with external advice sought from Hampshire County Council.

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

Related Parties and other Connected Charities and Organisations

The Academy Trust has a written agreement in place with Milford Pre-School Plus which leases premises from the trust. The Pre-School also uses the school grounds for forest school activities and plan to pilot a scheme to increase numbers in their after-school club by using classrooms in the main school building.

The Academy maintains close connections with All Saints Church in Milford-on-Sea. This is an informal relationship with no formal agreement in place.

The school operates a Sister School Programme through a locally-run charity called Freedom to Learn where pupils have regular contact with a school in Kushadevi, Nepal.

Objectives and Activities

Objects and Aims

The vision of Milford on Sea Primary School is of a vibrant school at the heart of the local community. We will teach our pupils to become successful learners, responsible citizens, creative thinkers and reflective communicators.

Underpinned by our Christian ethos, we aim to make Milford on Sea Primary School a place of both excellence and enjoyment.

Qualities of a Milford Learner:

- Positive
- Independent
- Active
- Adaptable
- Tolerant
- Determined
- Resilient
- Resourceful
- Outward looking
- Caring

Objectives, Strategies and Activities

Overall Effectiveness

Outcomes for pupils, teaching, learning and assessment, leadership and management and the effectiveness of the Early Years Foundation Stage (EYFS) are all good and personal development, behaviour and welfare are good with elements of outstanding.

School Leaders and governors have an accurate understanding of the quality of education and are committed to tackling underperformance and identified areas of development.

EYFS provision continues to improve and this is reflected in review documentation over the last two years.

Pupils' spiritual, moral, social and physical development is a strength of the school. The behaviour of pupils, supported by our Milford Manners' and 'Golden Rules' is good and is commented on by visitors to the school.

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

Quality of teaching, learning and assessment

Teachers have high expectations of progress and attainment and plan lessons for the needs of all learners. The impact of this can be seen in the 2016-17 progress data for the key subjects. Writing has been identified as a key priority in the SIP.

Quality of teaching is at least 'good' in all phases. It is monitored by the Headteacher, partner CQA (Collaborative Quality Assurance) school, SLT and teacher-to-teacher. This triangulated approach is adopted to gather a range of evidence to support judgements over time.

To ensure high standards are maintained and consistency achieved across the phase, pupils' books are scrutinised, planning monitored, data analysed, pupils spoken to, and teaching observed. Teachers provide evidence against the teacher's standards, which is kept on file.

Shared planning and moderation within phase groups ensures consistency in curriculum coverage and equality of provision. It is our continued aim that, whilst allowing teachers the autonomy to express themselves creatively, we expect 'best practice' to be evident in all classrooms.

Inviting other cluster schools to a writing moderation evening has improved confidence and accuracy of judgements in this subject.

Evidence from lesson observations, book scrutiny and external reports show consistently high quality marking and constructive feedback. Pupils know how well they have done and what they need to do to improve.

Where pupils fall behind, they are identified for interventions which are combined with quality first teaching strategies in the classroom. Teachers and Learning Support staff work in partnership in classrooms and across phases to address pupils' needs. Best practice is shared amongst all staff during INSET and impact is monitored by Learning Support staff, Teachers, SENCOs and the Headteacher. Evidence from CQA observations strongly supports the view that other adults contribute positively to the climate for learning and that intervention delivery is a strength of the school. Data supports this judgement too, with progress amongst SEND pupils in line with their peers in 2016 -17 in Maths and Reading and average progress slightly above the expected 3TP. Progress in Writing amongst SEND is an area for development.

The school completed its first year of developing a 'Growth Mindset' culture. Classrooms have displays relating to a 'can-do' approach and staff are beginning to praise effort more than attainment.

The school runs an extensive Retired and Senior Volunteer Programme to support children with their reading. This is linked to a structured reading programme that encourages children to read for pleasure. The levelled books help move junior children on from phonics to become fluent, confident readers.

There are many routes for pupils to follow leadership paths and these are formalised in the juniors. Pupils taking on extra responsibilities is a strength of the school. Opportunities are provided for Yr 5/6 children to be Play Leaders.

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

Leadership & Management:

The vision for the school is 'Excellence and Enjoyment'. Through school systems including, 'MOSPS Best!', 'Star of the Week VIPs', 'Qualities of a MOSPS Learner', 'Green Leaf Celebrations, Milford Manners and newsletter features, school leaders continually demonstrate high expectations of achievement, effort and behaviour.

Subject Leaders monitor planning and work in their subjects and are making better use of assessment data for subject development planning. As a result they are now able to talk about standards in their subject across the school.

Development planning involves all leaders. With strategic support from governors, strengths and weaknesses are identified and areas for improvement set. As a result all key stakeholders contribute to continuing school improvement.

Performance Management is undertaken and ambitious targets set in-line with the School Improvement Plan (SIP). Teachers' performance is monitored against the Teachers' Standards and this, along with pupil progress and attainment, is used to determine their progression up the pay scale. Performance Management for Support Staff is effective and has highlighted the need for sharing expertise related to interventions.

Governors monitor progress against the SIP targets. They have a good understanding of data and use this to monitor and challenge school leaders. They have recognised the need for the school to focus on Writing next year and will monitor developments closely. Members of the governing body are linked with curriculum subject areas and have responsibility for monitoring subject developments.

The school gives priority to pupils' safety and meets all Safeguarding legislation. All school staff are given Safeguarding training on an annual basis. Every other year this is provided by an external body, to ensure that the school is up to date with best practice. At other times it is provided internally by the DSL and Head Teacher. Teachers and support staff have completed Prevent Duty training, read and discussed 'Keeping Children Safe in Education – September 2016', and governors support the safeguarding and health and safety audit processes. A Single Central Record of recruitment and vetting checks covers all staff and others identified by the school as having regular contact with children. This is checked on a half-termly basis by the safeguarding governor and the Headteacher.

The school commissions annual external Health and Safety compliance and fire risk assessment reports which are actioned by the Headteacher and caretaker. Teachers produce risk assessments for activities and complete monthly site inspection walks with the caretaker and governors. Last year the school adopted the County recommended EVOLVE software to ensure rigor in the monitoring and approving of off-site visits.

Finances are particularly well managed. The external auditors carry out termly audits and findings are reported to governors through the Resources Committee. The School Business Manager oversees all the aspects of the school finances and is AAT qualified.

We work closely with other schools in our pyramid cluster and with local secondary schools to ensure pupils have a smooth transition and are prepared for the next phase of their education. We also have excellent relationships with Milford Pre-school Plus.

Bullying (including cyber-bullying) and discrimination are tackled through a range of initiatives such as Anti-Bullying Week, the MOSPS e-safety code, Safer Internet Day, the curriculum and display. Diversity and tolerance is celebrated through the curriculum.

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

We have strong links with the local church and are fostering links with other local groups such as the, Milford Historical Society and the Milford Fine Arts & Decorative Society, which supports regular in-school projects.

The school provides a range of extra-curricular activities, a number of which are run by school staff, reflecting a commitment to increasing opportunities for all pupils at MOSPS.

Effectiveness of the EYFS:

The quality of teaching in the EYFS is good. Assessments are regular and accurate. An EYFS Review in March 2017 recognised that the EYFS Plan is now "of good quality and is informed by on-going assessment." The review recognised that there is now a stronger emphasis on the teaching of the prime areas of learning, which has contributed to "good gains" in the children's learning.

This year children joined the Early Years with levels of skills and knowledge that are more variable than in 2015/16. A number of children had weaker communication, language, personal and social skills. Over the year "children have made exceptional progress in their personal, social and emotional development", which has "created a platform on which to build skills and knowledge in reading, writing and number". This is evidenced in the achievement of the target of 80% GLD and the percentages of children achieving their ELG in reading writing, number and shape, space and measure.

The EYFS review in March 2017 noted that "learning behaviours overall are good" and "children are flourishing" in an environment that promotes an enjoyment for learning. It goes on to state that "above all, children enjoy the time they spend in the foundation stage" and recognises that "the staff, as a team, work hard to ensure the children's time at the school is a positive experience."

Observations and assessments identify significant milestones which are used to plan the next stages in learning for the individual. Parents are now fully involved in the assessments of their children's capabilities through the year and are encouraged to communicate significant moments of children's home achievements. Children at risk of not achieving GLD are identified early and parents are informed and encouraged to work in partnership with the school to address identified needs.

When moderated on the 8th June, all judgements were agreed and in line with national exemplification materials and STA principles of effective assessment.

The team have a good understanding of the strengths and weaknesses of the foundation stage at the present time. The EYFS leader has been recognised as leading the foundation stage "very effectively" and has a clear ambition for continued improvement.

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

Personal development, behaviour and welfare:

Personal development, behaviour and welfare is good with elements of outstanding. There is a strong, clear and embedded vision that encourages every pupil to succeed through giving of their best in all areas of life.

Absence rates are either in-line with the national average or better in the case of persistent absenteeism and absence for disadvantaged (FSM) pupils. Where support is needed to address the attendance of a minority of pupils, the school works with an Educational Welfare Officer.

Pupils are proud of their school and through the Golden Rules, are taught to recognise right and wrong, respect the law and understand the consequences of their actions. A 'Red to Gold' behaviour consequence system is used effectively across the junior phase to ensure pupils understand that poor decision making may have a consequence, while positive behaviours are rewarded. A similar, visual system using a cloud, sun and rainbow is used in KS1. Rewarding effort and behaviour through Golden Postcards, stickers, Green Leaf celebrations, Star of the Day (EYFS) and the VIP Red Jumpers enforces the school's expectations.

Through 'MOSPS Best!' children contribute to the positive culture by giving their best in all they do. The model emphasises the growth mind-set model and expects pupils to seek their personal best across the curriculum.

Through our 'Qualities of an MOSPS learner' we teach the qualities of tolerance and being 'outward looking'. Pupils are taught to appreciate the role of democracy, participate in cultural opportunities and celebrate diversity. The school undertakes various projects over the year of a local, national and global nature and has active partner schools in the New Forest, Spain and Nepal.

Over the last two years, the school has developed strong links with a charity which supports links with schools in India and Nepal, called 'Freedom to Learn'. This work has culminated in the start-up of a Milford – Nepali teacher exchange programme - the first teacher exchange happened in May 2017 and the 'Model School Programme' director will spend time with us here in Milford in the new academic year.

Through the school's work in teaching the Spanish language (Y1-Y6), the children are given biannual opportunities to write letters in Spanish to our partner school in Pamplona, Northern Spain.

Pupil voice is strong with children having a voice through the School Council, Worship Council, Eco-Committee and Friendship Ambassadors. Leadership skills are developed through different roles including Play Leaders, Wild Play Leaders, Lunchtime Monitors and Librarians.

Pupils understand how to keep themselves safe at school and at home through activities such as Bikeability (Yr6), stranger danger assemblies, bi-annual NSPCC workshops in Y5/6, work with the Fire Service and Safer Internet Day.

Our PHSE and Science curriculums are supported by Circle Time, Sex & Relationships lessons and our commitment to school sport to promote exercise, healthy eating, hygiene and the dangers of drugs and alcohol. ELSA support is available across the school and pupils are referred for support by their class teachers.

YR and Y1/2 have a regular Forest School sessions held in 'Little Wood'. This programme helps develop pupil's self-belief, confidence, learning capacity, enthusiasm, communication and problem-solving skills.

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

The school's strong Christian ethos and links with the local church have raised the profile of self-reflection and prayer. Prayer Space Week is provided for children to consider the act of prayer and has seen the introduction of 'Prayer Corners' in Junior classrooms. Our pupils understand the concept of prayer and can relate this to other religions covered in the curriculum. To further develop the teaching of Christianity, the school has adopted the 'Understanding Christianity' scheme of work.

Pupils at MOSPS respect each other and behave appropriately towards one another. Incidents of bullying are very rare, and where they do occur, they are dealt with in line with the school's policy.

Public Benefit

The academy trust promotes education for the benefit of the local community of Milford on Sea and surrounding areas.

The Governors, acting as trustees, confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the guidance issued by the Charities Commission on public benefit.

Strategic Report

Achievements and Performance

Pupil achievement expected at the end of KS1 and KS2 are good. Where writing attainment has slipped below National data it is only marginally lower (3%). Across the school pupils make expected progress (average progress data) in Reading and Mathematics (3TP) and 2.9 TP in Writing.

All groups make good progress overall, in Reading and Maths, but the school has identified progress in writing, particularly for those Pupil Premium pupils with SEND needs to be addressed.

Outcomes for pupils are good because pupils' attainment at the end of EYFS continues to be above the national average. In KS1, attainment in the phonics screening test continue to be significantly above the national average and attainment in reading, writing and maths are above the national average. In KS2 pupils' attainment in reading, writing, GPS and maths continues to be either broadly in line with, or above the national average.

At KS2 numbers of pupils achieving GDS has improved from last year and current data puts us above the national average in all subjects and in RWM combined.

Attainment at ARE (Age Related Expectations) increased from 2015-16 in all subjects except writing, which is why this is a SIP priority for the coming year.

After increased focus on grammar, across the school, but most significantly in the upper juniors, pupils attaining GDS in the GPS paper rose by 23.7 % points.

A similar drive to address mastery in maths lessons resulted in a 14.7% points rise in pupils attaining GDS.

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

Y1- 2017

	Reading ARE+	Reading Greater Depth	Maths ARE+	Maths Greater Depth	Writing ARE+	Writing Greater Depth
MOSPS	89%	22%	80%	22%	71%	16%
MOSPS Pupil Premium	100%	25%	100%	0%	100%	0%
MOSPS Non Pupil Premium	88%	20%	78%	20%	71%	20%
MOSPS SEND	38%	0%	50%	0%	0%	0%
MOSPS Non SEND	100%	27%	92%	21%	89%	22%
Boys	83%	22%	70%	22%	52%	13%
Girls	100%	23%	86%	14%	86%	23%

Y2- 2017

	Reading ARE+	Reading Greater Depth	Maths ARE+	Maths Greater Depth	Writing ARE+	Writing Greater Depth
MOSPS	91%	42%	80%	29%	69%	20%
MOSPS Pupil Premium	100%	50%	75%	0%	75%	0%
MOSPS Non Pupil Premium	90%	44%	81%	34%	68%	24%
MOSPS SEND	43%	0%	43%	0%	14%	0%
MOSPS Non SEND	100%	53%	87%	44%	79%	26%
Boys	88%	44%	76%	28%	56%	26%
Girls	94%	44%	83%	33%	83%	22%

Y3- 2017

	Reading ARE+	Reading Greater Depth	Maths ARE+	Maths Greater Depth	Writing ARE+	Writing Greater Depth
MOSPS	80%	30%	72%	17%	57%	9%
MOSPS Pupil Premium	75%	25%	50%	0%	50%	0%
MOSPS Non Pupil Premium	81%	28%	71%	19%	57%	12%
MOSPS SEND	0%	0%	29%	0%	0%	0%
MOSPS Non SEND	95%	36%	77%	20%	67%	13%
Boys	74%	21%	79%	11%	53%	10%
Girls	85%	37%	63%	22%	59%	11%

Y4- 2017

	Reading ARE+	Reading Greater Depth	Maths ARE+	Maths Greater Depth	Writing ARE+	Writing Greater Depth
MOSPS	83%	42%	79%	19%	56%	15%
Provisional National	71%	25%	75%	23%	76%	18%
MOSPS Pupil Premium	88%	50%	63%	13%	50%	13%
MOSPS Non Pupil Premium	83%	45%	83%	23%	58%	23%
MOSPS SEND	50%	0%	50%	0%	0%	0%
MOSPS Non SEND	88%	52%	83%	24%	64%	24%
Boys	85%	38%	81%	27%	54%	23%
Girls	82%	55%	77%	14%	59%	18%

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

Y5 - 2017

	Reading ARE+	Reading Greater Depth	Maths ARE+	Maths Greater Depth	Writing ARE+	Writing Greater Depth
MOSPS	68%	32%	66%	32%	43%	21%
Provisional National	71%	25%	75%	23%	76%	18%
MOSPS Pupil Premium	100%	33%	67%	33%	33%	33%
MOSPS Non Pupil Premium	66%	32%	66%	32%	43%	21%
MOSPS SEND	20%	0%	0%	0%	0%	0%
MOSPS Non SEND	74%	36%	74%	35%	48%	24%
Boys	56%	32%	68%	44%	40%	24%
Girls	82%	32%	64%	18%	46%	18%

Y6 - 2017

	Reading ARE+	Reading Greater Depth	Maths ARE+	Maths Greater Depth	Writing ARE+	Writing Greater Depth
MOSPS	89%	38%	82%	36%	73%	20%
Provisional National	71%	25%	75%	23%	76%	18%
MOSPS Pupil Premium	50%	25%	50%	25%	50%	25%
MOSPS Non Pupil Premium	93%	88%	85%	83%	76%	37%
MOSPS SEND	58%	50%	42%	42%	33%	8%
MOSPS Not SEND	100%	97%	97%	94%	88%	64%
Boys	84%	80%	80%	80%	64%	32%
Girls	95%	90%	85%	80%	85%	40%

	SPAG	RWM Combined
MOSPS	91%	67%
Provisional National	77%	65%
MOSPS Pupil Premium	75%	50%
MOSPS Non Pupil Premium	93%	68%
MOSPS SEND	67%	17%
MOSPS Not SEND	100%	85%
Boys	84%	60%
Girls	100%	75%

Key Performance Indicators

During 2016/17 the Academy Trust used the following financial KPI's:

Revenue income per pupil	£4,032
Staffing costs per pupil	£2,745
Staffing costs as a percentage of total income	68%
Other expenditure per pupil	£1,238
Combined operating surplus or (deficit) as a percentage of total income	1.22%

Going Concern

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

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

Financial Review

Review of Financial Performance and Position

During the year Milford on Sea Primary School received income of £1,152,778 from the DfE in respect of the General Annual Grant and other revenue grants to fund the Academy's educational operations.

The school generated its own funds for unrestricted use through rental of school premises to Milford Pre School Plus. Income from this totalled £8,717.

Bank interest for the period amounted to £608.

Total income (excluding restricted pension reserve and fixed asset funds) amounted to £1,289,844. Expenditure (excluding restricted pension reserve and fixed asset funds) amounted to £1,271,687 in respect of operating Milford On Sea Primary school.

Reserves Policy

The reserves as at 31 August 2017 were as follows:

Unrestricted (free) reserves of £93,115

A restricted fixed asset fund of £4,192,668, which can only be realised through disposal of tangible fixed assets

A pension deficit of £259,000

Other restricted funds of £19,758

Total funds of £4,046,541

There is a £259,000 deficit in respect of the Local Government Pension Scheme. This will result in increased employers' pension contributions over a period of years. We have reflected the effect of increased pension costs in our future budgets. Increased pension contributions will be met from the academy trust's budgeted annual income, and whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust as a result of recognising the deficit.

The Governors review and agree the reserve levels of the school annually as part of the budgeting process. The use of reserves is to provide funds to enhance the educational facilities and services, to provide ongoing maintenance of the school premises and infrastructure and to fund future capital projects.

Investment Policy

As at 31 August 2017 the balance of the 32 day notice deposit account was £90,000. This reduced from £110,000 as at 31 August 2016 due to the capital investment to install new ICT equipment under a new contractor. The balance is reviewed on a monthly basis by the School Business Manager and reported to the trustees at the resources committee meetings. Decisions about further investment are made based on future cash flow requirements.

Principal Risks and Uncertainties

The Governors oversee the implementation of the school's financial strategy to ensure the school's viability and efficiency into the long term future.

The key financial risk is the continuing real terms fall in school funding. The impact of the new National Funding Formula is predicted to have a small but positive impact on the school although Governors are taking a cautious approach to this.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

Plans for Future Periods

Milford on Sea Primary School will continue to pursue its objectives and aims, in line with the School Improvement Plan and Self Evaluation reports. It will support the continuing success and development of its pupils by promoting initiatives such as the Growth Mindset ethos with a view to maximum achievement for the school's OFSTED rating.

Links with the local community will continue to be developed to support the school's vision of being at the heart of the community.

Capital projects for 2017-18 will include repairs to the swimming pool amongst other small scale projects and will be managed in line with the school's reserves.

Funds Held as Custodian Trustee on Behalf of Others

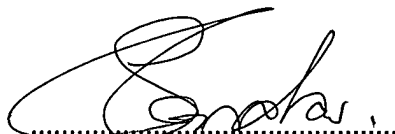
The academy trust holds a discretionary fund, funded by Milford-on-Sea Parish Council, which is used to pay for leaving gifts and similar expenses. Details are given in note 15 to the accounts. There are no other arrangements where the Charity or the Trustees are acting as custodians.

Auditor

Insofar as the trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2017 and signed on the board's behalf by:



S Towndrow
Chair of Trustees

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Milford-on-Sea Church of England Primary School Academy Trust and the Secretary of State for Education. The Accounting Officer is 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 six times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Towndrow	6	6
C Dark	0	2
C Dear	4	6
D Furness	5	6
C Haynes	4	6
D Heneghan	2	4
M Hill	5	6
J Griffiths	5	6
K Harriman	1	2
M Heneghan	2	2
C Hobby	4	6
A Mellor	5	6
J Miller	1	1
S Nineham	4	4
A Tanner	4	6
S Teal	3	3
M Youngs	4	6

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

The **Resources Committee** is a sub-committee of the main board of trustees and encompasses the Finance and Audit, Health and Safety, Buildings and Premises, Personnel and Safeguarding Committees. Its purpose is to advise and assist the Senior Leadership Team (SLT) and Governing Body on matters relating to the following:

- Finance and Audit - finance including monitoring expenditure, pay, budgeting and audit.
- Health, Safety, Buildings and Premises - maintenance, provision, development and safety of the school site.
- Personnel and Safeguarding – safeguarding, staffing and personnel issues.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Towndrow	5	6
C Dark	0	2
C Haynes	2	4
D Heneghan	3	4
M Hill	5	6
J Griffiths	5	6
K Harriman	1	1
C Hobby	5	6
A Tanner	5	6

The **Pay Committee** is a sub-committee of the Resources and was formed in March 2017. Its purpose is to advise, assist the SLT and Resources Trustees relating to pay decisions and approve proposals made by the Headteacher for performance management related pay decisions. It oversees the Performance Management and Pay Policies.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Towndrow	3	3
C Hobby	3	3
J Griffiths	3	3

The **Admissions, Pupil Welfare, Curriculum, Standards and Improvement Committee** is a sub-committee of the main board of trustees. Its purpose is to assist the SLT in ensuring effective delivery of the Curriculum and to monitor and review the School Improvement Plan and performance data. Also, to advise and assist the SLT and Governing Body on Pupil Welfare and admissions issues.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C Dear	1	6
M Hill	4	6
M Heneghan	1	1
A Mellor	5	6
J Miller	1	1
S Nineham	2	2
A Tanner	4	6
S Teal	2	3
M Youngs	4	6

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Governance reviews

The Governing Body has appointed a Trustee to collate evidence in order to continually evaluate the impact and effectiveness of the Board of Trustees.

Minutes of committee meetings are marked accordingly to identify areas where trustees have actively challenged the SLT and had an impact on the school aims and objectives.

Following the resignation of a number of trustees during the academic year, the Governing Body quickly identified gaps in the remaining governors' skill set and was able to recruit new trustees to once again strengthen the base of expertise.

Review of Value for Money

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

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

Staff Absence Insurance:

The existing Service Level Agreement (SLA) with Hampshire County Council expired in March 2017. Quotes were obtained for renewal through the Education Broker and ranged between £5k and £11k for varying degrees of cover. Following an assessment of potential teacher absences it was decided by the Governing Body to self-insure from April 2017 saving the school approx. £4.2k for 2016/17.

SLA for IT support:

Three quotes were obtained from two local IT support companies and Hampshire County Council, who held the existing contract. Again, quotes were difficult to compare due to varying content, however, following an extrapolation of costs over five years, it was agreed by the Governing Body to accept the contract with Harrap. The new contract commenced in June 2017 and cost savings will be reported on in the next financial year.

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 Milford-On-Sea Church of England Primary School Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity To Handle Risk

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

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Hopper Williams & Bell Limited, the external auditors, to perform additional checks.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliation
- Testing of internal controls

On a bi-annual basis, the auditors report to the board of trustees through the Resources Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The external auditor has delivered their schedule of work as planned. No material control issues arose as a result of the appointee's work.


Review of Effectiveness

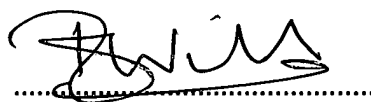
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 12 December 2017 and signed on their behalf, by:


S Towndrow
Chair of Trustees


B Willis
Accounting Officer

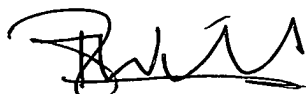
MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Milford-On-Sea Church of England Primary School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



.....
B Willis
Accounting Officer

Date: 12 December 2017

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 12 December 2017 and signed on its behalf by:


S Towndrow
Chair of Trustees

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST**

OPINION

We have audited the financial statements of Milford-On-Sea Church of England Primary School Academy Trust (the 'Academy') for the year ended 31 August 2017 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'.

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.

In our opinion the financial statements:

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

BASIS 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.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST**

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 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST**

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Hub

Richard Hurst FCA (Senior statutory auditor)
for and on behalf of

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Date:

21 December 2017

<p>MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST (A company limited by guarantee)</p>

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

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

This report is made solely to Milford-On-Sea Church of England Primary School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Milford-On-Sea Church of England Primary School Academy Trust 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 Milford-On-Sea Church of England Primary School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Milford-On-Sea Church of England Primary School Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2013, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)

SUMMARY OF WORK UNDERTAKEN

We carried out the following:

- planning of assurance procedures including identifying key risks;
- substantive testing including analytical review;
- concluding on procedures carried out.

Substantive testing included the following procedures:

- confirming that activities conform to the Academy's framework of authorities;
- considering the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- evaluating the general control environment of the Academy;
- testing a sample of transactions to consider whether the transaction is permissible within the Academy's framework of authorities;
- confirming whether any extra-contractual payments have been made and whether appropriate authority was obtained;
- reviewing documentation for evidence of borrowing and confirming if approval was obtained from the ESFA;
- confirming whether ESFA approval was obtained for any disposals of assets;
- reviewing the internal control procedures relating to credit cards;
- reviewing for any indication of purchases for personal use by staff or officers;
- reviewing the list of suppliers to consider whether supplies are from related parties;
- considering whether income generating activities are permissible within the Academy's charitable objects;
- reviewing whether lettings to related parties are made at favourable rates.

CONCLUSION

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



Richard Hurst FCA

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Date: 21 December 2017

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	-	17,566	17,566	7,578
Charitable activities	3	-	1,280,519	-	1,280,519	1,212,857
Other trading activities	4	8,717	-	-	8,717	6,976
Investments	5	608	-	-	608	1,000
TOTAL INCOME		9,325	1,280,519	17,566	1,307,410	1,228,411
EXPENDITURE ON:						
Charitable activities		-	1,316,687	61,926	1,378,613	1,330,004
TOTAL EXPENDITURE	6	-	1,316,687	61,926	1,378,613	1,330,004
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		9,325	(36,168)	(44,360)	(71,203)	(101,593)
Transfers between Funds	16	-	(31,255)	31,255	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		9,325	(67,423)	(13,105)	(71,203)	(101,593)
Actuarial gains/(losses) on defined benefit pension schemes	20	-	231,000	-	231,000	(227,000)
NET MOVEMENT IN FUNDS		9,325	163,577	(13,105)	159,797	(328,593)
RECONCILIATION OF FUNDS:						
Total funds brought forward		83,790	(402,819)	4,205,773	3,886,744	4,215,337
TOTAL FUNDS CARRIED FORWARD		93,115	(239,242)	4,192,668	4,046,541	3,886,744

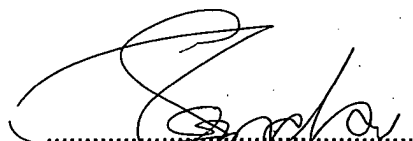
The notes on pages 29 to 49 form part of these financial statements.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08612061

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		4,192,668		4,205,773
CURRENT ASSETS					
Debtors	14	48,486		71,212	
Cash at bank and in hand		201,135		223,385	
		<u>249,621</u>		<u>294,597</u>	
CREDITORS: amounts falling due within one year	15	(136,748)		(168,626)	
NET CURRENT ASSETS			<u>112,873</u>		<u>125,971</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,305,541</u>		<u>4,331,744</u>
Defined benefit pension scheme liability	20		(259,000)		(445,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>4,046,541</u></u>		<u><u>3,886,744</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	19,758		42,181	
Restricted fixed asset funds	16	4,192,668		4,205,773	
Restricted income funds excluding pension liability		<u>4,212,426</u>		<u>4,247,954</u>	
Pension reserve		<u>(259,000)</u>		<u>(445,000)</u>	
Total restricted income funds			<u>3,953,426</u>		<u>3,802,954</u>
Unrestricted income funds	16		<u>93,115</u>		<u>83,790</u>
TOTAL FUNDS			<u><u>4,046,541</u></u>		<u><u>3,886,744</u></u>

The financial statements on pages 26 to 49 were approved by the Trustees, and authorised for issue, on 12 December 2017 and are signed on their behalf, by:



S Towndrow
Chair of Trustees

The notes on pages 29 to 49 form part of these financial statements.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>26,571</u>	<u>5,632</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(48,821)</u>	<u>(45,958)</u>
Net cash used in investing activities		<u>(48,821)</u>	<u>(45,958)</u>
Change in cash and cash equivalents in the year		<u>(22,250)</u>	<u>(40,326)</u>
Cash and cash equivalents brought forward		<u>223,385</u>	<u>263,711</u>
Cash and cash equivalents carried forward	19	<u><u>201,135</u></u>	<u><u>223,385</u></u>

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Milford-On-Sea Church of England Primary School Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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 the Department for Education where the asset acquired or created is held for a specific purpose.

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

<p>MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST (A company limited by guarantee)</p>

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

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.

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 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.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 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.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities 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.

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

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

Long-term leasehold land	-	Not provided
Long-term leasehold property	-	Shorter of 50 years straight line or length of lease
Building Improvements	-	10 years - straight line
Fixtures and fittings	-	15% Straight Line
Other fixed assets	-	15% Straight Line
Computer equipment	-	3 years - straight line

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation.

The academy's land and buildings are occupied under a licence from The Winchester Diocesan Board of Finance whereby the premises are made available for its use, with no rental payable. The academy has concluded that it has control over the premises and it has therefore recognised the premises as a fixed asset on its balance sheet.

<p>MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST (A company limited by guarantee)</p>
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

1.8 Taxation

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

1.9 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.

1.10 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.

1.11 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.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.12 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 other financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 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.

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Capital grants	-	-	17,566	17,566	7,578
<i>Total 2016</i>	-	-	7,578	7,578	

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,061,818	1,061,818	1,057,221
DfE/ESFA other grants	-	90,960	90,960	91,521
	-	1,152,778	1,152,778	1,148,742
Other government grants				
Local authority grants	-	18,772	18,772	2,459
	-	18,772	18,772	2,459
Other funding				
Trip income	-	43,614	43,614	6,630
Catering income	-	36,640	36,640	34,247
Other income	-	28,715	28,715	20,779
	-	108,969	108,969	61,656
	-	1,280,519	1,280,519	1,212,857
<i>Total 2016</i>	-	1,212,857	1,212,857	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings income	8,717	-	8,717	6,976
<i>Total 2016</i>	6,976	-	6,976	

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	608	-	608	1,000
<i>Total 2016</i>	<i>1,000</i>	<i>-</i>	<i>1,000</i>	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Academy's educational operations:					
Direct costs	752,756	-	148,868	901,624	851,449
Support costs	167,527	104,596	204,866	476,989	478,555
	<u>920,283</u>	<u>104,596</u>	<u>353,734</u>	<u>1,378,613</u>	<u>1,330,004</u>
<i>Total 2016</i>	<i>850,957</i>	<i>122,997</i>	<i>356,050</i>	<i>1,330,004</i>	

7. ANALYSIS OF SUPPORT COSTS

	Educational operations £	Total 2017 £	Total 2016 £
Technology costs	15,239	15,239	14,145
Premises costs	104,596	104,596	122,997
Governance costs	10,320	10,320	11,128
Other costs	117,381	117,381	127,110
Wages and salaries	102,088	102,088	99,735
National insurance	6,458	6,458	4,525
Pension cost	58,981	58,981	33,836
Depreciation	61,926	61,926	65,079
	<u>476,989</u>	<u>476,989</u>	<u>478,555</u>
<i>At 31 August 2016</i>	<i>478,555</i>	<i>478,555</i>	

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

8. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the trust	119	-	Gifts to staff members

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	61,926	65,079
Auditors' remuneration - audit	6,025	5,850
Auditors' remuneration - other services	4,295	5,278
Operating lease rentals	10,023	9,253
	<u> </u>	<u> </u>

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	712,187	681,266
Social security costs	54,872	46,821
Operating costs of defined benefit pension schemes	153,224	122,870
	<u>920,283</u>	<u>850,957</u>

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

	2017 No.	2016 No.
Teachers	18	12
Administration and support	32	33
Management	4	3
	<u>54</u>	<u>48</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the academy trust comprises the senior management team as listed on page 1. The total amount of staff costs in respect of key management personnel was £217,902 (2016: £185,001).

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. 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:

		2017 £'000	2016 £'000
M Hill	Remuneration	60-65	60-65
	Pension contributions paid	10-15	10-15
C Dear	Remuneration	35-40	35-40
	Pension contributions paid	5-10	5-10

During the year ended 31 August 2017, expenses totalling £401 (2016: £363) were reimbursed to five Trustees (2016: three trustees).

12. TRUSTEES' AND OFFICERS' INSURANCE

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

13. TANGIBLE FIXED ASSETS

	Land & Buildings £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost					
At 1 September 2016	4,302,376	18,441	38,159	20,120	4,379,096
Additions	-	-	33,822	14,999	48,821
At 31 August 2017	4,302,376	18,441	71,981	35,119	4,427,917
Depreciation					
At 1 September 2016	133,843	5,274	30,526	3,680	173,323
Charge for the year	49,500	2,772	5,496	4,158	61,926
At 31 August 2017	183,343	8,046	36,022	7,838	235,249
Net book value					
At 31 August 2017	4,119,033	10,395	35,959	27,281	4,192,668
At 31 August 2016	4,168,533	13,167	7,633	16,440	4,205,773

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

14. DEBTORS

	2017 £	2016 £
Trade debtors	5,752	2,851
Other debtors	23,899	25,879
Prepayments and accrued income	18,835	42,482
	<u>48,486</u>	<u>71,212</u>

15. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	56,058	46,043
Other taxation and social security	15,869	9,561
Other creditors	15,940	14,837
Accruals and deferred income	48,881	98,185
	<u>136,748</u>	<u>168,626</u>

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	46,362	22,561
Resources deferred during the year	23,835	46,362
Amounts released from previous years	(46,362)	(22,561)
Deferred income at 31 August 2017	<u>23,835</u>	<u>46,362</u>

Deferred income is comprised of UIFSM provisional funding and trip income which relates to the forthcoming financial year.

Agency arrangements

Included within other creditors is a discretionary fund, funded by Milford-on-Sea Parish Council, which is used to pay for leaving gifts and similar expenses, for which the academy trust is custodian. Details of income and expenditure were as follows:

	£
Balance brought forward	1,799
Contributions	750
Expenditure	(1,224)
Balance carried forward	<u>1,325</u>

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

16. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General reserves	83,790	9,325	-	-	-	93,115
Restricted funds						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	-	1,061,818	(1,061,818)	-	-	-
Pupil premium	-	40,745	(40,745)	-	-	-
Other DfE/ESFA grants	-	50,215	(50,215)	-	-	-
Local authority grants	-	18,772	(18,772)	-	-	-
Other educational activities	42,181	108,969	(100,137)	(31,255)	-	19,758
Pension reserve	(445,000)	-	(45,000)	-	231,000	(259,000)
	<u>(402,819)</u>	<u>1,280,519</u>	<u>(1,316,687)</u>	<u>(31,255)</u>	<u>231,000</u>	<u>(239,242)</u>
Restricted fixed asset funds						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed asset fund	4,205,773	-	(61,926)	48,821	-	4,192,668
Devolved formula capital	-	7,566	-	(7,566)	-	-
National Lottery Funding	-	10,000	-	(10,000)	-	-
	<u>4,205,773</u>	<u>17,566</u>	<u>(61,926)</u>	<u>31,255</u>	<u>-</u>	<u>4,192,668</u>
Total restricted funds	<u>3,802,954</u>	<u>1,298,085</u>	<u>(1,378,613)</u>	<u>-</u>	<u>231,000</u>	<u>3,953,426</u>
Total of funds	<u>3,886,744</u>	<u>1,307,410</u>	<u>(1,378,613)</u>	<u>-</u>	<u>231,000</u>	<u>4,046,541</u>

MILFORD-ON-SEA CHURCH OF ENGLAND PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

16. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
General reserves	75,814	7,976	-	-	-	83,790
	<u>75,814</u>	<u>7,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,790</u>
Restricted funds						
	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
General Annual Grant (GAG)	-	1,057,221	(1,057,221)	-	-	-
Pupil premium	-	39,330	(39,330)	-	-	-
Other DfE/ESFA grants	-	52,191	(52,191)	-	-	-
Local authority grants	-	2,459	(2,459)	-	-	-
Other educational activities	112,629	61,656	(93,724)	(38,380)	-	42,181
Pension reserve	(198,000)	-	(20,000)	-	(227,000)	(445,000)
	<u>(85,371)</u>	<u>1,212,857</u>	<u>(1,264,925)</u>	<u>(38,380)</u>	<u>(227,000)</u>	<u>(402,819)</u>
Restricted fixed asset funds						
	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Fixed asset fund	4,224,894	-	(65,079)	45,958	-	4,205,773
Devolved formula capital	-	7,578	-	(7,578)	-	-
	<u>4,224,894</u>	<u>7,578</u>	<u>(65,079)</u>	<u>38,380</u>	<u>-</u>	<u>4,205,773</u>
Total restricted funds	<u>4,139,523</u>	<u>1,220,435</u>	<u>(1,330,004)</u>	<u>-</u>	<u>(227,000)</u>	<u>3,802,954</u>
Total of funds	<u>4,215,337</u>	<u>1,228,411</u>	<u>(1,330,004)</u>	<u>-</u>	<u>(227,000)</u>	<u>3,886,744</u>

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16. STATEMENT OF FUNDS (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share, minimum funding guarantee, education services grant, insurance, rates, and pre-16 high need funding.

Pupil premium and other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academy on conversion.

Other educational activities

This includes all other educational income/expenditure.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants

This is money received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

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 2017.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	4,192,668	4,192,668
Current assets	93,115	156,506	-	249,621
Creditors due within one year	-	(136,748)	-	(136,748)
Pension reserve	-	(259,000)	-	(259,000)
	<u>93,115</u>	<u>(239,242)</u>	<u>4,192,668</u>	<u>4,046,541</u>

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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2016</i>	<i>2016</i>	<i>2016</i>	<i>2016</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Tangible fixed assets	-	-	4,205,773	4,205,773
Current assets	83,790	210,807	-	294,597
Creditors due within one year	-	(168,626)	-	(168,626)
Pension reserve	-	(445,000)	-	(445,000)
	<u>83,790</u>	<u>(402,819)</u>	<u>4,205,773</u>	<u>3,886,744</u>

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

	<i>2017 £</i>	<i>2016 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(71,203)	(101,593)
Adjustment for:		
Depreciation charges	61,926	65,079
Decrease in debtors	22,726	(30,048)
Decrease in creditors	(31,878)	52,194
Defined benefit pension scheme cost less contributions payable	45,000	20,000
Net cash provided by operating activities	<u>26,571</u>	<u>5,632</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<i>2017 £</i>	<i>2016 £</i>
Cash in hand	40	40
Notice deposits (less than 3 months)	201,095	223,345
Total	<u>201,135</u>	<u>223,385</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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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 Hampshire County Council. Both are Multi-employer defined benefit pension schemes.

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

Contributions amounting to £14,346 were payable to the schemes at 31 August 2017 (2016 - £12,996) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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20. PENSION COMMITMENTS (continued)

The employer's pension costs paid to TPS in the period amounted to £78,769 (2016 - £77,192).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £49,000 (2016 - £43,000), of which employer's contributions totalled £38,000 (2016 - £33,000) and employees' contributions totalled £11,000 (2016 - £10,000). The agreed contribution rates for future years are 13.1% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.00 %
Rate of increase in salaries	3.50 %	3.50 %
Rate of increase for pensions in payment / inflation	2.00 %	2.00 %
Inflation assumption (CPI)	2.00 %	2.00 %

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

	2017	2016
Retiring today		
Males	24.0	24.6
Females	27.0	26.4
Retiring in 20 years		
Males	26.0	26.7
Females	29.3	28.7

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate +0.1%	719,000	918,000
Discount rate -0.1%	751,000	954,000
Mortality assumption - 1 year increase	713,000	906,000
Mortality assumption - 1 year decrease	757,000	966,000

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20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	291,000	278,000
Property	31,000	36,000
Government bonds	118,000	129,000
Corporate Bonds	5,000	9,000
Cash and other liquid assets	14,000	26,000
Other	17,000	13,000
Total market value of assets	476,000	491,000

The actual return on scheme assets was £-62,000 (2016 - £78,000).

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

	2017 £	2016 £
Current service cost	(74,000)	(46,000)
Net interest cost	(9,000)	(7,000)
Total	(83,000)	(53,000)

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

	2017 £	2016 £
Opening defined benefit obligation	936,000	572,000
Current service cost	74,000	46,000
Interest cost	19,000	22,000
Employee contributions	11,000	10,000
Actuarial (gains)/losses	(303,000)	290,000
Benefits paid	(2,000)	(4,000)
Closing defined benefit obligation	735,000	936,000

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20. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	491,000	374,000
Interest income	10,000	15,000
Actuarial gains/(losses)	(72,000)	63,000
Employer contributions	38,000	33,000
Employee contributions	11,000	10,000
Benefits paid	(2,000)	(4,000)
	<u>476,000</u>	<u>491,000</u>
Closing fair value of scheme assets	<u>476,000</u>	<u>491,000</u>

21. OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
Amounts payable:		
Within 1 year	2,651	9,493
Between 1 and 5 years	2,870	8,704
Total	<u>5,521</u>	<u>18,197</u>

22. RELATED PARTY TRANSACTIONS

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

The following related party transactions took place during the period:

	2017 £	2016 £
Milford Pre-School Plus (J Davis and M Hill are Trustees) - rent received	8,717	6,976
Barry Frampton Limited (P Frampton is a director) - purchases	-	10,910
	<u>8,717</u>	<u>10,910</u>

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23. 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.