

Company Registration Number: 10699889 (England & Wales)

Barnsole Primary Trust
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 August 2019



Barnsole Primary Trust
(A company limited by guarantee)

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Barnsole Primary Trust
(A company limited by guarantee)

Reference and Administrative Details

Members

B Ball
P Croucher (appointed 25 September 2018)
P Garvey
C Jarvis
D Valentine

Trustees

D Bailey, Vice-Chair of Trustees²
M Greenwood²
M Hawkridge
K Jordan-Daus¹
A Lingfield (resigned 14 October 2019)¹
P McGroarty (appointed 1 September 2018)²
A Sherekar (appointed 1 October 2019)²
K Smart (resigned 29 November 2018)
D Valentine, Chair of Trustees²

¹ Co-opted Trustee

² Member of Finance and Audit committee

Company registered number

10699889

Company name

Barnsole Primary Trust

Principal and registered office

c/o Barnsole Primary School
Barnsole Road
Gillingham
Kent
ME7 2JG

Company secretary

R Stevens

Chief executive officer

S McKeown

Senior management team

S McKeown, Chief Executive Officer and Accounting Officer
L J Arnold, Chief Financial Officer
L Mitchell, Finance Manager

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Reference and Administrative Details (continued)
for the year ended 31 August 2019

Independent auditor

Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Bankers

Lloyds Bank
142 - 146 High Street
Chatham
Kent
ME4 4DQ

Solicitors

Browne Jacobson LLP
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

Barnsole Primary Trust
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Trustees' report
for the year ended 31 August 2019

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Barnsole Primary Trust is driven by a moral purpose, determined to see a high performing and successful Multi Academy Trust that delivers the very best personal and educational outcomes for each child irrespective of their starting point.

We are proud of our curriculum which is based around the three c's – communication, collaboration and community. At the centre of this is our Trust Promise which underpins each child's educational experiences during their time with us.

Our Promise comprises three circles: Me, Us and Everyone. The children will undertake three promises each academic year involving:

- Me – new experiences and activities
- Us – working as a class team
- Everyone - making a difference within the wider world

Each of our schools adapt their curriculum to meet the individual needs of pupils but always providing a rich education that goes beyond the classroom promoting key values such as creativity, respect, collaboration, community, empathy, motivation and resilience.

The Trust currently has four schools:

- Barnsole Primary School which is a three-form community primary school situated in Medway with a school nursery on site for 2 - 4 year olds. It has a pupil capacity of 630. Barnsole had a roll of 707 in the school census on 16 May 2019. The nursery has a capacity of 50.

- Bligh Primary School (Infants) is also a three-form community primary school situated in Medway (also with a school nursery on site) for pupils aged 2 - 7 years old. It has a pupil capacity of 240 which includes the second intake for the increase in roll. Bligh Infants had a roll of 325 in the school census on 16 May 2019. The nursery has a capacity of 50.

- Bligh Primary School (Juniors) two-form community primary school situated in Medway for pupils aged 7 - 11 years old. It has a pupil capacity of 240. Bligh Juniors had a roll of 234 in the school census on 16 May 2019.

Bligh Primary School (Infants) and Bligh Primary School (Juniors) are collectively referred to as 'Bligh Primary School' throughout this report.

- Danecourt School is a community special academy for primary aged pupils aged 2 - 11 years old. Originally designated for pupils with moderate learning difficulties, it increasingly caters for pupils with a wide range of ability levels and additional learning needs, including severe learning difficulties, autism and social, emotional mental health needs. It has a pupil capacity of 151. Danecourt had a roll of 161 in the school census on 16 May 2019.

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Trustees' report (continued)
for the year ended 31 August 2019

Structure, governance and management

a. 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 Barnsole Primary Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Barnsole Primary Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act 2006, the Academy Trust maintains Trustees' and Officers' liability insurance which gives appropriate cover for any liability incurred or legal action brought against them in their capacity as Trustees of the Academy Trust.

d. Method of recruitment and appointment or election of Trustees

The current Articles of Association requires that the Trust shall not have less than three Trustees (Article 45) and Members may appoint by ordinary resolution up to ten Trustees (Article 50). The Board of Trustees may also appoint Co-opted Trustees (Article 58).

The first Trustees are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

The Term of Office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex-officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re appointed or re elected at a General Meeting or Annual General Meeting.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. All Trustees are provided with the appropriate policies and documents they will need in order for them to undertake their role as a Trustee, these include, but are not limited to, the current Academies Financial Handbook and the Governance Handbook. Advantage will be taken of any relevant specific training opportunities offered by appropriate bodies.

The Trust runs an effective and robust system for Trustees in regard to training and the induction process.

Barnsole Primary Trust
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Trustees' report (continued)
for the year ended 31 August 2019

Structure, governance and management (continued)

f. Organisational structure

Members

The Members of the Trust are guardians of the governance of the Trust and, as such, have a different status from Trustees. The Articles of Association describe how Members are recruited and replaced, and how many of the Trustees the Members can appoint to the Trust Board. The Members appoint Trustees to ensure that the Trust's charitable status is carried out, and must be able to remove Trustees if they fail to fulfil this responsibility. Accordingly, the Trust Board submits an annual report on the performance of the Trust to the Members. Members are also responsible for approving any amendments made to the Trust's Articles of Association.

While Members are permitted to be appointed as Trustees, in order to retain a degree of separation of powers between the Members and the Trust Board, and in line with DfE expectations, not all Members are Trustees. Members are not permitted to be employees of the Academy Trust.

Trustees

Barnsole Primary Trust is a charitable company and Trustees are both charity trustees (within the terms of section 177(1) of the Charities Act 2011) and company directors. Trustees are bound by both charity and company law, so the terms 'trustees' and 'directors' are often used interchangeably.

The Trustees are responsible for the general control and management of the administration of the Trust. In accordance with the provisions set out in the Memorandum and Articles of Association and its funding agreement, it is legally responsible and accountable for all statutory functions, for the performance of all academies within the Trust, and must approve a written scheme of delegation of financial powers that maintains robust internal control arrangements. In addition it must carry out the three core governance functions to:

- ensure clarity of vision, ethos and strategic direction;
- hold the Chief Executive Officer (CEO) to account for the educational performance of the Trust's academies and their pupils, and the performance management of staff;
- oversee the financial performance of the Trust.

The Board of Trustees has the right to review and adapt its governance structure at any time, which includes removing delegation.

Committees

The Trustees establish committees to carry out some of its governance functions, which include making decisions, although any decisions made will be deemed decisions of the Trust Board.

Finance (Audit and Risk) Committee

The function is to monitor the Trust's financial position, financial control systems and to recognise the overriding principals of the Academies Financial Handbook published by the ESFA. Membership consists of:

- A minimum of three board members and a maximum of five board members. A majority of the Finance (Audit and Risk) Committee members must be Trustees. All committee board members shall be appointed by the Trust Board;
- Chief Executive Officer (CEO) / Accounting Officer in attendance;
- Chief Financial Officer (CFO) in attendance.

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Trustees' report (continued)
for the year ended 31 August 2019

Structure, governance and management (continued)

Educational Standards and Performance Committee

The function is to monitor the Trust's educational standards and performance. Membership consists of:

- A minimum of three board members and a maximum of six board members. A majority of the Educational Standards and Performance Committee members must be Trustees. All committee board members shall be appointed by the Trust Board;
- Chief Executive Officer (CEO) / Accounting Officer in attendance.
- Chief Financial Officer (CFO) in attendance.

CEO Pay & Appraisal Performance Committee

The function is to review the performance of the CEO against their objectives. Membership consists of:

- Two Board Members appointed by the Trust Board;
- CEO/Accounting Officer in attendance (for review and objective discussions).

CEO Pay Committee

The function is to review the CEO Pay & Appraisal Performance Committee and formally approve any pay increase. Membership consists of:

- Two Board Members appointed by the Trust Board;

Human Resources (HR Committee)

In the previous financial year the Trust had a separate Human Resources (HR) Committee. However, as HR is discussed at each of the other Committee meetings throughout the year anyway, the Trustees took the view that the existence of a separate HR Committee was excessive and unnecessary.

The Trust Board may from time to time establish other committees to carry out its governance functions in accordance with Article 100 of the Trust's Articles of Association. The responsibilities of each board committee are set out in the committee's terms of reference.

The Chief Executive Officer is responsible to the Board for following the strategic direction set by Trustees, for implementing the Trust's agreed policies and for ensuring the delivery of excellent teaching and learning that results in appropriate achievement.

The Chief Executive Officer is the Trust's Accounting Officer.

g. Arrangements for setting pay and remuneration of key management personnel

A CEO's Pay & Appraisal Performance Committee and CEO Pay Committee (the Panels) are in place to review the performance and pay for Key Management personnel. The Panels will meet at least twice a year to evaluate the performance of Key Management personnel and, depending on the results of this, make reward decisions. The salary and rewards of Key Management Personnel are restricted by budgets and limited to ranges, which the Panels will review and agree upon.

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Trustees' report (continued)
for the year ended 31 August 2019

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-	
Total pay bill	6,672,748	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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i. Related parties and other connected charities and organisations

Mr Colin Jarvis, Member of Barnsole Primary Trust disclosed a pecuniary interest, Mr Jarvis is Director of Avenue Tennis Ltd. Barnsole Primary School purchased tennis lessons in the academic year 1 September 2018 to 31 August 2019 to the value of £519 and the Trust submitted the information to the ESFA in line with current regulations.

Barnsole Primary Trust has been approved by the Department for Education to hold sponsor status.

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Trustees' report (continued)
for the year ended 31 August 2019

Objectives and activities

a. Objects and aims

Our Vision, Mission and Values

Vision (What will we see in the future?):

- All children thriving from the best possible education

Mission (How will we get there?):

- Empowering staff to lead with a relentless drive for innovation and improvement

Values:

- Leadership Dispositions (How will we act?)
- We are disposed to act with integrity and selflessness, striving for excellence in all that we do. We will treat all members of our community with equity and unconditional positive regard

Whole Child – Whole Point (What will our children become?):

- Independent thinkers, hungry for learning
- Expressive and articulate in a range of forms
- Confident and ambitious
- Innovative, curious and creative
- Disciplined in subject knowledge
- Problem solvers with enquiring minds
- Active, responsible citizens
- Prepared for their next stage of learning

Barnsole Primary Trust
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Trustees' report (continued)
for the year ended 31 August 2019

Objectives and activities (continued)

b. Objectives, strategies and activities

Objective 1: Raise attainment and improve progression

Improving the quality of teaching and learning is integral to improving outcomes for young people. We believe that the Trust's role is to create an environment that develops the whole child. This means investing in a broad and balanced curriculum, acknowledging that all children are different and need to access a range of opportunities and experiences.

Teachers require the skills to develop a child's curiosity and to encourage creativity. To facilitate great learning, we need to allow teachers and support staff the freedom to test new ideas then to share, debate and learn from each other. That is why at Barnsole Primary Trust we empower our staff to lead with a relentless drive for innovation and improvement.

We wish that our teachers share their expertise, support each other and strive to be the very best. Strategic development of staff is the key to delivering excellent outcomes for our children.

Objective 2: Develop highly effective central services, which support growth, manage risk and deliver value for money

The Trust has an established central structure of staff and services which support each school. Our schools can focus on improving teaching and learning, delivering educational excellence.

Objective 3: Expand the Trust to create a sustainable and effective community of well-resourced schools

Our strategy for growth will be achieved either through joining primary schools, a sponsor or through merging with a smaller academy trust. Trustees recognise each school will have its own unique context and will therefore consider each one on a case by case basis. The context of the school, including its effectiveness and size may shape future growth strategy. Therefore, growth strategy will be reviewed as each new school joins.

The central infrastructure of the Trust will eliminate the burden on schools to manage support services, allowing them to focus on teaching and learning and thus improving outcomes for children.

When a school is proposed to be part of the Trust consideration will be given to:

- Size of the school
- Moral obligation
- Financial position of the school
- Distance between schools
- Trust capacity to support
- Current educational outcomes
- Ofsted category

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Trustees' report (continued)
for the year ended 31 August 2019

Objectives and activities (continued)

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to the Charity Commission's general guidance on public benefit and are satisfied that these aims and objectives are clearly for public benefit.

The following activities were organised by the schools in the academic year 1st September 2018 to 31st August 2019.

Barnsole Primary School

Charity:

- Coffee morning for parents and carers in September 2018 for Macmillan Cancer Support which raised £90.00
- Poppy sale for The Royal British Legion November 2018
- Wear something 'spotty' for Children in Need in November 2018 where we held various fundraising events such as cakes sales and a penalty shoot-out which raised £928.88
- Christmas Jumper Day for Save the Children December 2018
- In December 2018 Barnsole made Christmas Boxes for the homeless as part of their partnership with Caring Hands, a local homeless charity in Medway
- Supported Comic Relief in March 2019 by wearing red clothes, having crazy hair, taking part in dance competitions and splatting the teachers. We raised £792.71

Community links:

- In October 2018 Barnsole had a 'Pounds for Porchlight' assembly led by Nathan from Porchlight, a charity, working with homeless people in Kent. The children were challenged to complete chores at home to earn money which will be given to Porchlight to support its projects. We raised £863.41 for this cause
- In September 2018 some of the children and staff took part in Barnsole's first Daily Mile. This is a global initiative to improve the health & fitness of our children
- In October 2018 our local MP visited the school to speak about the Queen's Commonwealth Canopy Project. This project is about ensuring we have a clean, green environment for future generations. We were given saplings to plant in Barnsole's grounds

Bligh Primary School

Charity:

- In September 2018 a cake sale was held in support of Macmillan Cancer Care
- Christmas Jumper Day for Save the Children December 2018
- Wear something 'spotty' for Children in Need in November 2018 which raised an amazing £467.74
- In October 2018 the school celebrated Harvest Festival with donations going to worthy, local causes
- In November 2018 the school supported the Poppy Appeal and raised £81.90 for The Royal British Legion
- In March 2019 the School supported Red Nose Day by selling red noses and wristbands and by taking donations at the school gates
- In December 2018 Bligh made Christmas Boxes for the homeless

Community links:

- As from Monday 10th September, children and adults have been taking part in walk/run a mile per day as part of their timetabled school day. This is a national program which boosts children's activity and aims at helping to prevent obesity. It is also suggested that this has a positive impact on children's academic achievement
- In November 2018 the school was joined by a current member of Her Majesties Armed Forces to help the children understand Remembrance Sunday
- In March 2019 the school welcomed top athlete Gianni Frankis to lead a sponsored fitness circuit with all pupils. The money raised went towards buying equipment for the school while also supporting GB athletes (including Paralympic athletes)
- Bligh have also taken part in toddler stay & play sessions and the Nursery at Bligh did visits to a local old people's home

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Trustees' report (continued)
for the year ended 31 August 2019

Objectives and activities (continued)

- Other community links include:
 - o Regular sign post to local service
 - o ASD and ADHD groups communication work group
 - o Marlborough outreach
 - o Children and young carers
 - o E-safety speaker
 - o Family trust

Danecourt School

Charity:

- Sponsored run September 2018, money was donated to Demelza
- Coffee Morning for children and staff September 2018 for Macmillan Cancer Support
- Poppy sale for The Royal British Legion November 2018
- Cake Sale and Pyjama day for Children in need November 2018
- Christmas Jumper Day for Save the Children December 2018
- Themed tag day for Comic Relief March 2019

Community links:

- The Rotary Club, Rochester invited children for a day out and lunch at Monkey Bizz which several classes took part in June
- Scallywags nursery in Rainham held a fun day to raise money for our sensory garden project
- The Music Man project performed at our summer fair
- A group of children also have been involved with the 'All in Award' run by Mencap

Strategic report

Achievements and performance

a. Outcomes 2019

Provisional Outcomes Summary Sheet: Barnsole July 2019

Early Years – Good Level of Development (GLD)		
	% Barnsole 2019	% National 2018
GLD	74	72

Phonics		
	% Barnsole at Required Standard 2019	% National Average at Required Standard 2018
Year 1	89	82
Year 2: Cumulative	96	92

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Trustees' report (continued)
for the year ended 31 August 2019

Strategic report (continued)

Achievements and performance (continued)

Key Stage 1				
	% Barnsole ARE+ 2019	% Barnsole GD 2019	% National ARE+ 2018	% National GD 2018
Reading	77	28	75	26
Writing	78	14	70	16
Mathematics	81	27	76	22
Combined	76	13	tbc	tbc

Key Stage 2				
	% Barnsole ARE+ 2019	% Barnsole GD 2019	% National ARE+ 2019	% National GD 2019
Reading	63	20	73	27
Writing	74	17	78	20
Mathematics	69	24	79	27
SPaG	74	36	78	36
Combined	56	8	65	11

Key Stage 2			
	Barnsole Progress Measure 2019	Barnsole Progress Measure 2018 (NA = 0)	National Progress Floor Measure 2018 *
Reading	-4.8	1.3	-5
Writing	-3.1	-0.1	-7
Mathematics	-3.8	0.4	-5

* National Progress Floor Measure is no longer applicable from September 2019

Provisional Outcomes Summary Sheet: Bligh July 2019

Early Years – Good Level of Development (GLD)		
	% Bligh 2019	% National 2018
GLD	77	72

Phonics		
	% Bligh at Required Standard 2019	% National Average at Required Standard 2018
Year 1	76	82
Year 2: Cumulative	92	92

Barnsole Primary Trust
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Trustees' report (continued)
for the year ended 31 August 2019

Strategic report (continued)

Achievements and performance (continued)

Key Stage 1				
	% Bligh ARE+ 2019	% Bligh GD 2019	% National ARE+ 2018	% National GD 2018
Reading	77	25	75	26
Writing	80	18	70	16
Mathematics	80	20	76	22
Combined	72	18	tbc	tbc

Key Stage 2				
	% Bligh ARE+ 2019	% Bligh GD 2019	% National ARE+ 2019	% National GD 2019
Reading	58	11	73	27
Writing	88	23	78	20
Mathematics	61	5	79	27
SPaG	67	35	78	36
Combined	47	7	65	11

Key Stage 2			
	Bligh Progress Measure 2019 (NA = 0)	Bligh Progress Measure 2018 (NA = 0)	National Progress Floor Measure 2018*
Reading	-5.1	-3.5	-5.0
Writing	-0.2	-0.8	-7.0
Mathematics	-5.1	-2.9	-5.0

*National Progress Floor Measure is no longer applicable from September 2019

Danecourt Pupil Outcomes 2018 -19

Danecourt is a special school catering for pupils with a wide range of complex learning needs aged 2-11 years in Medway. All children attending Danecourt have an Education Health and Care Plan (EHCP) in place.

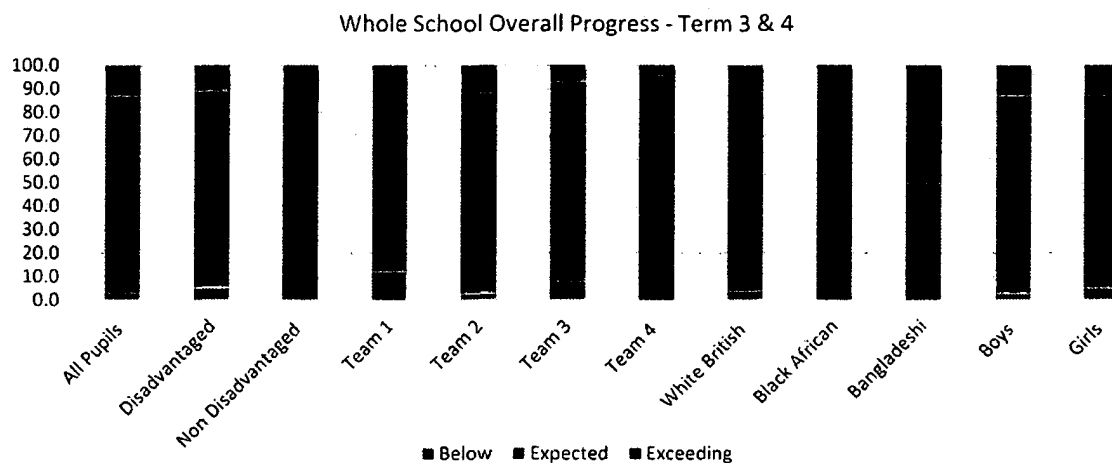
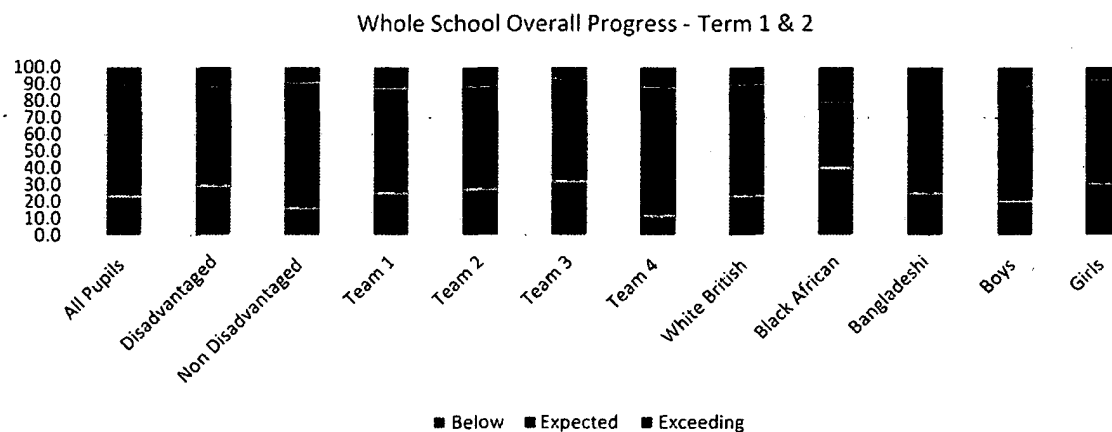
Over the last few years the school has seen a change in the profile of the needs of the pupils. Historically Danecourt has catered for pupils with Moderate Learning Difficulties, however within the current cohort there is a greater proportion of pupils with Complex and Severe Learning Difficulties (that is pupils who have significant cognitive impairments and require support in all areas of the curriculum and may require teaching of self-help and independence and social skills) and pupils with more complex Autistic Spectrum Disorder (ASD).

Trustees' report (continued)
for the year ended 31 August 2019

Strategic report (continued)

Achievements and performance (continued)

Pupil Outcomes

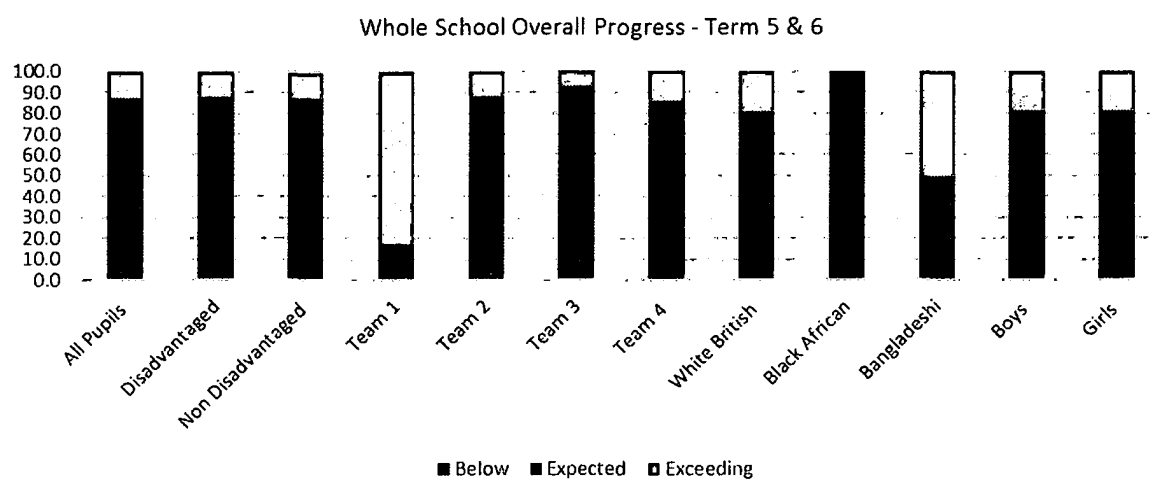


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Trustees' report (continued)
for the year ended 31 August 2019

Strategic report (continued)

Achievements and performance (continued)



Summary:

Over the last academic year, the school have worked to address the priorities for improvement highlighted by the Ofsted inspection in May 2018. With the support from the Trust, the leadership team within the school have swiftly addressed these priorities. This was fully recognised by the inspectors following a section 5 inspection in June 2019. The school has a clear vision with regard to the priorities for not only this academic year but the next three years leading to the next inspection.

b. Key performance indicators

The Trust uses a number of financial key performance indicators to monitor the financial success of the Trust and Progress improvement against targets set.

Staffing costs are monitored as a percentage of total income. For the year ending 31 August 2019 staffing costs represented 84% of total income (excluding the transfer of existing academies into the Trust).

GAG Income comprises 62% of total income (excluding the transfer of existing academies into the Trust).

Working Capital (Net Current Assets): £1,401,996.

Total Free Reserves as a % of total income: 6.60%.

c. Achievement against objectives and strategy

The Trust has made progress against its key strategies and objectives, as evidenced through the non-financial indicators of performance above, and has paid every attention to ensuring every child enjoys high quality teaching, resourcing and care. Moreover, in June 2019, Danecourt was graded by Ofsted as good overall with outstanding features. Financially the Trust has performed well and establishing a strong reserves balance. The Trust has complied with statutory and national curriculum requirements that have arisen in the year. Finally, the Trust has built on its links to other schools and the local community, in part due to the strategy of welcoming new schools into the Trust.

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Trustees' report (continued)
for the year ended 31 August 2019

Strategic report (continued)

Achievements and performance (continued)

d. 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.

Financial review

a. Results for the year

During the year to 31 August 2019 total income, including capital income, was £8,985,372, of which £292,575 was unrestricted income.

Total expenditure, for the year to 31 August 2019, was £9,267,721, of which:

Employee costs of £7,514,115 represented 81% of total expenditure

Premises costs of £476,609 represented 5% of total expenditure

The operating deficit, excluding the pension reserve adjustments and the transfers upon an existing academy joining the Trust, for the year ended 31 August 2019, was £298,654. This includes a depreciation charge for the year of £221,140.

The Academy Trust's current level of free reserves, excluding the restricted fixed asset fund and the LGPS deficit is £1,207,566 as at 31 August 2019, comprising unrestricted funds of £592,268 and restricted income funds of £615,298.

The Trust also has £139,430 of free capital reserves, which includes £38,540 of CIF income to replace fencing at Bligh Primary School.

b. Reserves policy

The Trustees always aim to set a balanced budget with annual income balancing against annual expenditure. As such, the Trustees review the reserves of the Trust on an annual basis. The Trust believes the funding received in any one year should be used to support the pupils on roll at the time unless there is a special project which will require the accumulation of funding over more than one year. The level of reserves can fluctuate depending on operational needs but the Trustees have determined that the Trust should have a minimum of £1,650,000. The reason for this is to provide sufficient working capital to cover days between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Trustees consider this to be a prudent level.

Given current funding levels and the raising financial pressures, particularly with regards to raising employers pension liabilities and payroll costs, the reserves as outlined in the policy cannot currently be met, however, the Trust remains in a positive reserves position and has effective long term strategies to build up reserves to the minimum levels as outlined within the policy.

The Trust maintains a pension reserve fund which represents each school's share of the LGPS fund deficit, calculated in accordance with Financial Reporting Standard (FRS) 102. Further details of the calculations and assumptions underlying the balance on this fund are set out in note 28 to the financial statements.

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Trustees' report (continued)
for the year ended 31 August 2019

Strategic report (continued)

Financial review (continued)

c. Deficit

The restricted fund (excluding restricted fixed asset funds) at 31 August 2019 is in deficit by £4,027,702. This arises from the pension reserve fund, which represents the Trust's share of the LGPS fund deficit of £4,643,000, calculated in accordance with Financial Reporting Standard (FRS) 102, by Barnett Waddingham LLP. Employer contributions are reviewed every three years in consultation with the scheme's administrators, and employer contributions due by the Academy have been fixed for the three years from 1 April 2017.

d. Investment policy

The purpose of the Investments Policy is to set out the processes by which Trustees will meet their duties under the Academy's Articles of Association and Academies Financial Handbook issued by the ESFA to invest monies surplus to operational requirements in furtherance of the Trust's charitable aims and to ensure that investment risk is properly and prudently managed.

The Trust's Articles gives Trustees the power "to expend the funds of the Trust in such manner as they shall consider most beneficial for the achievement of the Objects and to invest in the name of the Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Objects."

Whilst the Board of Trustees has responsibility for the Trust's finances, the Scheme of Delegation approved by the Board delegates responsibility to the Finance (Audit & Risk) Committee:

To approve the Investments Policy to manage, control and track financial exposure, and ensure value for money; to review the Trust's investments and investment policy on a regular basis.

The Chief Financial Officer (CFO) is responsible for producing reliable cash flow forecasts as a basis for decision making. They are responsible for making investment decisions that comply with this Policy and for providing sufficient management information to the Finance (Audit & Risk) Committee so it can review and monitor investment performance.

e. Principal risks and uncertainties

The Trustees consider the principal risks and uncertainties facing the Trust to be:

- Funding for education is under pressure. A risk is a School within the Trust incurring a deficit against its budget from unforeseen circumstances, especially if there is a change of funding policy introduced by the Government.
- A fall in the roll would have financial implications, with a School's income largely based on pupil numbers, especially given the threat of competition from other schools
- Expensive capital works may be required that are not covered by insurance or ESFA grants

Other risks and uncertainties which the Trust may face are in relation to technology failures, pension fund deficits and natural uncontrollable events.

The Trustees have considered the principal risks and uncertainties facing the Trust and have as far as appropriate taken steps to minimise these risks. This is facilitated by the maintenance and review of a risk register.

The main financial instrument of the Trust is cash held within the current bank account. Cash resources are managed to ensure operating requirements can be met without the need for short term borrowing.

Barnsole Primary Trust
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2019

Fundraising

The Trust does not use any external fundraisers nor participate in any material fundraising activities other than those referred to under the Public Benefit section of this report.

Plans for future periods

The RSC has given approval to the Trust's growth plan and also granted the Trust Sponsored Academy Status in the immediate future.

Funds held as custodian on behalf of others

The Trust holds no funds on behalf of others.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

Barnsole Primary Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equality Policy
- Equality Duty Plan
- Health & Safety Policy
- Volunteers' Policy
- Recruitment & Selection Policy
- Wellbeing Policy

In accordance with the Academy Trust's Equality Policy, the Academy Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

Disclosure of information to 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.

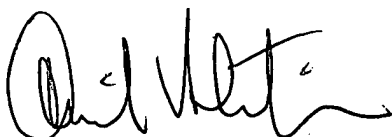
Barnsole Primary Trust
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2019

Auditor

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the Company Directors, on 11 December 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D Valentine', with a stylized, flowing script.

D Valentine
Chair of Trustees

Barnsole Primary Trust
(A company limited by guarantee)

Governance Statement

Scope of responsibility

As the Board of Trustees, we acknowledge we have overall responsibility for ensuring that Barnsole Primary 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 Chief Executive Officer, 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 Barnsole Primary Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Valentine, Chair of Trustees	4	4
D Bailey, Vice Chair of Trustees	4	4
M Greenwood	4	4
M Hawkrigde	2	4
K Jordan-Daus	3	4
A Lingfield (resigned 14 October 2019)	0	4
P McGroarty (appointed 1 September 2018)	3	4
K Smart (resigned 29 November 2018)	1	1

For the year from 1st September 2018 to 31st August 2019 Amy Lingfield was on maternity leave.

Barnsole Primary Trust continues to work closely with Academy Ambassadors to source highly skilled Trustees when skills gaps occur within the Trust.

Governance review:

Barnsole Primary Trust recognises the need for strong Governance at all levels within the Academy Trust. Annual review and evaluation of skills audits are performed by Trustees to ensure that the Board has the leadership, finance and governance expertise to maintain standards. The structure, Scheme of Delegation and committees are reviewed on an annual basis to ensure high standards of Governance are maintained throughout the Trust.

Local Governing Boards review their Governors skills and knowledge by way of skills audits as well as reviewing the Board's impact and effectiveness each academic year, providing the Trust Board with their findings.

All Trustees and Governors are encouraged to undertake appropriate training through external provision and have access to governance material, resources, templates as well as the latest information from ESFA and the DfE. Chairs of LGB's also attend Educational Standards and Performance Committee meetings at Trust level.

Barnsole Primary Trust
(A company limited by guarantee)

Governance Statement (continued)

Governance (continued)

The Finance (Audit & Risk) Committee will assist the Board with regard to the annual audit and accounts, internal controls and the sound management of the Trust's finances and resources. The Committee formally met six times during this year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
P McGroarty, Chair	5	6
D Bailey	5	6
M Hawkrigde	2	6
D Valentine	5	6

In October 2019 the following changes were made to the membership of the Finance (Audit & Risk) Committee:

- M Hawkrigde ceased to be a member of the Committee
- M Greenwood was added to the Committee
- A Sherekar was added to the Committee

At the meeting of the Full Board of Trustees on 16th October 2019, the Board evaluated the following;

Attendance: Trustee Attendance record for 2018-19

Accountability: Trustee Oversight Roles

Structures: Committee membership

Upon completion of this review the Clerk was actioned with escalating the low attendance of Mark Hawkrigde.

Review of value for money

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

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

- The Trust reviewed staffing levels at each school to ensure a surplus budget was achieved;
- The Trust undertook a trust-wide review of photocopiers and procured as appropriate to balance school requirements with budget availability;
- The Trust ensured the apprenticeship levy was utilised to obtain high quality CPD;
- Collaborating across the Trust by sharing expertise and resources.
- Reviewing effectiveness of spending by considering efficiency of service provisions.

Barnsole Primary Trust
(A company limited by guarantee)

Governance Statement (continued)

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 the Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Barnsole Primary Trust for the year from 1 September 2018 to 31 August 2019 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance (Audit and Risk) 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 to appoint Kreston Reeves LLP as internal auditor.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliations
- Testing of income systems

On a quarterly basis, the internal auditor reports to the Board of Trustees through the Finance (Audit & Risk) Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

No material control issues arose from the internal auditor's work.

Barnsole Primary Trust
(A company limited by guarantee)

Governance Statement (continued)

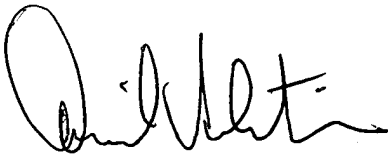
Review of effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance (Audit & Risk) 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 11 December 2011 and signed on their behalf by:



D Valentine
Chair of Trustees



S McKeown
Accounting Officer

Barnsole Primary Trust
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Barnsole Primary Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 2018.

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



S McKeown

Accounting Officer

Date: 11 December 2019

Barnsole Primary Trust
(A company limited by guarantee)

Statement of Trustees' responsibilities
for the year ended 31 August 2019

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

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

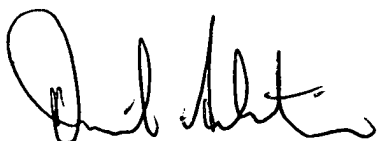
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 11 December 2019 and signed on its behalf by:



D Valentine
Chair of Trustees

Barnsole Primary Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Barnsole Primary Trust

Opinion

We have audited the financial statements of Barnsole Primary Trust (the 'Academy Trust') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 and of its income 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 2018 to 2019 issued by the Education & 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Barnsole Primary Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Barnsole Primary Trust
(continued)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Barnsole Primary Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Barnsole Primary Trust
(continued)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Barnsole Primary Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Barnsole Primary Trust
(continued)

Use of our report

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

A handwritten signature in black ink, appearing to read 'Krest Reeves LLP'.

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Chatham Maritime

Date: 11 December 2019

Barnsole Primary Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Barnsole Primary Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 4 April 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Barnsole Primary Trust during the year 1 September 2018 to 31 August 2019 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 Barnsole Primary Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Barnsole Primary Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Barnsole Primary Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Barnsole Primary Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Barnsole Primary Trust's funding agreement with the Secretary of State for Education dated 1 May 2017 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Barnsole Primary Trust
(A company limited by guarantee)

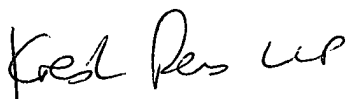
Independent Reporting Accountant's Assurance Report on Regularity to Barnsole Primary Trust and the Education & Skills Funding Agency (continued)

The work undertaken to draw to our conclusions includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the Funding Agreement
- Reviewed grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed Board of Trustee minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with
- Considered if the Trust's governance arrangements and composition are in-line with the Academies Financial Handbook 2018

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Kreston Reeves LLP

Reporting Accountant
Chartered Accountants
Chatham Maritime

Date: 11 December 2019

Barnsole Primary Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
	Note					
Income from:						
Donations and capital grants:	4					
Transfers from local authority on conversion		-	-	-	-	6,818,677
Transfer of existing academies into the Academy Trust		16,305	-	-	16,305	5,042,057
Donated fixed assets from local authority		-	-	-	-	1,419,000
Other donations and capital grants		31,650	-	166,667	198,317	85,788
Charitable activities	5	-	8,526,130	-	8,526,130	6,179,605
Other trading activities	6	243,846	-	-	243,846	175,812
Investments	7	774	-	-	774	393
Total		292,575	8,526,130	166,667	8,985,372	19,721,332
Expenditure on:						
Charitable activities	8	326,485	8,671,698	269,538	9,267,721	6,887,348
Total		326,485	8,671,698	269,538	9,267,721	6,887,348
Net expenditure		(33,910)	(145,568)	(102,871)	(282,349)	12,833,984
Other recognised gains/(losses):						
Actuarial (losses) / gains on defined benefit pension schemes	28	-	(893,000)	-	(893,000)	991,000
Net movement in funds		(33,910)	(1,038,568)	(102,871)	(1,175,349)	13,824,984

Barnsole Primary Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
for the year ended 31 August 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Note					
Reconciliation of funds:					
Total funds brought forward	626,178	(2,989,134)	21,105,757	18,742,801	4,917,817
Net movement in funds	(33,910)	(1,038,568)	(102,871)	(1,175,349)	13,824,984
Total funds carried forward	592,268	(4,027,702)	21,002,886	17,567,452	18,742,801

The notes on pages 36 to 64 form part of these financial statements.

Barnsole Primary Trust
(A company limited by guarantee)
Registered number: 10699889

Balance sheet
as at 31 August 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	16	20,863,456	21,029,311
Current assets			
Debtors	17	304,950	214,717
Cash at bank and in hand		1,368,992	1,381,472
		<u>1,673,942</u>	<u>1,596,189</u>
Creditors: amounts falling due within one year	18	(271,946)	(734,199)
Net current assets		<u>1,401,996</u>	<u>861,990</u>
Total assets less current liabilities		<u>22,265,452</u>	<u>21,891,301</u>
Creditors: amounts falling due after more than one year	19	(55,000)	(82,500)
Net assets excluding pension liability		<u>22,210,452</u>	<u>21,808,801</u>
Defined benefit pension scheme liability	28	(4,643,000)	(3,066,000)
Total net assets		<u><u>17,567,452</u></u>	<u><u>18,742,801</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	21	21,002,886	21,105,757
Restricted income funds	21	615,298	76,866
Pension reserve	21	(4,643,000)	(3,066,000)
Total restricted funds	21	<u>16,975,184</u>	<u>18,116,623</u>
Unrestricted income funds	21	<u>592,268</u>	<u>626,178</u>
Total funds		<u><u>17,567,452</u></u>	<u><u>18,742,801</u></u>

The financial statements on pages 32 to 64 were approved by the Trustees, and authorised for issue on 11 December 2019 and are signed on their behalf, by:

D Valentine
Chair of Trustees

S McKeown
Accounting Officer

The notes on pages 36 to 64 form part of these financial statements.

Barnsole Primary Trust
(A company limited by guarantee)

Statement of cash flows
for the year ended 31 August 2019

	Note	2019 £	As restated 2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	(111,893)	901,838
Cash flows from investing activities	25	126,913	285,936
Cash flows from financing activities	24	(27,500)	110,000
Change in cash and cash equivalents in the year		(12,480)	1,297,774
Cash and cash equivalents at the beginning of the year		1,381,472	83,698
Cash and cash equivalents at the end of the year	26	<u>1,368,992</u>	<u>1,381,472</u>

The notes on pages 36 to 64 form part of these financial statements

Barnsole Primary Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2019

1. General information

Barnsole Primary Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Barnsole Primary School, Barnsole Road, Gillingham, Kent, ME7 2JG. The principal activity of the Academy Trust is to provide an education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 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 historic 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Barnsole Primary Trust constitutes a public benefit entity as defined by FRS 102.

2.2 Going concern

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

2.3 Fund accounting

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

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

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

Notes to the financial statements
for the year ended 31 August 2019

2. Accounting policies (continued)

2.4 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

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

• **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

• **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

Notes to the financial statements
for the year ended 31 August 2019

2. Accounting policies (continued)

2.5 Expenditure

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

- **Charitable activities**

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

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long-term leasehold property	- over the term of the lease
Furniture and equipment	- 3 - 5 years straight line basis
Plant and machinery	- 3 years straight line basis
Computer equipment	- 3 years straight line basis

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

2.7 Interest receivable

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

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

2. Accounting policies (continued)

2.8 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

2.9 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.

2.10 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.

2.11 Liabilities

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

2.12 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

2.13 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases 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 17. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

2. Accounting policies (continued)

2.14 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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Notes to the financial statements
for the year ended 31 August 2019

2. Accounting policies (continued)

2.16 Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Bligh Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The most significant assets and liabilities transferred on conversion were those of the land and buildings and the LGPS deficit. The land and buildings were transferred at £7,514,515.

Further details of the LGPS deficit are set out in note 28.

Notes to the financial statements
for the year ended 31 August 2019

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Multi-employer benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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 2019. 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £20,863,456 at the reporting date (see note 16). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trusts' forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

3. Critical accounting estimates and areas of judgement (continued)

Critical areas of judgement:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts. In the judgement of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 28 for further details.

4. Donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Transfers from local authority on conversion	-	-	-	-	6,818,677
Transfer of existing academies into the Academy Trust	16,305	-	-	16,305	5,042,057
Donated fixed assets from local authority	-	-	-	-	1,419,000
	16,305	-	-	16,305	13,279,734
Other donations	31,650	-	-	31,650	6,851
Capital grants	-	-	166,667	166,667	78,937
	31,650	-	166,667	198,317	85,788
	47,955	-	166,667	214,622	13,365,522
Total 2018 as restated	333,613	(2,703,000)	15,734,909	13,365,522	

The transfer of existing academies into the Trust of £16,305 represents the final balance received from the transfer of Danecourt School, into the Trust, on 1 October 2017.

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Notes to the financial statements
for the year ended 31 August 2019

5. Funding for the Academy Trust's educational operations

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE / ESFA grants			
General Annual Grant (GAG)	5,584,608	5,584,608	4,374,626
Other DfE Group grants	881,836	881,836	505,893
	<u>6,466,444</u>	<u>6,466,444</u>	<u>4,880,519</u>
Other Government grants			
Local authority grants	2,059,686	2,059,686	1,299,086
	<u>2,059,686</u>	<u>2,059,686</u>	<u>1,299,086</u>
	<u>8,526,130</u>	<u>8,526,130</u>	<u>6,179,605</u>
Total 2018	<u><u>6,179,605</u></u>	<u><u>6,179,605</u></u>	

6. Other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Other income - self-generated, sales of other goods and services and breakfast and nursery fees	160,350	160,350	108,794
Hire of facilities	17,040	17,040	9,588
Staff services consultancy	12,403	12,403	12,597
Trips income	54,053	54,053	44,833
	<u>243,846</u>	<u>243,846</u>	<u>175,812</u>
Total 2018	<u><u>175,812</u></u>	<u><u>175,812</u></u>	

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

7. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	774	774	393
	<u>774</u>	<u>774</u>	<u>393</u>
Total 2018	393	393	
	<u>393</u>	<u>393</u>	

8. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs	5,263,828	-	405,324	5,669,152	3,991,015
Allocated support costs	2,250,287	476,609	871,673	3,598,569	2,896,333
	<u>7,514,115</u>	<u>476,609</u>	<u>1,276,997</u>	<u>9,267,721</u>	<u>6,887,348</u>
Total 2018	5,493,901	327,337	1,066,110	6,887,348	
	<u>5,493,901</u>	<u>327,337</u>	<u>1,066,110</u>	<u>6,887,348</u>	

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

9. Analysis of expenditure by activities

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations	5,669,152	3,598,569	9,267,721	6,887,348
Total 2018	3,991,015	2,896,333	6,887,348	

Analysis of direct costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Educational supplies	-	161,981	161,981	94,156
Professional fees - educational	44	164,946	164,990	103,125
Computer costs	-	10,056	10,056	2,596
Course fees	-	47,662	47,662	22,918
Recruitment fees	-	11,480	11,480	8,742
Staff travel costs	-	9,155	9,155	3,464
Wages and salaries	130,203	4,088,612	4,218,815	3,007,349
National insurance	12,405	309,621	322,026	221,500
Pension cost	21,447	701,540	722,987	527,165
	164,099	5,505,053	5,669,152	3,991,015
Total 2018	53,661	3,937,354	3,991,015	

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Notes to the financial statements
for the year ended 31 August 2019

Analysis of support costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Pension finance costs (note 12)	-	75,000	75,000	59,000
Staff costs	-	2,250,287	2,250,287	1,737,887
Depreciation	-	221,140	221,140	164,346
Repairs and maintenance	4,367	309,454	313,821	177,927
Light, heat and water charges	17,040	141,951	158,991	149,410
Printing, postage, stationery and photocopying	-	40,430	40,430	46,422
Telephone	-	6,334	6,334	3,565
Computer costs	-	123,830	123,830	129,733
Professional fees - non-educational	-	80,030	80,030	129,375
Bank charges	-	3,321	3,321	4,385
Insurance	-	38,135	38,135	23,103
Trips and activities costs	65,156	-	65,156	46,620
Hospitality	-	1,129	1,129	2,243
Bad debts	-	98	98	-
Auditor's remuneration	-	13,870	13,870	12,725
Auditor's remuneration - other audit	-	2,725	2,725	2,700
Auditor's remuneration - internal audit fees	-	5,600	5,600	4,050
Auditor's remuneration - non-audit	-	6,300	6,300	7,440
Catering costs	75,823	116,549	192,372	195,402
	162,386	3,436,183	3,598,569	2,896,333
Total 2018	120,786	2,775,547	2,896,333	

10. Net expenditure

Net expenditure for the year includes:

	2019 £	2018 £
Operating lease rentals	25,798	29,995
Depreciation	221,140	164,346
Fees paid to auditor for:		
- audit	13,870	12,725
- other services	2,725	2,700

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Notes to the financial statements
for the year ended 31 August 2019

11. Staff costs

a. Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	5,445,588	4,018,843
Social security costs	429,443	318,683
Pension costs	1,547,067	1,108,408
	<u>7,422,098</u>	<u>5,445,934</u>
Agency staff costs	76,761	29,812
Staff restructuring costs	15,256	18,155
	<u><u>7,514,115</u></u>	<u><u>5,493,901</u></u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	12,863	18,155
Severance payments	2,393	-
	<u>15,256</u>	<u>18,155</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £2,393 (2018: £Nil), which was made by one individual payment.

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	84	83
Administration and Support	184	215
Management	3	3
	<u>271</u>	<u>301</u>

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Notes to the financial statements
for the year ended 31 August 2019

11. Staff costs (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	74	69
Administration and Support	140	123
Management	3	3
	<u>217</u>	<u>195</u>

d. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1
In the band £120,001 - £130,000	1	1
	<u>1</u>	<u>2</u>

All of the above employees participated in the Teachers' Pension Scheme.

e. Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £254,364 (2018 - £257,247).

12. Other finance expenditure

	2019 £	2018 £
Interest on pension scheme liabilities	<u>75,000</u>	<u>59,000</u>

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

13. Central services

The Academy Trust has provided the following central services to its academies during the year:

- Financial services
- Educational support services
- Human resources
- Premises management
- Administrative and legal support
- Professional development
- Data Protection Officer support
- Wellbeing support
- Trust collaborative projects
- Governance support

The Academy Trust charges for these services on the following basis:

- recharge of central services costs on a percentage basis.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Barnsole Primary School	108,789	113,622
Bligh Primary School	79,081	86,743
Danecourt Primary School	111,957	69,900
Total	299,827	270,265

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £Nil).

During the year ended 31 August 2019, travel and subsistence expenses totalling £680 were reimbursed or paid directly to 2 Trustees (2018 - £189 to 2 Trustees).

Other related party transactions involving the Trustees are set out in note 31.

15. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of 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 membership.

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Notes to the financial statements
for the year ended 31 August 2019

16. Tangible fixed assets

	Leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2018	21,523,881	113,637	242,826	9,370	-	21,889,714
Additions	-	-	-	24,885	30,400	55,285
At 31 August 2019	21,523,881	113,637	242,826	34,255	30,400	21,944,999
Depreciation						
At 1 September 2018	554,134	91,678	211,468	3,123	-	860,403
Charge for the year	156,405	21,959	31,358	11,418	-	221,140
At 31 August 2019	710,539	113,637	242,826	14,541	-	1,081,543
Net book value						
At 31 August 2019	20,813,342	-	-	19,714	30,400	20,863,456
At 31 August 2018	20,969,747	21,959	31,358	6,247	-	21,029,311

Included in long-term leasehold land and buildings is land at valuation of £2,122,000 (2018: £2,122,000) which is not depreciated.

The land and buildings were valued by Medway Council upon conversion to academy status on a depreciated replacement cost basis.

Long-term leasehold land and buildings comprise land and buildings occupied on a 125 year lease granted from Medway Council.

17. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	170,730	43,299
VAT recoverable	18,413	9,510
Other debtors	19,712	1,540
Prepayments and accrued income	96,095	160,368
	<u>304,950</u>	<u>214,717</u>

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Notes to the financial statements
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18. Creditors: Amounts falling due within one year

	2019 £	As restated 2018 £
Other loans	27,500	27,500
Trade creditors	54	86,550
Other taxation and social security	-	97,605
Other creditors	97,568	435,263
Accruals and deferred income	146,824	87,281
	<u>271,946</u>	<u>734,199</u>
	2019 £	2018 £
Deferred income at 1 September 2018	58,012	11,765
Resources deferred during the year	66,002	58,012
Amounts released from previous periods	(58,012)	(11,765)
	<u>66,002</u>	<u>58,012</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals and Rates Relief which related to the 2019/20 academic year.

19. Creditors: Amounts falling due after more than one year

	2019 £	As restated 2018 £
Other loans	55,000	82,500

Included within loans is a long-term, interest free loan from Medway Council to Bligh Primary School, which is to be repaid over three years in equal installments.

20. Prior year adjustments

The 2018 figures have been restated as a result of the identification of a long-term, interest free loan from Medway Council, amounting to £110,000, that was transferred in upon Bligh Primary School (Juniors) and Bligh Primary School (Infants) joining the Academy Trust on 1 October 2017.

This has led to the creditors: amounts falling due within one year increasing by £27,500 and the creditors: amounts falling due after more than one year increasing by £82,500, with the Trust's income and total restricted funds both reducing by £110,000.

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

21. Statement of funds

	As restated Balance at 1 September 2018 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	626,178	292,575	(326,485)	-	-	592,268
Restricted general funds						
General Annual Grant (GAG)	186,866	5,584,608	(4,564,176)	(509,500)	-	697,798
Other DfE/ESFA Grants	-	881,836	(881,836)	-	-	-
Other Gov't Grants	-	2,059,686	(2,059,686)	-	-	-
Other government loan	(110,000)	-	-	27,500	-	(82,500)
Pension reserve	(3,066,000)	-	(1,166,000)	482,000	(893,000)	(4,643,000)
	<u>(2,989,134)</u>	<u>8,526,130</u>	<u>(8,671,698)</u>	<u>-</u>	<u>(893,000)</u>	<u>(4,027,702)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	21,019,941	-	(218,017)	58,408	-	20,860,332
DfE/ESFA Capital Grants	76,446	166,667	(48,398)	(55,285)	-	139,430
Capital expenditure from GAG	9,370	-	(3,123)	(3,123)	-	3,124
	<u>21,105,757</u>	<u>166,667</u>	<u>(269,538)</u>	<u>-</u>	<u>-</u>	<u>21,002,886</u>
Total Restricted funds	<u>18,116,623</u>	<u>8,692,797</u>	<u>(8,941,236)</u>	<u>-</u>	<u>(893,000)</u>	<u>16,975,184</u>
Total funds	<u>18,742,801</u>	<u>8,985,372</u>	<u>(9,267,721)</u>	<u>-</u>	<u>(893,000)</u>	<u>17,567,452</u>

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Notes to the financial statements
for the year ended 31 August 2019

21. Statement of funds (continued)

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

GAG represents to be used to cover normal running costs of the Academy Trust.

Other DfE/ESFA grants represent those grants provided for specific purposes, such as pupil premium funding, which is provided in order to be used to support disadvantaged pupils and to assist them in decreasing the attainment gap between those pupils and their peers.

Other government grants represent those grants provided for specific purposes, such as early years and SEN funding, to provide additional support to the pupils where required.

The other government loan was transferred upon conversion to academy status and continues to be paid off each year in line with the loan agreement.

The restricted fixed asset fund represents the tangible fixed assets including depreciation to the Balance Sheet date. Capital grants are also represented and provide the Academy Trust with its own capital money to address improvements to buildings and other facilities.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	As restated 2018 £
Barnsole Primary Trust	121,594	210,590
Barnsole Primary School	421,641	274,392
Bligh Primary School	114,653	(33,798)
Danecourt Primary School	549,678	251,860
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,207,566	703,044
Restricted fixed asset fund	21,002,886	21,105,757
Pension reserve	(4,643,000)	(3,066,000)
	<hr/>	<hr/>
Total	17,567,452	18,742,801
	<hr/>	<hr/>

Barnsole Primary Trust
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Notes to the financial statements
for the year ended 31 August 2019

21. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Barnsole Primary Trust	-	1,079,645	30,654	51,061	1,161,360	830,029
Barnsole Primary School	1,783,514	442,030	152,694	395,811	2,774,049	2,681,590
Bligh Primary School	1,319,727	427,805	90,264	381,788	2,219,584	2,016,290
Danecourt Primary School	2,160,587	375,807	131,712	223,482	2,891,588	1,195,093
Academy Trust	5,263,828	2,325,287	405,324	1,052,142	9,046,581	6,723,002

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Notes to the financial statements
for the year ended 31 August 2019

21. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2017 £	As restated Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2018 £
Unrestricted funds						
General Funds	290,807	509,818	(174,447)	-	-	626,178
Restricted general funds						
General Annual Grant (GAG)	76,695	4,374,626	(3,932,085)	(332,370)	-	186,866
Other DfE/ESFA Grants	-	505,893	(505,893)	-	-	-
Other Gov't Grants	-	1,299,086	(1,299,086)	-	-	-
Other government loan	-	(110,000)	-	-	-	(110,000)
Pension reserve	(978,000)	(2,593,000)	(809,000)	323,000	991,000	(3,066,000)
	<u>(901,305)</u>	<u>3,476,605</u>	<u>(6,546,064)</u>	<u>(9,370)</u>	<u>991,000</u>	<u>(2,989,134)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	5,528,315	15,655,972	(164,346)	-	-	21,019,941
DfE/ESFA Capital Grants	-	78,937	(2,491)	-	-	76,446
Capital expenditure from GAG	-	-	-	9,370	-	9,370
	<u>5,528,315</u>	<u>15,734,909</u>	<u>(166,837)</u>	<u>9,370</u>	<u>-</u>	<u>21,105,757</u>
Total Restricted funds	<u>4,627,010</u>	<u>19,211,514</u>	<u>(6,712,901)</u>	<u>-</u>	<u>991,000</u>	<u>18,116,623</u>
Total funds	<u>4,917,817</u>	<u>19,721,332</u>	<u>(6,887,348)</u>	<u>-</u>	<u>991,000</u>	<u>18,742,801</u>

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Notes to the financial statements
for the year ended 31 August 2019

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restrcted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	20,863,456	20,863,456
Current assets	592,268	942,244	139,430	1,673,942
Creditors due within one year	-	(271,946)	-	(271,946)
Creditors due in more than one year	-	(55,000)	-	(55,000)
Provisions for liabilities and charges	-	(4,643,000)	-	(4,643,000)
Total	592,268	(4,027,702)	21,002,886	17,567,452

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds as restated 2018 £	Restricted fixed asset funds 2018 £	Total funds as restated 2018 £
Tangible fixed assets	-	-	21,029,311	21,029,311
Current assets	629,992	889,751	76,446	1,596,189
Creditors due within one year	(3,814)	(730,385)	-	(734,199)
Creditors due in more than one year	-	(82,500)	-	(82,500)
Provisions for liabilities and charges	-	(3,066,000)	-	(3,066,000)
Total	626,178	(2,989,134)	21,105,757	18,742,801

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Notes to the financial statements
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23. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2019 £	As restated 2018 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(282,349)	12,833,984
Adjustments for:		
Depreciation (note 16)	221,140	164,346
Capital grants from DfE and other capital income	(166,667)	(78,937)
Interest receivable (note 7)	774	393
Defined benefit pension scheme obligation inherited	-	2,593,000
Defined benefit pension scheme cost less contributions payable	609,000	427,000
Defined benefit pension scheme finance cost	75,000	59,000
(Increase)/decrease in debtors	(90,233)	138,496
(Decrease)/increase in creditors	(462,253)	637,290
Assets from local authority on conversion	-	(7,474,677)
Assets from academy on transfer	(16,305)	(6,979,057)
Assets from local authority on transfer	-	(1,419,000)
Net cash (used in)/provided by operating activities	(111,893)	901,838

24. Cash flows from financing activities

	2019 £	As restated 2018 £
Cash inflows from new borrowing	-	110,000
Repayments of borrowing	(27,500)	-
Net cash (used in)/provided by financing activities	(27,500)	110,000

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Notes to the financial statements
for the year ended 31 August 2019

25. Cash flows from investing activities

	2019 £	As restated 2018 £
Dividends, interest and rents from investments	(774)	(393)
Purchase of tangible fixed assets	(55,285)	(9,370)
Capital grants from DfE Group	166,667	78,937
Cash transferred on conversion to an Academy Trust	-	(39,838)
Cash transferred from existing academies into the Academy Trust	16,305	256,600
Net cash provided by investing activities	126,913	285,936

26. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,368,992	1,381,472
Total cash and cash equivalents	1,368,992	1,381,472

27. Capital commitments

	2019 £	2018 £
Contracted for, but not provided in these financial statements	64,352	-

28. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 Kent County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2018 - £103,508).

Notes to the financial statements
for the year ended 31 August 2019

28. Pension commitments (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed 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 (amended) 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 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended). The valuation report was prepared by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £453,381 (2018 - £348,273).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Notes to the financial statements
for the year ended 31 August 2019

28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £618,000 (2018 - £414,000), of which employer's contributions totalled £482,000 (2018 - £323,000) and employees' contributions totalled £136,000 (2018 - £91,000). The agreed contribution rates for future years are 20.0 per cent for employers and 5.5 - 12.5 per cent 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

	2019 %	2018 %
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.90	2.65
Inflation assumption (CPI)	2.20	2.30
Inflation assumption (RPI)	3.20	3.30

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	22.1	23.1
Females	24.0	25.2
<i>Retiring in 20 years</i>		
Males	23.7	25.3
Females	25.8	27.5

Sensitivity analysis

	2019 £	2018 £
Discount rate +0.1%	(240,000)	(180,000)
Discount rate -0.1%	247,000	185,000
Mortality assumption - 1 year increase	337,000	236,000
Mortality assumption - 1 year decrease	(326,000)	(229,000)
CPI rate +0.1%	219,000	164,000
CPI rate -0.1%	(214,000)	(160,000)

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28. Pension commitments (continued)

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

	2019 £	2018 £
Equities	3,457,000	2,907,000
Gilts	36,000	33,000
Corporate bonds	457,000	379,000
Property	591,000	528,000
Cash and other liquid assets	135,000	131,000
Absolute return fund	394,000	289,000
Total market value of assets	5,070,000	4,267,000

The actual return on scheme assets was £206,000 (2018 - £204,000).

Amount recognised in the Statement of financial activities:

	2019 £	2018 £
Current service cost	(1,089,000)	(749,000)
Interest income	121,000	67,000
Interest cost	(196,000)	(126,000)
Administrative expenses	(2,000)	(1,000)
Total amount recognised in the SOFA	(1,166,000)	(809,000)

Changes in the present value of the defined benefit obligations were as follows:

	2019 £	2018 £
At 1 September	7,333,000	2,061,000
Conversion of academy trusts	-	1,244,000
Transferred in on existing academies joining the trust	-	3,917,000
Current service cost	978,000	749,000
Interest cost	196,000	126,000
Employee contributions	136,000	91,000
Actuarial losses/(gains)	978,000	(854,000)
Benefits paid	(19,000)	(1,000)
Past service costs	111,000	-
At 31 August	9,713,000	7,333,000

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Notes to the financial statements
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28. Pension commitments (continued)

The valuation allows for the estimated impact of the recent McCloud judgement as a past service cost. The estimated impact on the total liabilities as at 31 August 2019 is £111,000 (or 1.2% as a percent of total liabilities).

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

	2019 £	2018 £
At 1 September	4,267,000	1,083,000
Conversion of academy trusts	-	478,000
Transferred in on existing academies joining the trust	-	2,090,000
Interest income	121,000	67,000
Actuarial gains	85,000	137,000
Employer contributions	482,000	323,000
Employee contributions	136,000	91,000
Benefits paid	(19,000)	(1,000)
Administration expenses	(2,000)	(1,000)
At 31 August	5,070,000	4,267,000

29. Commitments under operating leases

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Not later than 1 year	5,361	23,302
Later than 1 year and not later than 5 years	4,210	-
	9,571	23,302

30. Members' liability

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

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31. Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period:

Expenditure Related Party Transaction

C Jarvis, a Member, is a Director of Avenue Tennis Limited. During the year Barnsole Primary Trust incurred expenditure totalling to £519 (2018 - £300) from this organisation. At the balance sheet date there were no amounts outstanding. The total expenditure falls below the de minimis limit of £2,500 regarding the 'at cost' requirements of the Academies Financial Handbook. In entering into this transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2018.

32. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.