

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2016**



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**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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<b>Members</b>	G Cockell M Mock A Pethick K Macree (resigned 1 February 2016) L Wilkinson V Nel
<b>Trustees</b>	M Mock <sup>2</sup> A Pethick <sup>2</sup> A Cotton, Head Teacher <sup>1,2</sup> S Gibson <sup>1</sup> J Bazley, Vice Chair <sup>1</sup> D Chambers (resigned 11 October 2015) <sup>1</sup> D Davies <sup>1</sup> V Nel, Chair <sup>1,2</sup> D Brewer <sup>2</sup> S Husband <sup>1</sup> L Acton (resigned 14 July 2016) <sup>1</sup> L York <sup>2</sup> D Cresswell <sup>1</sup> K Baker <sup>2</sup> K Redden (appointed 21 January 2016) <sup>2</sup> N Ballard (appointed 21 January 2016, resigned 26 May 2016) <sup>2</sup>

<sup>1</sup> Resources Committee

<sup>2</sup> Curriculum Committee

<b>Company registered number</b>	07700494
<b>Company name</b>	Newport Community School Primary Academy
<b>Principal and Registered office</b>	Landkey Road Newport Barnstaple Devon EX32 9BW
<b>Company secretary</b>	Mrs M Cann
<b>Accounting Officer</b>	Mr A Cotton

<b>Senior Leadership Team</b>	Andy Cotton, Head Teacher Gillian Courtenay, Deputy Head Teacher Sue Gibson, Assistant Head Teacher Maureen Cann, School Business Manager Denise Kent-Holman *, Early Years Leader
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\* Not key management personnel

<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
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**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Advisers (continued)**

**Bankers**

Lloyds Bank PLC  
Barnstaple

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 3 to 11 in the Newport area of Barnstaple. It has a pupil capacity of 454 covering reception to year 6) and had a roll of 530 in the school census on 19 May 2016. The census figure also includes nursery pupils.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy 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.

The Trustees of Newport Community School Primary Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Newport Community School Primary Academy.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

**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 they cease to be a member.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the academy. The limit of this indemnity is £5,000,000.

**TRUSTEES**

**Method of recruitment and appointment or election of Trustees**

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 3 Trustees who are appointed by members.
- up to 6 Parent Trustees who are elected by Parents of registered pupils at the Academy.
- up to 3 staff Trustees appointed by Trustee board.
- up to 3 Co-opted Trustees who are appointed by the Trustee board.
- the Head Teacher who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a four year period, except that this time limit does not apply to the Head Teacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re appointed or re elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various bodies.

**Organisational Structure**

The Board of Trustees normally meet three times in the autumn term and once in each of the spring and summer terms. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are two sub committees as follows;

- **Resources Committee** this meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. It also deals with personnel, premises and health and safety matters.
- **Curriculum & Community Committee** this meets at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Head Teacher and Clerk to the Trustees, to approve the Annual Improvement Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Head Teacher and Senior Leadership Team (SLT). The SLT comprises the Head Teacher, Deputy Head Teacher, Assistant Head Teachers, the Early Years Leader and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Head Teacher is the Accounting Officer.

**Arrangements for setting pay and remuneration of key management personnel**

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of key management personnel is reviewed annually and pay awards based against performance management targets with additional leadership points for identified additional responsibilities. The review of the Head Teachers pay is carried out by 3 governors who have received training for Head Teacher Performance Management and is supported by an external advisor. The Head Teacher Appraisal report is brought to the Resources Committee who make decisions on recommendations for pay. For other key management personnel the pay review is carried out through the annual appraisal process led by the Head Teacher with an annual report and pay recommendations made to the Resources Committee.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Connected Organisations, including Related Party Relationships**

There are no related parties which either control or significantly influence the decisions and operations of Newport Community School Primary Academy.

The PTA have charitable status in their own right. There are no staff members or governors of the academy named as trustees of the PTA. All donations received from the PTA are declared through the statutory accounts.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Newport Community School Primary Academy to provide free education and care for pupils of different abilities between the ages of 3 and 11.

The Academy has a specialist provision for children with autism, known as the CAIRB (Communications and Interactions Resource Base). It runs this facility in conjunction with Devon County Council through a Service Level Agreement, reviewed annually.

**The aims of the Academy are as follows**

**'Learning Together, Achieving Together'**

**Personal Attributes of Pupils/Staff**

To foster and develop confident, open and receptive learners, who are able to communicate, think creatively and critically, and embrace challenge through

- expectation
- modelling
- the academy's curriculum and other learning opportunities
- approach to teaching and learning
- relationships between all academy partners

**Potential**

To encourage each individual to maximise their potential as highly motivated life long learners through

- recognition of achievement
- building self-confidence
- promoting self discipline
- expectation
- embracing change
- commitment

**Learning Environment**

To provide a welcoming, well-maintained and aesthetically pleasing learning environment, with high expectations of behaviour, effort and achievement through

- the School Code of Conduct,
- provision for Health and Safety
- the highest staff expectations of pupils behaviour
- effective and responsive systems of monitoring individual pupil and staff performance.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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- stimulating displays
- environmental responsibility

**Sense of Place**

To enable children to value and develop a sense of community through

- celebrating our rich and varied local area
- participating in and leading local events
- opportunities to experience life and cultures both within the UK and the wider world

**Relationships**

To develop and promote positive relationships within the academy community, with parents and the wider world through

- an active involvement in the learning process
- modelling
- expectation
- opportunities to collaborate
- high quality leadership
- effective communication systems
- family group

**Well Being**

To provide high quality social, moral and personal education, appropriate to the needs of the child, allowing each individual to lead a rewarding and happy life through

- the Academy's curriculum,
- programme of collective worship
- school relationships
- opportunities to raise an individual's self esteem
- links to outside agencies.
- self respect and respect for others

**Curriculum - Skills / Knowledge**

To provide a rich curriculum that creates meaningful opportunities for the development of skills and knowledge through

- a high quality curriculum
- a wide variety of approaches to teaching and learning
- allowing pupils to make mistakes
- supporting children in taking them to the 'edge of their learning'

**Inclusion**

To allow all pupils to access the school's curriculum and participate in all areas of Academy life through

- an effective equal opportunities policy
- highly inclusive and supportive learning environment

**Objectives, Strategies and Activities**

The Academy Improvement Priorities for 2015-16 were as follows:-

**The Achievement of Pupils at the School**

- To completely close the gap between PP & Non PP pupils in Maths Reading, Writing GAPS & Science by July 2016



**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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- To raise attainment so that all pupils make 3 tracking points progress in years 1 – 6
- To identify and provide provision and opportunities for parental engagement to increase % children making GLD at the end of EYFS
- To raise further the standards, progress and outcomes for pupils in EYFS in reading, writing and maths through objective led planning & teaching & intervention.
- To improve the outdoor learning environment for EYFS curriculum

**The Behaviour and Safety of Pupils in School**

- To raise attendance of FSM/EAL/SEN children to above 95.5% thereby raising attendance of pupils in the whole school to 97%+ (2nd year of 2 –year target)
- Provide a programme for E-Safety and diversity for parents & children.
- To examine further support for children with lack of engagement with learning and emotional literacy
- Finalise a plan in preparation to make a bid for capital funding for new offices, work space for resources Assistants & kitchen facilities is criteria allow. Autumn '15
- Examine opportunities for across age group and develop the role of the School Council

**The Quality of Teaching in School**

- To examine the choices around nursery provision (including provision for 2 year olds) and wrap around care
- To examine the possible benefits to further improve the quality of teaching through peer to peer support
- Put in place effective systems of assessment, moderation and tracking which reflects the Academy's curriculum
- To establish an effective policy for spelling across the school
- To set up a programme of CPD to improve the Teaching & Learning skills of the Teaching Assistants.

**Quality of Leadership in and Management of the School**

- To examine possibilities of playing a greater role in the school-led system.
- To examine how we use the school day, the provision of & assessment in foundation subjects to improve outcome for children
- Review existing systems of managing/analysing pupil data and teacher appraisal in light of new baseline and tracking systems
- To create a new 5-year plan for the strategic development of the Academy for 2016 - 2021

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy admits pupils through the co-ordinated Local Authority Admission Arrangements from within the catchment area of Newport and beyond. The Academy provides facilities for community users for the community at large in the interest of social welfare and with the interest of improving the life of the community of Newport and North Devon.

As an Academy we have a duty to support other schools. Newport Community School Primary Academy is the joint lead school in the Devon Teaching School Partnership. This is achieved through the work of senior leaders in school who are involved in the Devon Teaching School Partnership and DPSCITT and through the work of the Head Teacher as a National Leader in Education. We support several schools through the use of specialist skills, for example we provide outreach services for other schools in managing the needs of autism in the North Devon area. The Academy has supported a new head teacher in post, as well as supporting the work of the Devon Teaching School in training new teachers and providing professional development opportunities for teachers.

The Academy has gained Initial Teacher Training accreditation through the National College of Teaching & Learning and will deliver its initial teacher training activities through its role as Managing Agent for Devon Primary

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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SCITT who have become part of the Newport Community School Primary Academy staff from 1st October 2016.

**STRATEGIC REPORT**

**Achievements and Performance**

The Academy has celebrated its most successful year to date in terms of academic achievement with results across the age ranges at significantly above national averages. Pupil numbers are stable and the Academy is full with 530 children on roll as of May 2016. The Academy is heavily over subscribed, especially when taking into consideration that Barnstaple has a small population. 120 pupils applied for 60 places in reception classes for 2016-17.

The Academy continues to receive tremendous support from parent volunteers who have been helping in the Academy this year. Their commitment to the children and the Academy is overwhelming. They help with reading, trips, social functions, PTA, curriculum enrichments and extra curricular clubs. The Academy's PTA had another successful year and made a generous donation of £29,500 for the installation of a new adventure playground for the older children.

The school has taken a very active role in the Devon Teaching School Partnership, providing a wide range of support to the 51 schools that make up the alliance and working hard to secure a long-term sustainable model for Initial Teacher Training and School to School support. The Academy has gained accreditation from the NCTL to become a provider of Initial Teacher Training which will be provided through the organisation known as Devon Primary SCITT who have formally joined the Academy's staff from 1st October 2016.

The Strategic Plan for 2016 – 2021 has been drafted and will be published on the Academy's website. In setting its long-term targets the Academy has carefully considered how it can most effectively contribute to the school-led system and in March 2016 the Academy submitted an application to the DfE to open a Free School to provide a very similar educational offer to the Roundswell Community of Barnstaple.

The Academy has continued to invest in the Early Years with a fantastic new Outdoor Play Area offering a vast variety of play opportunities for children to support their academic and physical development.

Following an initial review of the nursery, the first steps have been taken to develop the provision and from September 2015 the nursery expanded from 26fte to 39fte place provision. Further work is continuing to investigate the possible expansion of the facilities to provide all year care.

A series of activities to engage parents to read with their children have taken place with a focus on 'Book Club'. There have been continued opportunities for children, parents & grandparents to attend the Saturday morning 'Go Wild' family workshop sessions. These have proved very popular with both adults & children alike. This investment in facilities and activities is reflected in the Foundation Stage data with a very positive year with levels across the Early Years Foundation Stage showing that on average across the areas of learning, at least 80% of children were making a good level of development against 66% nationally (2015).

There have been further improvements in the quality of teaching. 65% of all teaching overall was judged to be Outstanding which is borne out in the outstanding data outcomes for children.

The work of Teaching Assistants has been further supported through a series of workshops to enhance the Teaching and Learning skills of Teaching Assistants.

In a new age of assessment without levels, the academy has continued the work started last year to define the new assessment criteria and robust systems have been implemented and will continue to be embedded next year. There has been a focus on developing a policy and raising expectation in spelling.

This has supported excellent outcomes for all children – SEN, FSM, low, mid and upper attaining pupils have come out strongly across the school. Pupil data is well above national averages and is once again the strongest set of data outcomes in the school's history

At the end of Year One, results of the phonics testing showed that 85% passed the phonics test. The national average pass rate for 2015 was 77%. In addition, 72% of our children achieved the highest pass marks (38+)

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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against 36% nationally.

At the end of Key Stage One (7 year olds: Year 2) Results showed that in Writing 85% of children were achieving at or above the 'expected standard' (with 13% of those children 'working in greater depth'). In Reading this was 88% (28%), Maths 90% (23%) and Science 97%. As this is the first year of this assessment system there are no national average data for comparison as yet.

The results for 11 year olds (year 6) show exceptional performance against national averages for children who 'met the expected standards'. Overall 80.6% of children at Newport 'met the expected standards' in all subjects compared to 53% nationally which is a staggering 27.6% above the national average. In terms of individual subjects the figures are as follows:

<b>Subject</b>	<b>School</b>	<b>National Average</b>	<b>Difference</b>
Reading	83.9%	66%	+ 17.9%
Grammar	90.3%	72%	+ 18.3%
Maths	91.9%	70%	+ 21.9%
Writing	92.1%	74%	+ 18.1%

Achievement of pupils attracting Pupil Premium funding has also improved again this year. In English Maths & Science all groups are making more than expected progress nationally. All identified groups are making at least expected progress and many above 2 levels progress. The Academy almost achieved the target it set to completely close the gap between the achievement of PP and Non PP pupils.

This is an outstanding set of data for the Academy which shows exceptional attainment. Further statistical information of pupil performance is available in the Academy's Prospectus, available from the office or the web site.

Children at Newport enjoy school and this is borne out in the attendance rate of 96.6%. This is well above average and we are pleased to note that the attendance of vulnerable groups of pupils has increased this year.

Academic excellence is important, but equally important are values and non-academic outcomes. All staff in the Academy work hard to provide a vast array of curricular and extra-curricular opportunities. The School Council has worked very effectively this year in leading initiatives, keeping the community informed through its edition of the Newport News! And raising £1,493 for Water Aid, its nominated charity for 2015 – 16.

Performance has been strong in a variety of sports, where Newport has competed well against local, district and county opposition. In particular enjoying successes in athletics, competing at the district indoor finals in Plymouth, netball, rounders, tag rugby, football and gymnastics.

The school's choir and musicians have once again been very active in the community, performing at various events including 'Young Stars of the Future' performance at the Queens Theatre. Many pupils have attained their grades in their chosen musical instrument and we were treated to 'Music Night' where the children showed their musical prowess. The school enjoyed the Christmas performances, as well as drama plays by years 3 and 4 in the spring and final year pupils in the summer.

In addition to the curriculum on offer at the school, the children have had the opportunity to attend a wide variety of school clubs and residential visits. Residential visits to Italy, Nethercott Farm, Beam House, Kilve Court and Paignton Zoo took place in 2015-16 with 179 pupils attending a residential visit.

Newport celebrated 15 years of friendship with schools in the Susa Valley, Italy. International links were maintained and developed with a visit by pupils in Condove in the Susa valley, followed by a reciprocal visit of Newport pupils in May. Pupils have been engaged in swapping letters and school work.

The Academy's CAIRB, a specialist provision for pupils with autism, is full. Eight pupils are supported by 6 staff who provide inclusive opportunities for children in the classroom. Newport staff also provide outreach services for other schools across North Devon, providing a very valuable service to schools in North Devon.

Uptake of the Universal Entitlement for Free School Meals for children in Reception to Year two continues to be

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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very high. Plans have been drawn up to extend the kitchen facilities and planning permission has been obtained. The Academy will continue to seek capital funding to support this project.

During 2016 the Academy made an application to the Department for Education to run a Free School in the West of Barnstaple. This application was approved by the DfE in September 2016 and is a significant and exciting development for the Academy and the community of Roundswell whom it will serve. The Site of the Free School remains to be determined by the Local Authority and the opening date is to be confirmed by the DfE. Meanwhile the Academy continues its quest to improve the outcomes for the children who attend Newport and for the wider community of Barnstaple.

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG). In period under review, £103,732 of GAG was carried forward representing 6% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2016 were 530, an increase of 33 over 2015 following expansion of the nursery provision. The academy is full and over-subscribed.

Pupil attendance is well above national averages at 96.6% an increase of 0.3% on the previous year.

The academy uses the resources available to ensure that children are supported, not only in their classes by fully qualified teachers but also through specialist music and PE provision to cover teacher PPA time and a specialist learning support teacher. The pupil to teacher ratio (excluding nursery and the CAIRB) was 21.5:1

**Going Concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy in note 1 to the financial statements.

**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2016 (excluding fixed asset and pension reserves), the Academy received total income of £2,226,978 and incurred total expenditure of £2,105,248. The excess of income over expenditure (excluding fixed asset and pension reserves) for the year was £121,730.

At 31 August 2016 the net book value of fixed assets was £4,956,461 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were valued by the EFA on 31 August 2012 at £4,046,128. The subsequent capital works to the building have increased this value to £5,261,618 as at 31 August 2016 before depreciation. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Balances and Reserves.

**Reserves Policy**

The Governors review the reserve levels of the Academy annually. The Governors feel it is important that funding received during a financial year is spent for the benefit of the pupils on roll at that time, whilst recognising the need for prudent accounting. Governors have determined that an in-year contingency of £30,000 to be provided to meet maternity, redundancy, etc with the right to transfer unused contingency funds during the summer term to meet building or other resource needs.

The Academy considers The minimum Year End Carry Forward should not fall below £30,000 in any year. It is forecasted that for the Year Ended 2016-17 there will be a reserve of approx. £150,000 to meet a projected deficit in 17-18 pending organisational change and to fund any unexpected expenditure i.e. funds for repairs whilst insurance funds are pending

The Academy's current level of reserves (total funds less the amount held in fixed assets and non GAG restricted funds) is £213,770 of which £110,038 is unrestricted free reserves.

Of the Free Reserves, £35,000 has been allocated towards the extension of the kitchen facilities.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Investment Policy**

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts covered by the Financial Services Compensation to take advantage of higher interest rates. No other form of investment is authorised.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 84% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health &

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

### **Financial and Risk Management Objectives and Policies**

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years. At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

### **PLANS FOR FUTURE PERIODS**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The Academy has set targets to drive this improvement as follows.

#### **The Achievement of Pupils at the School**

- To reach the individual pupil targets for all pupils to ensure collectively that the attainment and progress of pupils in Y6 in Reading, Writing, GAPs and Maths is in line with or above the top performing 5% of schools nationally at the end of KS2.
- To reach the individual pupil targets for all pupils in the EYFS (Good Level of Development including exceeding) Y1 – 5 (Maths, Reading and Writing) and Y1 phonics to ensure whole school outcomes in the top 5% of schools.
- To sustain the closing of the Pupil Premium Gap and reduce the breadth of the gap in EYFS and KS1 in writing, reading and maths (number) so that the gap reaches the individual targets for specific cohorts.

#### **The Behaviour and Safety of Pupils in School**

- To raise attendance of FSM/EAL/SEN children to above 96% ( 2 year target) thereby raising attendance of pupils in the whole school to 97%+ by July 2018/19
- To extend children's understanding of their own performance and their next steps in learning to support pupil progress and improve further improve attitudes to learning
- To extend kitchen facilities to ensure the school can continue to cater for the larger numbers of children

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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- requesting a hot meal.
- To improve the archiving/storage of pupils records to ensure ease of access and improved communication.
- To establish an improved system of monitoring pupil welfare information to ensure better informed interrogation of data by both Governors and the Leadership team.

**The Quality of Teaching in School**

- To examine the viability of a 52 week nursery with provision from 8am to 6pm including provision for 2-year olds (together funding)
- To increase % of consistently outstanding teaching to 70%+ (minus NQT teaching) by supporting teachers to move from good to consistently outstanding
- To cost out the provision and potential impact on children of providing improved specialist learning facilities for pupils in music and P.E. by providing better learning environments
- To carry out a review of the Academy's non-core curriculum to further raise expectations in these subjects.

**Quality of Leadership in and Management of the School**

- To successfully support DPSCITT by agreeing with the DCC the employment of all relevant staff and assuming the role of lead school.
- To support a whole school external review in the spring term to appraise the performance of the Academy.
- To appraise further the options for Newport Community School Primary Academy in the school led system, carrying out rigorous due diligence to form a Multi Academy Trust to support both the development of staff and the quality of pupil outcomes in the local area.

**GLOSSARY OF TERMS**

CAIRB	Communication and Interaction Resource Base
CPD	Continuing Professional Development
DfE	Department for Education
DPSCITT	Devon Primary School Centered Initial Teacher Training
DTSP	Devon Teaching School Partnership
EAL	English as an Additional Language
EFA	Education Funding Agency
EYFS	Early Years Foundation Stage
FFT	Fischer Family Trust
FS	Foundation Stage
FSM	Free School Meals
GAG	General Annual Grant
IT	Information Technology
KS1	Key Stage One
KS2	Key Stage Two
LGPS	Local Government Pension Scheme
NCP	National Curriculum Points
NQT	Newly Qualified Teacher
PP	Pupil Premium
PTA	Parent Teacher Association
R O	Responsible Officer
SEN	Special Educational Needs
SLT	Senior Leadership Team
UEFSM	Universal Entitlement to Free School Meals

**AUDITORS**

In so far as the Trustees are aware:

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

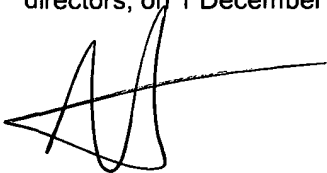
**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, on 1 December 2016 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to be 'V Nel', with a long horizontal line extending to the right.

**Mrs V Nel  
Chair of Trustees**



## **GOVERNANCE STATEMENT**

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### **SCOPE OF RESPONSIBILITY**

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

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

### **GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 8 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
M Mock	5	8
A Pethick	8	8
A Cotton, Head Teacher	8	8
S Gibson	8	8
J Bazley, Vice Chair	7	8
D Chambers	0	1
D Davies	4	8
V Nel, Chair	8	8
D Brewer	8	8
S Husband	2	8
L Acton	5	7
L York	8	8
D Cresswell	6	8
K Baker	6	8
K Redden	5	5
N Ballard	2	3

The Governors have not been able to fill the staff governor vacancy during 2015-16 and this position has remained vacant.

#### **Governance review**

- The Academy had an OfSTED inspection in February 2015 with a judgement of 'Outstanding' in all areas. Leadership & Management 'Outstanding' and in relation to governors the following observations were made

"Governors have high ambitions for the school. They regularly provide challenge to leaders. As a result, the quality of teaching and pupils' achievement has improved".

"Governors have an excellent understanding of the performance of the school. They have a good knowledge of the use and analysis of data and are very well informed about the quality of teaching and how this is linked to pupil achievement. Consequently, they have a clear understanding of the school's performance and are able to challenge leaders on a frequent and regular basis."

"Governors are fully involved in strategic and financial planning and their decisions demonstrate expertise. They set clear targets in managing the performance of the headteacher and staff, ensuring that pay increases are linked to competence. They ensure that the pupil premium and primary sport funding are used effectively."

**GOVERNANCE STATEMENT (continued)**

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"Governors are very supportive of the school, undertaking regular training to improve their own skills. As a result, they are fully conversant with safeguarding policies and procedures."

The composition of the Governing Body remained largely unchanged from the previous year. The Governors completed an audit of their skills during July 2015 and a full evaluation of the Governing Body took place during September and October 2015. As a result the following areas were identified for action

- A recommendation to the Trustees to reduce the size of the Governing Body from 18 Governors to 16 Governors.
- To Improve the way the Governing Body informs parents of its work
  - o by reporting to parents through a termly Governor Newsletter
  - o by raising the Governor profile on the school website

The **Finance and General Purposes Committee** known as the **Resources Committee** is a sub-committee of the main board of trustees.

The Terms of Reference specific to the **Resources Committee** is:

1. To provide guidance and assistance to the Headteacher and the governing body in all matters relating to:- budgeting and finance, health and safety, personnel, equal opportunities, caretaking and cleaning, maintenance of the building, care of the grounds and the community building; ensuring sound management of the Academy's resources including proper planning, monitoring and probity.
2. To prepare and review financial policy statements, including consideration of long term planning and resourcing for agreement by the whole governing body and to prepare a Financial Policy for the governing body to include recommended levels of delegation. To be reviewed annually
3. To consider each year relevant school improvement plan priorities, the publication of the Management Plan and present an annual budget to the governing body for approval.
4. To monitor the income and expenditure of all public funds (eg. budget share, and any other funds devolved by the EFA and report the financial situation to the governing body each term.
5. To ensure that the standards of any relevant quality assurance process are maintained and monitored.
6. To vire funds, if necessary, within limits set by the governing body.
7. To receive Auditors reports and, where appropriate, make recommendations to the Governing Body.
8. To monitor non-financial data affecting budgets.
9. To ensure that the principles of Best Value are followed in making decisions.
10. To make recommendations on the purchasing of services.
11. To review the academy's anti fraud policy and implement the Fraud Response and Investigation Plan if necessary
12. To prepare annually the Trustees Report for the Academy's Statutory Accounts
13. To monitor, keep under review and make recommendations on policies dealing with personnel issues and report to the full governing body.
14. To monitor the Teacher's Appraisal Policy and Support Staff Appraisal Arrangements and report to the full governing body.
15. To make arrangements for interviewing and appointing staff.
16. Redundancy - to draft and review, in consultation with staff, criteria for redundancy for approval of the governing body.

**GOVERNANCE STATEMENT (continued)**

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17. Salaries:
  - a. to establish the annual and longer term salary forecasts and other costs relating to personnel
  - b. review staff salaries annually and make decisions on pay
18. Staffing structure - to review the staffing structure whenever a vacancy occurs and at least annually in relation to the school's improvement plan.
19. To ensure the school meets all safeguarding legislation and requirements
20. To monitor and review all matters related to the Academy's Health and Safety procedures and outcomes, including the condition of premises and grounds and receive internal monitoring and external health & safety audit reports.
21. To review the extent of the insurance provided by the trust annually
22. To oversee the planning, implementation & monitoring of significant premises related contracts
23. Draft and review the Academy's Emergency Management Plan and make recommendations to the Governing Body.
24. To review policies for full Governing Body approval in accordance with the Policy Schedule and Governor Cycle of Business.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Cotton, Head Teacher	4	4
Mrs S Gibson	4	4
Mrs J Bazley	4	4
Mrs D Chambers	0	0
Mr D Davies	3	4
Ms V Nel	4	4
Miss S Husband	4	4
Mr D Cresswell	4	4
Ms L Acton	1	4

The functions of the Audit Committee are undertaken by the Resources Committee. The Chair of the Resources Committee receives the report from Devon Audit Partnership who have conducted 3 Key Financial Systems visits during the year.

**REVIEW OF VALUE FOR MONEY**

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

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

- Robust financial governance and budget management independently tested by Devon Audit Partnership.
- Value for money purchasing in all areas
- Considering allocation/targeting/use of existing resources.
- Deploying staff effectively, through review of staffing structures to meet current and work towards future staffing structure requirements.
- Reviewing quality of curriculum provision and quality of teaching through its robust monitoring processes.
- Reviewing quality of children's learning to enable children to achieve significantly above nationally expected progress.

**GOVERNANCE STATEMENT (continued)**

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- Outlining procedures in its Finance Policy for accepting best value quotes, noting that this is not necessarily the cheapest quote.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Newport Community School Primary Academy for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Devon Audit Partnership to carry out a programme of internal checks.

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:

<b>Area covered</b>	<b>Level of Assurance</b>
A Governance, Accounting and Financial Control	High Standard
B Accounting and Financial Control - Anti Fraud	High Standard
C Internal Financial Control - Salaries, Wages and Expenses	High Standard
D Internal Financial Control - Purchases & Payments	High Standard
E Internal Financial Control - Contracts & Tendering	High Standard
F Risk Management	High Standard
G Internal Financial Control - Income	Good Standard
H Internal Financial Control - Assets	High Standard

On a termly basis the auditor reports to the Board of Trustees, through the Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF EFFECTIVENESS**

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

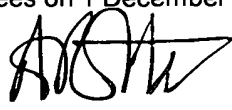
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 1 December 2016 and signed on their behalf, by:



**Mrs V Nel**  
Chair of Trustees



**Mr, A Cotton, Head Teacher**  
Accounting Officer

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Newport Community School Primary Academy I have considered my responsibility to notify the Academy Trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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 EFA.



**Mr A Cotton, Head Teacher  
Accounting Officer**

Date: 1 December 2016

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 EFA/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 and signed on its behalf by:



**Mrs V Nel**  
**Chair of Trustees**

**Date: 1 December 2016**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**

We have audited the financial statements of Newport Community School Primary Academy for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

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

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.



**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where 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.



Tim Borton FCA DChA (Senior Statutory Auditor)  
for and on behalf of

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS  
Date:

16 December 2016

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NEWPORT  
COMMUNITY SCHOOL PRIMARY ACADEMY AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 19 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Newport Community School Primary Academy during the year 1 September 2015 to 31 August 2016 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 Newport Community School Primary Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Newport Community School Primary Academy and EFA 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 Newport Community School Primary Academy and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY'S  
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Newport Community School Primary Academy's funding agreement with the Secretary of State for Education dated 1 August 2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

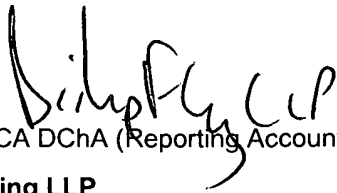
**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NEWPORT  
COMMUNITY SCHOOL PRIMARY ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Tim Borton FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Date:

14 December 2016

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations and capital grants	3	8	-	38,974	38,982	18,798
Charitable activities	6	343,343	1,819,417	-	2,162,760	2,062,717
Other trading activities	4	63,751	-	-	63,751	57,643
Investments	5	459	-	-	459	416
<b>TOTAL INCOME</b>		<b>407,561</b>	<b>1,819,417</b>	<b>38,974</b>	<b>2,265,952</b>	<b>2,139,574</b>
<b>EXPENDITURE ON:</b>						
Raising funds		1,838	-	-	1,838	2,236
Charitable activities		343,375	1,826,478	111,449	2,281,302	2,227,630
<b>TOTAL EXPENDITURE</b>	7	<b>345,213</b>	<b>1,826,478</b>	<b>111,449</b>	<b>2,283,140</b>	<b>2,229,866</b>
<b>NET INCOME /</b>						
<b>(EXPENDITURE) BEFORE</b>						
<b>OTHER GAINS AND LOSSES</b>						
		62,348	(7,061)	(72,475)	(17,188)	(90,292)
Actuarial losses on defined benefit pension schemes	23	-	(556,000)	-	(556,000)	(21,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>62,348</b>	<b>(563,061)</b>	<b>(72,475)</b>	<b>(573,188)</b>	<b>(111,292)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		153,165	(509,207)	4,927,351	4,571,309	4,682,601
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>215,513</b>	<b>(1,072,268)</b>	<b>4,854,876</b>	<b>3,998,121</b>	<b>4,571,309</b>

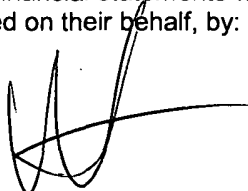
The notes on pages 29 to 50 form part of these financial statements.

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07700494**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	14		<b>4,956,451</b>		4,950,269
<b>CURRENT ASSETS</b>					
Debtors	15	<b>79,613</b>		65,226	
Cash at bank and in hand		<b>385,490</b>		413,429	
		<b>465,103</b>		<b>478,655</b>	
<b>CREDITORS:</b> amounts falling due within one year	16	<b>(247,433)</b>		<b>(292,615)</b>	
<b>NET CURRENT ASSETS</b>			<b>217,670</b>		186,040
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>5,174,121</b>		5,136,309
Defined benefit pension scheme liability	23		<b>(1,176,000)</b>		<b>(565,000)</b>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<b>3,998,121</b>		4,571,309
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
General funds	18	<b>103,732</b>		55,793	
Fixed asset funds	18	<b>4,854,876</b>		4,927,351	
Restricted funds excluding pension liability		<b>4,958,608</b>		4,983,144	
Pension reserve		<b>(1,176,000)</b>		<b>(565,000)</b>	
Total restricted funds			<b>3,782,608</b>		4,418,144
Unrestricted income funds	18		<b>215,513</b>		153,165
<b>TOTAL FUNDS</b>			<b>3,998,121</b>		4,571,309

The financial statements were approved by the Trustees, and authorised for issue, on 1 December 2016 and are signed on their behalf, by:



**Mrs V Nel**  
**Chair of Trustees**

The notes on pages 29 to 50 form part of these financial statements.

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<u>61,713</u>	<u>138,993</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		459	416
Purchase of tangible fixed assets		(129,085)	(36,494)
Capital grants from DfE/EFA and other capital income		<u>38,974</u>	<u>9,211</u>
<b>Net cash used in investing activities</b>		<u>(89,652)</u>	<u>(26,867)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(27,939)</b>	<b>112,126</b>
Cash and cash equivalents brought forward		<u>413,429</u>	<u>301,303</u>
<b>Cash and cash equivalents carried forward</b>	21	<u><u>385,490</u></u>	<u><u>413,429</u></u>

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2015 (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Newport Community School Primary Academy constitutes a public benefit entity as defined by FRS 102.

**First time adoption of FRS 102**

These financial statements are the first financial statements of Newport Community School Primary Academy prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Newport Community School Primary Academy for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 29.

**1.2 FUND ACCOUNTING**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 funders and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOMING RESOURCES**

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

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

**1.4 EXPENDITURE**

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

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

Charitable Activities 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 resources expended are inclusive of irrecoverable VAT.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 GOING CONCERN**

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

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £1,000 are capitalised.

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.

On conversion the Academy was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	Buildings 2% reducing balance / Land 125 years
Fixtures, fittings and equipment	-	10 - 20% straight line
Computer equipment	-	20 - 33% straight line
Leasehold land	-	over length of lease

**1.7 OPERATING LEASES**

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

**1.8 INTEREST RECEIVABLE**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 TAXATION**

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

**1.10 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid that relates to future periods.

**1.11 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 and cash on deposit that has a notice period of less than 30 days.

**1.12 LIABILITIES AND PROVISIONS**

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

**1.13 FINANCIAL INSTRUMENTS**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

**1.14 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses and details of the carrying amount at the end of the reporting period is set out in the notes to the financial statements.

**1.15 AGENCY ARRANGEMENTS**

The academy trust acts as an agent in distributing income on behalf of the Devon Teaching School Partnership. Income received and subsequent disbursements to the partnership are excluded from the statement of financial activities as the trust does not have control over the charitable application of the fund. Reimbursement of administration costs in relation to the income is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

**2. GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2 % could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2016.

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	8	-	29,760	29,768	40
Capital Grants	-	-	9,214	9,214	9,211
Grants	-	-	-	-	9,547
	<u>8</u>	<u>-</u>	<u>38,974</u>	<u>38,982</u>	<u>18,798</u>

In 2015, of the total income from donations and capital grants, £1,990 was unrestricted and £16,808 was restricted.

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	1,821	-	1,821	1,520
Consultancy	7,160	-	7,160	4,500
Fees received	42,510	-	42,510	36,808
Other	12,260	-	12,260	14,815
	<u>63,751</u>	<u>-</u>	<u>63,751</u>	<u>57,643</u>

In 2015, of the total income from other trading activities of £57,643 was unrestricted.

**5. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	459	-	459	416
	<u>459</u>	<u>-</u>	<u>459</u>	<u>416</u>

In 2015, of the total investment income of £416 was unrestricted.

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**6. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Education	192,338	1,819,417	2,011,755	1,949,279
Nursery	151,005	-	151,005	113,438
	<u>343,343</u>	<u>1,819,417</u>	<u>2,162,760</u>	<u>2,062,717</u>

In 2015, of the total income from charitable activities, £296,077 was unrestricted and £1,766,640 was restricted.

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATION**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant	-	1,611,475	1,611,475	1,591,612
Other DfE/EFA grants	-	153,157	153,157	145,423
	<u>-</u>	<u>1,764,632</u>	<u>1,764,632</u>	<u>1,737,035</u>
<b>Other government grants</b>				
High Needs	-	30,778	30,778	24,565
Other government grants non capital	66,100	22,200	88,300	75,700
	<u>66,100</u>	<u>52,978</u>	<u>119,078</u>	<u>100,265</u>
<b>Other income from the academy trust's educational operations</b>				
Internal catering income	48,569	-	48,569	46,496
Other	77,669	1,807	79,476	65,483
	<u>126,238</u>	<u>1,807</u>	<u>128,045</u>	<u>111,979</u>
	<u>192,338</u>	<u>1,819,417</u>	<u>2,011,755</u>	<u>1,949,279</u>

In 2015, of the total income from charitable activities, £182,639 was unrestricted and £1,766,640 was restricted.

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**7. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on fundraising trading	-	-	1,838	1,838	2,236
Education:					
Direct costs	1,357,335	67,866	180,189	1,605,390	1,607,562
Support costs	281,798	134,253	135,238	551,289	522,681
Nursery:					
Direct costs	119,814	-	809	120,623	93,387
Support costs	4,000	-	-	4,000	4,000
	<u>1,762,947</u>	<u>202,119</u>	<u>318,074</u>	<u>2,283,140</u>	<u>2,229,866</u>

In 2015, the total expenditure on raising funds of £42,731 was from unrestricted funds. In 2015, of the total expenditure on charitable activities, £281,936 was from unrestricted funds, £1,811,090 was from restricted funds and £118,767 was in relation to the restricted fixed asset fund.

**8. DIRECT COSTS**

	Education £	Nursery £	Total 2016 £	Total 2015 £
Pension finance costs	21,000	-	21,000	20,000
Educational supplies	48,044	809	48,853	95,236
Staff development	1,587	-	1,587	843
Other costs	86,621	-	86,621	82,645
Wages and salaries	1,049,621	119,814	1,169,435	1,144,337
National insurance	85,688	-	85,688	72,853
Pension cost	222,026	-	222,026	190,883
Depreciation	90,803	-	90,803	94,152
	<u>1,605,390</u>	<u>120,623</u>	<u>1,726,013</u>	<u>1,700,949</u>

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**9. SUPPORT COSTS**

	Education £	Nursery £	Total 2016 £	Total 2015 £
Staff development	10,261	-	10,261	11,188
Other costs	88	-	88	321
Recruitment and support	2,645	-	2,645	3,789
Maintenance of premises and equipment	48,390	-	48,390	43,004
Cleaning	8,970	-	8,970	9,080
Rent and rates	19,580	-	19,580	19,931
Energy costs	17,539	-	17,539	19,371
Insurance	27,027	-	27,027	26,850
Security and transport	7,083	-	7,083	4,737
Catering	34,007	-	34,007	32,791
Technology costs	10,767	-	10,767	11,499
Office overheads	29,768	-	29,768	27,477
Legal and professional	11,129	-	11,129	9,278
Bank interest and charges	1,639	-	1,639	1,622
Governance	8,509	-	8,509	9,073
Wages and salaries	234,096	4,000	238,096	227,233
National insurance	10,063	-	10,063	7,707
Pension cost	37,639	-	37,639	32,750
Depreciation	32,089	-	32,089	28,980
	<b>551,289</b>	<b>4,000</b>	<b>555,289</b>	<b>526,681</b>

**10. NET INCOME/ (EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	122,892	123,132
Auditors' remuneration - audit	4,720	4,720
Auditors' remuneration - other services	1,820	1,410
Operating lease rentals	3,778	3,778



**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**11. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,362,545	1,316,931
Social security costs	95,751	80,560
Operating costs of defined benefit pension schemes	259,665	223,633
	<u>1,717,961</u>	<u>1,621,124</u>
Supply teacher costs	44,986	54,639
	<u>1,762,947</u>	<u>1,675,763</u>

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

	2016 No.	2015 No.
Teachers	21	23
Administration and support	66	66
Management	5	5
	<u>92</u>	<u>94</u>

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Teachers	18	19
Administration and support	26	24
Management	5	5
	<u>49</u>	<u>48</u>

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

	2016 No.	2015 No.
In the band £70,001 - £80,000	1	1

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2016 pension contributions for these members of staff amounted to £12,353 (2015: £10,210)

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £256,231 (2015: £267,726).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive and payments, other than expenses, from the Academy in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: A Cotton: Remuneration £70,000 - £75,000 (2015: £70,000 - £75,000), Employer's pension contributions £10,000 - £15,000 (2015: £10,000 - £15,000), S Gibson: Remuneration £45,000 - £50,000 (2015: £45,000 - £50,000), Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000), D Brewer: Remuneration £30,000 - £35,000 (2015: £30,000 - £35,000), Employer's pension contributions £5,000 - £10,000 (2015: £0 - £5,000).

During the year retirement benefits were accruing to 3 Trustees (2015: 3) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £1,123 (2015: £2,232) were reimbursed to 2 Trustees (2015: 3).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice until 31 July 2016 the Academy had purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £731 (2015: £798).

From 1 August 2016, the Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**14. TANGIBLE FIXED ASSETS**

	Long term leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>COST</b>				
At 1 September 2015	5,169,173	123,482	92,760	5,385,415
Additions	92,445	34,470	2,170	129,085
Disposals	-	-	(470)	(470)
At 31 August 2016	5,261,618	157,952	94,460	5,514,030
<b>DEPRECIATION</b>				
At 1 September 2015	308,715	55,602	70,829	435,146
Charge for the year	89,789	21,256	11,858	122,903
On disposals	-	-	(470)	(470)
At 31 August 2016	398,504	76,858	82,217	557,579
<b>NET BOOK VALUE</b>				
At 31 August 2016	4,863,114	81,094	12,243	4,956,451
At 31 August 2015	4,860,458	67,880	21,931	4,950,269

**15. DEBTORS**

	2016 £	2015 £
Trade debtors	18,869	7,950
VAT recoverable	3,319	6,623
Prepayments and accrued income	57,425	50,653
	79,613	65,226

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade creditors	50,396	52,198
Other taxation and social security	34,079	25,298
Other creditors	96,773	113,509
Accruals and deferred income	66,185	101,610
	247,433	292,615

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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)**

	2016 £	2015 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2015	58,360	59,499
Resources deferred during the year	58,454	58,360
Amounts released from previous years	(58,360)	(59,499)
	<u>58,454</u>	<u>58,360</u>
Deferred income at 31 August 2016	<u>58,454</u>	<u>58,360</u>

At the balance sheet date the Academy was holding funds received in advance including income from trips due to take place in 2016/17, income from the EFA in respect of 2016/17 rates and UEFSM (free school meals).

**17. FINANCIAL INSTRUMENTS**

	2016 £	2015 £
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	18,869	7,950
Accrued income	42,652	12,516
Cash at bank and in hand	385,490	413,429
	<u>447,011</u>	<u>433,895</u>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	(50,396)	(52,198)
Accruals	(7,731)	(43,250)
	<u>(58,127)</u>	<u>(95,448)</u>
	<u>388,884</u>	<u>338,447</u>

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**18. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>DESIGNATED FUNDS</b>						
Outdoor environment enhancement fund	94,000	-	-	(94,000)	-	-
Fixed asset fund	22,918	-	(11,443)	94,000	-	105,475
Kitchen extension fund	-	-	-	35,000	-	35,000
	<u>116,918</u>	<u>-</u>	<u>(11,443)</u>	<u>35,000</u>	<u>-</u>	<u>140,475</u>
<b>UNRESTRICTED GENERAL FUNDS</b>						
General funds	36,247	407,561	(333,770)	(35,000)	-	75,038
Total Unrestricted funds	<u>153,165</u>	<u>407,561</u>	<u>(345,213)</u>	<u>-</u>	<u>-</u>	<u>215,513</u>
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	55,793	1,611,475	(1,563,536)	-	-	103,732
Special needs funding	-	30,778	(30,778)	-	-	-
Pupil premium	-	79,033	(79,033)	-	-	-
Other government grants	-	98,131	(98,131)	-	-	-
Pension reserve	(565,000)	-	(55,000)	-	(556,000)	(1,176,000)
	<u>(509,207)</u>	<u>1,819,417</u>	<u>(1,826,478)</u>	<u>-</u>	<u>(556,000)</u>	<u>(1,072,268)</u>

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**18. STATEMENT OF FUNDS (continued)**

**RESTRICTED FIXED ASSET FUNDS**

Fixed assets transferred on conversion	3,695,518	-	(66,452)	-	-	3,629,066
Fixed assets purchased from GAG and other restricted funds	248,617	-	(17,968)	-	-	230,649
DfE/EFA Capital grants	971,471	9,214	(25,009)	-	-	955,676
Other donations	11,745	29,760	(2,020)	-	-	39,485
	<u>4,927,351</u>	<u>38,974</u>	<u>(111,449)</u>	<u>-</u>	<u>-</u>	<u>4,854,876</u>
Total restricted funds	<u>4,418,144</u>	<u>1,858,391</u>	<u>(1,937,927)</u>	<u>-</u>	<u>(556,000)</u>	<u>3,782,608</u>
Total of funds	<u>4,571,309</u>	<u>2,265,952</u>	<u>(2,283,140)</u>	<u>-</u>	<u>(556,000)</u>	<u>3,998,121</u>

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

**DESIGNATED FUNDS**

Outdoor environment enhancement fund - The academy had previously set aside funds to enhance the outdoor environment for our pupils. This money was expended during the year.

Fixed assets fund - The balance represents the net book value of tangible fixed assets acquired using unrestricted funds.

Kitchen extension fund - The academy has set aside funds to extend the kitchen facilities.

**RESTRICTED FUNDS**

General Annual Grant - Income from the EFA which is to be use for the normal running costs of the Academy, including education and support costs. During the year £Nil (2015: £22,840) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

Pupil Premium - Income from the EFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

Special Needs Funding - Funding received by the Local Authority to fund further support for students with additional needs.

Other Government grants - Other funding such as universal infant free school meals, communication and interaction resource base (CAIRB) income and other small miscellaneous small amounts from the EFA, Local Authority and other Government bodies are to be used to provide free school meals, cover the CAIRB expenditure and cover other small specific costs.

Pension reserve – This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was partly inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

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**18. STATEMENT OF FUNDS (continued)**

**FIXED ASSET FUNDS**

Fixed assets transferred on conversion – This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG and other restricted funds - This represents the net book value of assets purchased using GAG and other restricted funds.

Capital Grants – These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	105,475	-	4,850,976	4,956,451	4,950,269
Current assets	125,782	335,421	3,900	465,103	478,655
Creditors due within one year	(15,744)	(231,689)	-	(247,433)	(292,615)
Pension scheme liability	-	(1,176,000)	-	(1,176,000)	(565,000)
	<u>215,513</u>	<u>(1,072,268)</u>	<u>4,854,876</u>	<u>3,998,121</u>	<u>4,571,309</u>

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

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(17,188)	(90,292)
<b>Adjustment for:</b>		
Depreciation charges	122,903	123,132
Interest received	(459)	(416)
(Increase)/decrease in debtors	(14,387)	11,255
(Decrease)/increase in creditors	(45,182)	56,525
Capital grants from DfE and other capital income	(38,974)	(9,211)
Defined benefit pension scheme cost less contributions payable	34,000	28,000
Defined benefit pension scheme finance cost	21,000	20,000
<b>Net cash provided by operating activities</b>	<u>61,713</u>	<u>138,993</u>

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**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	385,490	413,429
Total	<u>385,490</u>	<u>413,429</u>

**22. CAPITAL COMMITMENTS**

At 31 August 2016 the Academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	94,000

**23. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £32,243 were payable to the schemes at 31 August 2016 (2015: 25,853) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)



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

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

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

The employer's pension costs paid to TPS in the period amounted to £149,445 (2015: £128,284).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £104,000 (2015: £91,000), of which employer's contributions totalled £79,000 (2015: £70,000) and employees' contributions totalled £25,000 (2015: £21,000). The agreed contribution rates for future years are 19.7% for employers and 5.5 - 7.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	26.2	26.1
Retiring in 20 years		
Males	25.2	25.1
Females	28.6	28.4

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**23. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities and gilts	455,000	321,000
Debt instruments	19,000	25,000
Property	72,000	55,000
Cash	12,000	12,000
Target return portfolio	104,000	77,000
Infrastructure and alternative assets	72,000	24,000
Total market value of assets	<u>734,000</u>	<u>514,000</u>

The actual return on scheme assets was £79,000 (2015: £(2,000)).

The amounts recognised in the Statement of financial activities are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(113,000)	(98,000)
Net interest cost	(21,000)	(20,000)
Total	<u>(134,000)</u>	<u>(118,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,079,000	921,000
Current service cost	113,000	98,000
Interest cost	44,000	39,000
Contributions by employees	25,000	21,000
Actuarial losses	612,000	-
Benefits paid	37,000	-
Closing defined benefit obligation	<u>1,910,000</u>	<u>1,079,000</u>

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**23. PENSION COMMITMENTS (continued)**

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

	2016 £	2015 £
Opening fair value of scheme assets	514,000	425,000
Interest income	23,000	19,000
Actuarial gains and (losses)	56,000	(21,000)
Contributions by employer	79,000	70,000
Contributions by employees	25,000	21,000
Benefits paid	37,000	-
	<u>734,000</u>	<u>514,000</u>
Closing fair value of scheme assets	<u>734,000</u>	<u>514,000</u>

**24. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable non land and building operating leases was:

	2016 £	2015 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	<u>-</u>	<u>3,777</u>

**25. RELATED PARTY TRANSACTIONS**

The Park Community School - Trustee K Barker is Chair of Governors. Transactions were undertaken totalling £1,800 relating to the provision of PE & sport during the period. There were no amounts outstanding at the end of the year.

K Macree - sibling of Trustee S Husband. K Macree was employed by the Academy during the year. Remuneration totalling £18,590 (2015: £14,980) and employer's pension contributions of £3,476 (2015: £2,723) was paid through the payroll during the year. There were no amounts outstanding at the year end.

The transactions were entered into at arms' length and in accordance with the academy trust's financial regulations and normal procurement procedures, which the individuals neither participated in, nor influenced. In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2015.

Remuneration paid to staff Governors is detailed in note 12.

**26. AGENCY ARRANGEMENTS**

The academy trust distributes income received on behalf of the Devon Teaching School Partnership in accordance with the Devon Teaching School Partnership instructions. In the year ended 31 August 2016 the trust received £97,076 (2015: £226,934) and distributed £114,428 (2015: £139,278) on behalf of the partnership. At 31 August 2016 An amount of £70,305 (2015: £87,656) was included in other creditors relating to undistributed funds that is payable to the Devon Teaching School Partnership.

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**27. 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.

**28. GENERAL INFORMATION**

Newport Community School Primary Academy is a company limited by guarantee, incorporated in England and Wales. The registered office is Landkey Road, Newport, Barnstaple, Devon, EX32 9BW.

**29. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

<b>RECONCILIATION OF TOTAL FUNDS</b>	<b>Notes</b>	<b>1 September 2014 £</b>	<b>31 August 2015 £</b>
Total funds under previous UK GAAP		4,682,601	4,571,309
Total funds reported under FRS 102		<u>4,682,601</u>	<u>4,571,309</u>

<b>Reconciliation of net income/ (expenditure)</b>	<b>Notes</b>	<b>31 August 2015 £</b>
Net (expenditure) previously reported under UK GAAP		(81,292)
Pension interest cost		<u>(9,000)</u>
Net movement in funds reported under FRS 102		<u>(90,292)</u>

Explanation of changes to previously reported funds and net income/expenditure:

Change in recognition of LGPS interest cost	Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in income/expense. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £9,000 and increase the debit/credit in other recognised gains and losses in the SoFA by an equivalent amount.
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