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Company Registration Number: 07769085 (England & Wales)

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|-----------------|---|
| Members | <p>Rev.T Elbourne, Diocesan representative</p> <p>Rev. C Davey, Incumbent</p> <p>Rev. K King, PCC representative</p> <p>Mrs T Ferguson, Chair of Trustees (Resigned 28 September 2018)</p> <p>Mrs E Jackson Gray, Chair of Governors, parent trustee (appointed 28 September 2018)</p> |
| Trustees | <p>Mrs T Ferguson (resigned 28 September 2018)</p> <p>Mrs E Jackson Gray, Chair of Governors, parent trustee (appointed 18 October 2018)^{1,2,3,4}</p> <p>Mr GWL Sargent, Trustee (appointed 18 July 2018)^{1,2,3,6}</p> <p>Mr M Hawrylak, Principal and Accounting officer^{1,2,3,4}</p> <p>Rev T Harvey, PCC Foundation Trustee (appointed 21 March 2019)</p> <p>Rev.C Davey,Incumbent (resigned 28 September 2018)</p> <p>Mrs C Henderson, PCC Foundation Trustee^{1,2,3,6}</p> <p>Mrs D Welsman, Staff Trustee^{1,2,3}</p> <p>Mr A Whipps, PCC Foundation Trustee (appointed 21 March 2019)</p> <p>Mr M Ruston, DBE Foundation Trustee, Joint Vice Chair^{1,2,3,5}</p> <p>Mr N Eliot, Parent Trustee, Joint Vice Chair^{1,2,3,4,6}</p> <p>Mr M Waine, DBE Foundation Trustee (resigned 28 September 2018)</p> <p>Ms Z Bloom, DBE Foundation Trustee^{1,2,3,6}</p> <p>Mrs J Hardison Taylor, Staff Trustee^{1,2,3}</p> <p>Mr H Hollands (resigned 28 September 2018)</p> |

- ¹ Finance Committee
- ² Curriculum & Standards/Pupil Related committee - PRACS
- ³ People and Premises Committee
- ⁴ Pay Committee
- ⁵ HT Performance Management
- ⁶ Staff Appeals Committee

| | |
|-----------------------------------|--|
| Company registered number | 07769085 |
| Company name | Stisted Church of England Primary Academy Trust |
| Registered office | <p>The Street</p> <p>Stisted</p> <p>Braintree</p> <p>Essex</p> <p>CM77 8AN</p> |
| Principal operating office | <p>The Street</p> <p>Stisted</p> <p>Braintree</p> <p>Essex</p> <p>CM77 8AN</p> |

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

| | |
|-------------------------------|---|
| Business Manager | Liesl Stock |
| Senior management team | Mr M Hawrylak, Principal Mr G Williams, Principal's Deputy Mrs D Welsman, EFYS/KSI Co-ordinator |
| Independent auditors | Griffin Chapman Chartered Accountants 4 & 5 The Cedars Apex 12 Old Ipswich Road Colchester Essex CO7 7QR |
| Bankers | Lloyds Bank PLC 1 The Sanctuary Westminster London SW1P 3JT |
| Solicitors | Lee Bolton Monier-Williams Solicitors 1 The Sanctuary Westminster London SW1P 3JT |

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Stisted. It has a pupil capacity of 105 and had a roll of 109 in the school census in January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Stisted Church of England Primary Academy Trust Limited are also the directors and Trustees of the Charitable Company for the purposes of Company Law. The Charitable Company is known as Stisted C of E Primary Academy.

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

Members Liability

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

Trustees' Indemnities

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

The method of appointment of trustees is outlined in the Academy's Articles of Association. Three Trustees are nominated by the Parochial Church Council, four are nominated by the Diocesan Board of Education, two are elected by staff, two are elected by parents and one (Community Governor) elected by the Governing Body.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governing Body have adopted a policy for the induction and training of Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Organisational Structure

The Governing Body has delegated the responsibilities to committees as outlined in each of the committee's terms of reference. These committees are

- Finance and General Purposes
- Pay
- People and Premises - PaP
- Pupil Related Admissions Curriculum and Standards - PRACS.

The Principal (Head teacher) has been designated the Accounting Officer and has the responsibility for the day to day management of the school and implementing school policies on behalf of the Governing Body.

Arrangements for setting pay and remuneration of key management personnel

The Academy's Pay Policy sets out the process for determining pay of key personnel. This policy is reviewed Annually. The Pay Range for the headteacher is divided into Pay Progression Stages as set out in Appendix E of the Academy's Pay Policy which is determined by the size of the school.

The Pay Committee determines the group size of the school with reference to pupil numbers as set out in Teachers' Pay and Conditions Document and determine appropriate Salary Ranges for each. The Leadership Scale range for the Headteacher is set between points 11-18.

The Salary Range for each Leadership Post is determined on a case by case basis consists of an appropriate number of progression stages. The Headteacher is responsible for determining the starting salary, and for making pay progression decisions for posts on the Leadership and Lead Practitioner Pay Ranges. Such decisions are then ratified by the Governing Body Pay Committee.

No non staff governors(trustees), directors or members are paid for their role in the company. The Headteacher is paid for the Headteacher role only similarly, staff governors have no payment for their governor/trustee role.

The PaP committee undertook a large piece of work to review the Pay policy, including making an adjustment to the policy to give the Academy the option not to give pay increases if there is a "good financial reason" not to. This will give us greater ability to control staffing costs in the future, but it is the Board's aim to keep staff pay in line with LEA pay scales where possible.

Related Parties and other Connected Charities and Organisations

Stisted Church of England Primary Academy Trust received donations amounting to £9,596 from the Trustees of FOSA (Friends of Stisted Academy, Registered Charity Number 1098486) to promote the education of pupils at the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust was set up in October 2011 to advance the education of pupils at Stisted Church of England Primary Academy. The Academy's vision statement encapsulates the Trusts objects and aims. This is to provide the children who attend Stisted Church of England Primary Academy with the best all-round education within a

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TRUSTEES' REPORT (CONTINUED)
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caring Christian family environment, recognising and responding to the different starting points, personalities and talents of all the children so that they become responsible confident learners and thoughtful members of society.

Objectives, Strategies and Activities

The Trust has an agreed set of objectives that expands its vision statement. These objectives of the Trust are :

- To offer all children equal access to the National Curriculum, and in particular Mathematics, English, Science, ICT and RE
- To offer all children a differentiated curriculum which is both challenging and motivating; and
- To foster a sense of belonging, where all may feel valued and secure in a caring atmosphere based on Christian principles
- To provide a safe, secure and happy environment; and
- To instil value and appreciation of the world in which the children live
- To provide a 'People' orientated environment
- To encourage children to value the achievements of others
- To develop the children's ability to build effective relationships with adults and their peers
- To work in partnership with parents, teachers, Trustees and the wider community for the benefit of the school and children.

Public Benefit

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit, published by the Charity Commission, in exercising their powers and duties. The key public benefit, delivered by Stisted Church of England Primary Academy, is to maintain and develop the high quality educational provision by the school for children in Stisted village and the surrounding areas.

STRATEGIC REPORT

All pupils at Key Stage 1 and 2 have access to a broad and balanced curriculum including the National Curriculum and Religious Education. Children also access a Personal Development Curriculum which included social, moral, spiritual, cultural and health education.

The curriculum is differentiated to cater for the different abilities in each class and cohort. The Academy continues to offer a Montessori Curriculum for children who require a different approach.

Monitoring of different groups of pupils, which is reported to the Board of Trustees, demonstrates that children make progress relative to national data regardless of their starting point.

The culture, ethos and ambience of the school remains a key factor in ensuring children feel a sense of belonging, safe and secure. This is reflected in the end of year anonymous parental survey which indicates that 97% of parents believe their children like coming to school.

The school continues to engage with the wider community by inviting visitors into school including the local clergy, the fire service, Christian Youth Outreach, visiting teachers/head teachers. The school also seeks opportunities to take children outside the school grounds such as entertaining residents at Stisted Hall Retirement Home, worship in the local church, residential visits such as the Isle of Wight, Danbury and Mersea.

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Achievements and performance

Early Years Foundation Stage

The proportion of children reaching the expected standard is 9% higher than the 2018 national rate despite this cohort having 6% more SEN than national average rate of SEN.

Year 1

The proportion of children reaching the expected phonics standard is 2% lower than the 2018 national rate. This cohort has 6% more SEN than national average rate of SEN.

Year 2

The proportion of children reaching the expected standard in reading is 4% higher than the 2018 national rate.
The proportion of children reaching the expected standard in writing is 19% higher than the 2018 national rate.
The proportion of children reaching the expected standard in maths is 12% higher than the 2018 national rate.

Year 6

This cohort has 6% more SEN than national average rate of SEN.

The proportion of children reaching the expected standard in reading is 7% lower than the 2019 national rate.
The proportion of children reaching the expected standard in writing/grammar is 9% higher than the 2019 national rate.

The proportion of children reaching the expected standard in maths is 14% higher than the 2019 national rate.
The proportion of children reaching the expected standard in all three areas is 1% higher than the 2019 national rate.

The proportion of children reaching the higher standard in reading is 15% higher than the 2018 national rate.
The proportion of children reaching the higher standard in writing is 9% higher than the 2018 national rate.
The proportion of children reaching the higher standard in Grammar, Punctuation and Spelling is 2% higher than the 2018 national rate.

The proportion of children reaching the higher standard in Maths is 3% higher than the 2018 national rate.

Progress

93% of children who achieved the Early Learning Goals (ELG) for reading achieved the expected standard at the end of Key Stage 1

100% of children who achieved the ELG for writing achieved the expected standard at the end of Key Stage 1.

93% of children who achieved the ELG for maths achieved the expected standard at the end of Key Stage 1.

Progress from KS1 to KS2 in reading is -0.3 and below the national norm.

Progress from KS1 to KS2 in writing is 2.0 and above the national norm.

Progress from KS1 to KS2 in mathematics is 1.8 and the national norm.

Key Performance Indicators

KPI 1 : Early Years Foundation Stage Results

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 94% | 80% | 80% |
| National | 71% | 71% | 72% |

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KPI 2 : Key Stage 1 Phonics Reading Results

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 100% | 100% | 87% |
| National | 81% | 83% | 82% |

KPI 3 : Key Stage 1 Reading Results

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 80% | 80% | 80% |
| National | 76% | 75% | 75% |

KPI 4 : Key Stage 1 Writing Results

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 80% | 87% | 93% |
| National | 68% | 70% | 69% |

KPI 5 : Key Stage 1 Maths Results

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 87% | 87% | 87% |
| National | 75% | 76% | 76% |

KPI 6 : Key Stage 2 All Subjects Combined

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 80% | 93% | 66% |
| National | 61% | 64% | 65% |

KPI 7 : Key Stage 2 Reading

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 87% | 93% | 67% |
| National | 71% | 75% | 71% |

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KPI 8 : Key Stage 2 Maths

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 80% | 100% | 93% |
| National | 75% | 76% | 79% |

KPI 9 : Key Stage 2 Grammar, Punctuation and Spelling

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 87% | 100% | 87% |
| National | 77% | 78% | 78% |

KPI 10 : Writing

| | 2017 | 2018 | 2019 |
|----------|------|------|------|
| School | 87% | 100% | 87% |
| National | 76% | 78% | 78% |

The data suggests that in 2019 pupils achieve well regardless of the proportion of children with SEN which can skew the data of small cohorts.

Pupils achieve better results at both Key Stage 1 and Key Stage 2 in writing and maths than reading. The difference in reading is more marked at Key Stage 2 although the proportion of more able readers at Key Stage 2 achieving the higher standard in reading is greater when compared to the national rate.

There is a need to investigate if the difference in reading is down to a specific pupil group and if there are any underlying causes as to why a relatively small number of children perform less well in national reading tests than the other subjects and what could be done to improve reading outcomes across the school. This will be a key priority for 2019/20.

The trust have considered the following financial key performance indicators:

Average teaching staff expenditure per pupil excluding the Headteacher was £2,312 this year and £2,309 last year.

Salary costs were 79% of total expenditure this year and 82% last year.

Total GAG income per pupil was £4,338 this year and £4,493 last year.

The small year to year variances have had little noticeable impact on pupil outcomes.

Fundraising

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured. The Academy Trust engages in limited direct fundraising activities and does not use any external fundraisers other than seeking voluntary donations for school visits and occasional grants. The Academy receives donations from Friends of Stisted Academy.

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TRUSTEES' REPORT (CONTINUED)
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Going Concern

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

FINANCIAL REVIEW

During the year ended 31 August 2019, total expenditure of £713,992 was less than incoming resources. The surplus of expenditure over income for the year (excluding restricted fixed asset funds and the pension scheme deficit) was £44,179. This surplus increased the restricted balance carried forward.

The actual position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds) as at 31 August 2019 was £158,517 compared to £114,338 last year.

The deficit on the pension reserve of £467,000 relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 23. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

The restricted funds will be spent in accordance with the terms of the particular funds.

Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees. The aim of the Trustees is to increase this reserve to meet future working capital requirements

The carry forward figure has enabled the Academy to proceed with the planned budget for 2019/20.

A policy has been adopted to maintain present staffing levels where possible but where staff leave or their contract ends, the Academy assesses staffing needs and does not necessarily re-recruit on a like for like basis.

The Academy is reliant on significant funding for children with SEN and Education Health Care Plans. This funding is temporary as it is linked to the child's needs. When the child leaves the school, the funding ceases.

The principle sources of funding are:

- ESFA funding
- LA funding for children with Special Educational Needs
- Payment for school meals, including outsourcing to a local Nursery School
- Friends of Stisted Academy and other local charities.

Reserves Policy

Under its Funding Agreement with the Secretary of State for Education, Stisted Church of England Primary Academy is allowed to hold reserves at the year end, as specified in paragraph 72 of the Funding Agreement.

The value of free reserves (being the unrestricted funds) at 31 August 2019 was £51,874.

The actual position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds)

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FOR THE YEAR ENDED 31 AUGUST 2019

as at 31 August 2019 was £158,517 compared to £114,338 last year.

Under normal circumstances the Trustees would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion - this would be between £23,645 and £47,290.

However, the Trustees' Finance and Premises Committee has reviewed these reserve levels and believe that they should provide sufficient working capital to cover delays in spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work.

The value of £170,264 is the fixed asset reserve which can only be realised by disposing of tangible fixed assets.

Investment Policy

Apart from the cash held for the operation of the school there are no realisable investments. However the Academy Trust has a current account with Lloyds on which the Academy Trust receives a small amount of interest.

Principal Risks and Uncertainties

The principal risks facing the Academy are:

Reputational risk – A decline in reputation is likely to lead to a decline in admissions and pupils and associated funding. This is mitigated by continued highly effective education and being a small village church school. The end of year parent survey indicates a very strong satisfaction with the school with 100% of respondents saying they are pleased with the quality of education the school provides (anonymous parent survey July 2019).

Performance risk – A decline in performance is likely to lead to a decline in admissions and pupils and associated funding. This is mitigated by continued high quality of expertise of the staff of the Academy Trust and the quality of leadership by the principal. Pupil performance data continues to show the Academy perform above the national average in all three Key Stages although there was a dip in reading attainment and progress during 2018/19.

Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by continued popularity as a high performing school that is over subscribed. The financial risk has increased with full National Funding Formula due in 2021/22 possibly decreasing the Academy's funding by several thousand pounds.

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated. The Governing Board are relative new and less experienced than the previous board. This poses an increased risk.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

PLANS FOR FUTURE PERIODS

Stisted Primary Academy Trust will continue to strive to maintain and improve levels of achievement for all pupils whilst providing a high quality caring and nurturing environment. There is a firm intention from the Governing

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TRUSTEES' REPORT (CONTINUED)
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Board to seek a suitable local Multi-Academy Trust.

Key priorities have been identified in the school's own self-assessment which has been used to form a School Development Plan. The priorities for the future include:

To improve Key Stage 2 reading progress measures over a 2 year period so that they are above the national rate and more closely aligned to progress rates in maths and writing.

Carry out a full curriculum review to ensure continuity and progression in all subjects and to ensure curriculum meets the needs of local learners and prepares children for life in modern Britain and the mandatory requirements for Relationships, Sex Education. Establish learning behaviours as a core thread running through the whole school.

Ensure there is staff awareness and clear routes/access/procedures for support children with mental health needs.

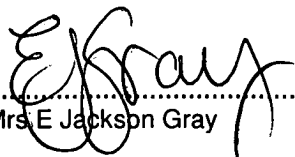
FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS


No such funds are maintained.

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on **2 December 2019** and signed on its behalf by:


.....
Mrs E Jackson Gray


.....
Mr M Hawryak

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Stisted Church of England Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

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 5 times during the year.

Given the size of the school and the fact that in the academic year 2018-19 all Trustees sat on all committees, 5 FGB meetings was judged to be adequate. All Trustees sat on all committees in 2018/19 because a number of resignations in September 2018 reduced board membership to 9 people, and it was felt prudent that, whilst a process of recruitment was undertaken, the most effective way to ensure rigorous governance was for serving trustees to have a role across all committees. Committee membership is due to be reviewed in October 2019 in light of the fact that Board membership has risen to 11.

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

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mrs T Ferguson | 1 | 1 |
| Mrs E Jackson Gray, Chair of Governors, parent trustee | 5 | 5 |
| Mr GWL Sargent, Trustee | 5 | 5 |
| Mr M Hawrylak, Principal and Accounting officer | 5 | 5 |
| Rev T Harvey, PCC Foundation Trustee | 1 | 2 |
| Rev.C Davey, Incumbent | 0 | 1 |
| Mrs C Henderson, PCC Foundation Trustee | 5 | 5 |
| Mrs D Welsman, Staff Trustee | 4 | 5 |
| Mr A Whipps, PCC Foundation Trustee | 1 | 2 |
| Mr M Ruston, DBE Foundation Trustee, Joint Vice Chair | 4 | 5 |
| Mr N Eliot, Parent Trustee, Joint Vice Chair | 5 | 5 |
| Mr M Waine, DBE Foundation Trustee | 1 | 1 |
| Ms Z Bloom, DBE Foundation Trustee | 4 | 5 |
| Mrs J Hardison Taylor, Staff Trustee | 5 | 5 |
| Mr H Hollands | 1 | 1 |

In September 2018 the then Chair, Vice Chair and two other Trustees resigned from their posts on the board. Remaining Board members convened to appoint a new Chair and Vice Chair, and new Committee Chairs where appropriate. The current Chair and Vice Chair have been in post since October 21st 2018. As the Chair is relatively new to the post, a 360 review has not yet been conducted but is a planned for 2019/20. Following changes to Trustee membership, the Chair met with the Members to approve her approach to the GB aims for the year ahead, and also sought advice and guidance from the Regional Schools Commissioners (RSC) office to shape the strategic direction of the Board for 2018/19.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The work of the Trustees in 2018/19 has been largely focussed on a strategic research project on whether the Academy should become part of a Multi Academy Trust, as highlighted in our Director Action Plan 2018/19. The project was initiated in response to Trustee and SLT concerns that the financial and operational sustainability of our small rural school was becoming a strategic risk for the business. A MAT Research Group was established and by 31st August 2019 the Research Group and school SLT had identified and met with three potential MAT partners to hear their partnership working offers. Documents detailing this process and summarising feedback on the three MATs and outlining next steps for 2019/20 are available. A meeting to decide whether to enter a process of due diligence with a particular MAT if they are found to be a match will take place in September 2019.

The addition of a Steering Committee was trialled in response to the challenges the GB faced during the 2017/18 year. It was felt by Trustees that guidance on when a Chair was permitted to act alone on behalf of the /board and at what point the wider board was to be consulted was unclear and not always operationally appropriate.

The Steering Committee is made up of the Chair of Trustees, the Vice Chair and Committee Chairs. It meets as required to provide to support and advice to the Chair and school SLT on key issues affecting the board. Following a successful trial of this committee the Board will formalise this arrangement for the 2019/20 year.

As part of their work the Steering Committee assisted the new Chair with an annual internal review of governance in March 2019 as part of our commitment to developing our internal scrutiny practices. Guidance on conducting this review was sort from the RSC office and the NGA.

Trustees are aware that an external review of governance in line with the AFH guidance will be due in 2019/20 and plans to seek a partner to work with our current Responsible Officer to conduct this.

Governors have continued to review and agree school policies. This year they have considered several key policies, including, Admissions, Pay, Child Protection & Safeguarding, SEND, H&S and School Uniform. General Data Protection Regulation was also looked at to ensure the school's legal requirements to information handling are met. The Finance Chair began a review of our Financial Regulations in order to bring them in line with best practice as outlined in the AFH draft release in June 2019.

Trustees worked closely with SLT on a HR issue during the autumn term. The Chair and PaP (People and Premises Committee) Chair held a grievance meeting as per the grievance policy as part of this work.

The Trustees analysed and challenged school performance through debate and response to the HT reports prepared for FGB meetings and at the PRACS committee. Particular areas of discussion included the role out of the RE curriculum, the gap in reading attainment between girls and boys, the high level of SEND and children with additional needs in KS1 for the coming academic year and the role out of a new assessment and tracking system for pupils in KS2. Directors will continue to monitor steps taken to improve Key Stage 2 reading progress over the next two years as the school works to align reading progress with that in maths and writing.

Directors are monitoring the school's curriculum review to ensure continuity and progression in all subjects and to ensure curriculum needs the needs of local learners and prepares children for life in modern Britain and the mandatory requirements for Relationships, Sex Education. There is a focus on learning behaviours as a core thread running through the whole school and the PRACS committee will be focussing on this part of the school development plan.

Trustees continued to monitor the schools financial position through monthly reports from the SBM and HT to the Chair and Finance Chair and through Finance committee meetings. Finance reporting to Trustees has significantly improved in frequency and accuracy in the last 12 months and this has been of benefit to the finance monitoring and for budget setting for the coming year. The streamlined reporting process mean that Trustees now have accurate data at any given time. The schools finance regulations are due for a review to bring them in line with the AFH guidance and the Finance Chair is leading on this in preparation for 2019/20.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and General Purposes Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor all financial matters of the Academy Trust and the upkeep of the premises.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|-----------------------|-------------------|-------------------|
| Mrs E Jackson Gray | 3 | 3 |
| Mr M Ruston | 3 | 3 |
| Mr N Eliot | 1 | 3 |
| Ms Z Bloom | 2 | 3 |
| Rev T Harvey | 1 | 1 |
| Mr M Hawrylak | 3 | 3 |
| Mrs C Henderson | 2 | 3 |
| Mr GWL Sargent | 2 | 3 |
| Mrs D Welsman | 2 | 3 |
| Mrs J Hardison Taylor | 3 | 3 |
| Mr A Whipps | 0 | 1 |

Review of value for money

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

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

- Changing sickness insurance provider that better suits the Academy's needs but at less cost.
- Re-negotiating the Photocopier lease.
- More effective and efficient use of Learning Support Staff by re-deploying them into delivering special needs provision

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 on-going 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 Stisted Church of England Primary Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint a Responsible Officer as internal auditor.

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

- testing of purchase systems
- testing of control account/bank reconciliations

The RO reports to the board of trustees, through the Board of Trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The PaP committee undertook a large piece of work to review the Pay policy, including making an adjustment to the policy to give the Academy the option not to give pay increases if there is a "good financial reason" not to. This will give us great ability to control staffing costs in the future, but it is the Boards aim to keep staff pay in line with LEA pay scales where possible.

The Responsible Officer met with the Chair, Headteacher and School Business Manager three times during the Academic year and produced an RO report, which was presented to the Finance Committee in June 2019. Her recommendations can be found in her 2018/19 report and form part an important part of Trustees internal scrutiny procedures.

The RO is a volunteer who does not serve on the GB, Sarah Willingham (nee Boden, maiden name used professionally) who is currently Global Chief Operating Officer at Deutsche Bank. Her role at Deutsche Bank includes expertise in workflow management, operational efficiency, financial analysis and regulatory compliance. Given her sound qualifications and suitability to conduct internal audits, the GB intends to formalise her role in line with the AFH guidance for 2019/20 to work with us to improve internal scrutiny.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

During the period there were no material control issues arising as a result of the RO's work and all work was carried out in accordance with the ESFA's requirements.

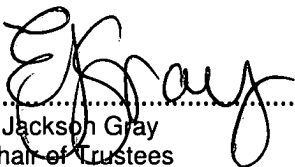
Review of effectiveness

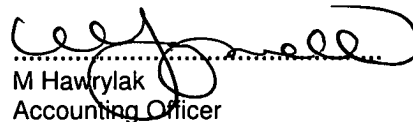
As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditors;
- the work of the personnel within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 *2 December 2019* and signed on their behalf by:


.....
E Jackson Gray
Chair of Trustees


.....
M Hawrylak
Accounting Officer

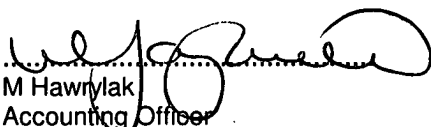
STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2018.

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


M Hawrylak
Accounting Officer

Date: 2 December 2019

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

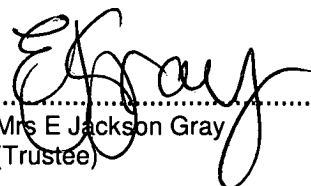
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of Trustees on *2 December 2019* and signed on its behalf by:


.....
Mrs E Jackson Gray
(Trustee)

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST (CONTINUED)**

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST (CONTINUED)**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST (CONTINUED)**

Use of our report

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



Daniel Aldworth (Senior statutory auditor)

for and on behalf of
Griffin Chapman

Chartered Accountants
Statutory Auditors

4 & 5 The Cedars

Apex 12

Old Ipswich Road

Colchester

Essex

CO7 7QR

Date: 3 December 2019

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 21 August 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stisted Church of England Primary Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Stisted Church of England Primary Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Stisted Church of England Primary Academy Trust's funding agreement with the Secretary of State for Education dated 1 October 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

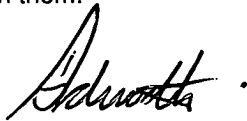
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STISTED
CHURCH OF ENGLAND PRIMARY ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

Conclusion

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



Daniel Aldworth (Reporting Accountant)

Griffin Chapman

4 & 5 The Cedars
Apex 12
Old Ipswich Road
Colchester
Essex
CO7 7QR

Date: 3 December 2019

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

| | Note | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | - | 48,312 | 11,561 | 59,873 | 53,104 |
| Charitable activities | | 8,051 | 630,147 | - | 638,198 | 593,810 |
| Other trading activities | | 20,597 | - | - | 20,597 | 19,023 |
| Investments | 6 | 52 | - | - | 52 | 53 |
| Total income | | 28,700 | 678,459 | 11,561 | 718,720 | 665,990 |
| Expenditure on: | | | | | | |
| Charitable activities | | 14,449 | 694,056 | 5,487 | 713,992 | 748,521 |
| Total expenditure | | 14,449 | 694,056 | 5,487 | 713,992 | 748,521 |
| Net income/(expenditure) | | 14,251 | (15,597) | 6,074 | 4,728 | (82,531) |
| Transfers between funds | 16 | - | 5,525 | (5,525) | - | - |
| Net movement in funds before other recognised gains/(losses) | | 14,251 | (10,072) | 549 | 4,728 | (82,531) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 23 | - | (29,000) | - | (29,000) | 51,000 |
| Net movement in funds | | 14,251 | (39,072) | 549 | (24,272) | (31,531) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 37,623 | (321,285) | 169,715 | (113,947) | (82,416) |
| Net movement in funds | | 14,251 | (39,072) | 549 | (24,272) | (31,531) |
| Total funds carried forward | | 51,874 | (360,357) | 170,264 | (138,219) | (113,947) |

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 30 to 53 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 07769085

**BALANCE SHEET
AS AT 31 AUGUST 2019**

| | Note | 2019 £ | 2018 £ |
|--|-------------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 170,264 | 169,715 |
| | | <u>170,264</u> | <u>169,715</u> |
| Current assets | | | |
| Debtors | 14 | 94,497 | 88,610 |
| Cash at bank and in hand | | 96,674 | 63,836 |
| | | <u>191,171</u> | <u>152,446</u> |
| Creditors: amounts falling due within one year | 15 | (32,654) | (38,108) |
| Net current assets | | <u>158,517</u> | <u>114,338</u> |
| Total assets less current liabilities | | <u>328,781</u> | <u>284,053</u> |
| Net assets excluding pension liability | | <u>328,781</u> | <u>284,053</u> |
| Defined benefit pension scheme liability | 23 | (467,000) | (398,000) |
| Total net assets | | <u>(138,219)</u> | <u>(113,947)</u> |
| Funds of the academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 16 | 170,264 | 169,715 |
| Restricted income funds | 16 | 106,643 | 76,715 |
| Pension reserve | 16 | (467,000) | (398,000) |
| Total restricted funds | 16 | <u>(190,093)</u> | <u>(151,570)</u> |
| Unrestricted income funds | 16 | <u>51,874</u> | <u>37,623</u> |
| Total funds | | <u>(138,219)</u> | <u>(113,947)</u> |

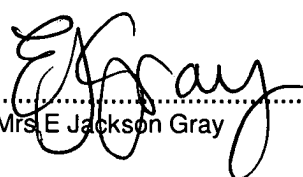
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 25 to 53 were approved by the Trustees, and authorised for issue on
and are signed on their behalf, by:

2 December 2019


.....
Mrs E Jackson Gray

Date:

The notes on pages 30 to 53 form part of these financial statements.

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019**

| | Note | 2019 £ | 2018 £ |
|---|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash provided by/(used in) operating activities | 18 | 29,752 | (30,137) |
| Cash flows from investing activities | 20 | 5,576 | 5,246 |
| Cash flows from financing activities | 19 | (2,490) | (10,000) |
| Change in cash and cash equivalents in the year | | 32,838 | (34,891) |
| Cash and cash equivalents at the beginning of the year | | 63,836 | 98,727 |
| Cash and cash equivalents at the end of the year | 21 | <u>96,674</u> | <u>63,836</u> |

The notes on pages 30 to 53 form part of these financial statements

STISTED CHURCH OF ENGLAND PRIMARY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

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, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Stisted Church of England Primary Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

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

- **Donations**

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

1.5 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 institution with whom the funds are deposited.

1.6 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

| | |
|-------------------------|-----------------------------|
| Freehold property | - 50 years straight line |
| Furniture and equipment | - 10% & 33.3% straight line |

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

1.8 Premises occupancy arrangements

The land and buildings which the school occupy are legally owned by the St Albans and the Chelmsford Church Trust. The School occupies these premises by a licence that transfers to the Academy no rights or control over the site, except that of occupying it at the will of the site Trustees under the terms of the relevant Site Trust.

This continuing permission of their Trustees is pursuant to, and subject to the Trustees' charitable objects, and is part of the Church of England's contribution since 1833 to provide state funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust company for the time being, but does not vest any rights over the land in the Academy Trust Company.

The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including the buildings).

A donation in kind and a rent expense of £36,472 are included in the accounts each year which amounts to 1/50th of the insurance rebuild value and a value in use of £72,944 is considered as being 2 times that value - this is included in other debtors and shown as a separate restricted fund.

Improvements and additions to the school premises that meet the criteria are capitalised as part of freehold property.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.12 Provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.14 Operating leases

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.15 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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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.

1.16 Fund accounting

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

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

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

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

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2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Donations | - | 48,312 | 48,312 | 47,911 |
| Capital grants | - | 11,561 | 11,561 | 5,193 |
| | - | 59,873 | 59,873 | 53,104 |
| <i>Total 2018</i> | <i>2,712</i> | <i>50,392</i> | <i>53,104</i> | |

Within donations is the donation in kind relating to the occupancy of the premises under licence.

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the academy's educational operations

| | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|----------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | 472,885 | 472,885 | 476,210 |
| Other DfE Group grants | 62,118 | 62,118 | 50,074 |
| LA grants | 84,851 | 84,851 | 53,688 |
| Total 2019 | <u>619,854</u> | <u>619,854</u> | <u>579,972</u> |

All DfE/ESFA income in the prior year was restricted.

5. Other income from the academy trust's educational operations

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|--|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from other charitable activities | 8,051 | 10,293 | 18,344 | 13,838 |
| Income from ancillary trading activities | 20,597 | - | 20,597 | 19,023 |
| | <u>28,648</u> | <u>10,293</u> | <u>38,941</u> | <u>32,861</u> |
| Total 2018 | <u>26,455</u> | <u>6,406</u> | <u>32,861</u> | |

Ancillary trading activities refers to catering and breakfast club income.

6. Investment income

| | Unrestricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Investment income | <u>52</u> | <u>52</u> | <u>53</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Investment income (continued)

All investment income in the prior year was unrestricted.

7. Expenditure

| | Staff Costs 2019 £ | Premises 2019 £ | Other 2019 £ | Total 2019 £ | <i>Total 2018 £</i> |
|-------------------------|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Educational operations: | | | | | |
| Direct costs | 399,544 | - | 45,379 | 444,923 | 458,792 |
| Support costs | 144,042 | 69,278 | 55,749 | 269,069 | 289,729 |
| | <u>543,586</u> | <u>69,278</u> | <u>101,128</u> | <u>713,992</u> | <u>748,521</u> |
| <i>Total 2018</i> | <u><i>587,056</i></u> | <u><i>62,303</i></u> | <u><i>99,162</i></u> | <u><i>748,521</i></u> | |

8. Analysis of expenditure by activities

| | Activities undertaken directly 2019 £ | Support costs 2019 £ | Total funds 2019 £ | <i>Total funds 2018 £</i> |
|------------------------|--|---|---------------------------------------|---------------------------------------|
| Educational operations | <u>444,923</u> | <u>269,069</u> | <u>713,992</u> | <u>748,521</u> |
| <i>Total 2018</i> | <u><i>458,792</i></u> | <u><i>289,729</i></u> | <u><i>748,521</i></u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Educational operations 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|------------------------|--|-----------------------------|-----------------------------|
| Staff costs | 399,544 | 399,544 | 413,475 |
| Education supplies | 8,904 | 8,904 | 10,500 |
| Staff development | 2,415 | 2,415 | 1,254 |
| Other direct costs | 11,673 | 11,673 | 7,845 |
| Insurance | 7,495 | 7,495 | 8,855 |
| Security and transport | 695 | 695 | 730 |
| Catering | 14,197 | 14,197 | 16,133 |
| | <u>444,923</u> | <u>444,923</u> | <u>458,792</u> |

Analysis of support costs

| | Educational operations 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|---------------------------------------|--|-----------------------------|-----------------------------|
| Pension finance cost | 10,000 | 10,000 | 10,000 |
| Staff costs | 144,042 | 144,042 | 163,581 |
| Education supplies | 92 | 92 | 2,472 |
| Staff support expenses | 735 | 735 | 90 |
| Maintenance of premises and equipment | 10,553 | 10,553 | 6,229 |
| Cleaning | 3,664 | 3,664 | 3,541 |
| Rent and rates | 39,406 | 39,406 | 38,620 |
| ICT | 19,438 | 19,438 | 24,849 |
| Utilities | 11,072 | 11,072 | 8,438 |
| Depreciation | 5,487 | 5,487 | 5,475 |
| Bank interest and charges | 252 | 252 | 210 |
| Other support costs | 14,710 | 14,710 | 15,054 |
| Governance costs | 9,618 | 9,618 | 11,170 |
| | <u>269,069</u> | <u>269,069</u> | <u>289,729</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2019 £ | 2018 £ |
|---------------------------------------|--------------|--------------|
| Operating lease rentals | 17,315 | 13,275 |
| Depreciation of tangible fixed assets | 5,488 | 5,475 |
| Fees paid to auditors for: | | |
| - audit | 5,250 | 5,250 |
| - other services | 4,050 | 5,250 |
| | <u>5,250</u> | <u>5,250</u> |

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

| | 2019 £ | 2018 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 426,559 | 432,153 |
| Social security costs | 16,853 | 35,333 |
| Pension costs | 100,174 | 108,894 |
| | <u>543,586</u> | <u>576,380</u> |
| Agency staff costs | - | 676 |
| | <u>543,586</u> | <u>577,056</u> |

b. Staff numbers

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

| | 2019 No. | 2018 No. |
|----------------------------|-------------|-------------|
| Teachers | 6 | 6 |
| Administration and support | 13 | 15 |
| Management | 1 | 3 |
| | <u>20</u> | <u>24</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff costs (continued)

c. Higher paid staff

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

| | 2019 No. | 2018 No. |
|-------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | <u>1</u> | <u>1</u> |

d. Key management personnel

The key management personnel of the Academy Trust comprise of 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 £167,449 (2018: £191,035)

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

| | | 2019 £ | 2018 £ |
|--|----------------------------|-----------------|-----------------|
| M Hawrylak, Headteacher and Accounting Officer | Remuneration | 60,000 - 65,000 | 60,000 - 65,000 |
| | Pension contributions paid | 10,000 - 15,000 | 10,000 - 15,000 |
| | | 40,000 - 45,000 | 40,000 - 45,000 |
| D Welsman | Remuneration | 40,000 - 45,000 | 40,000 - 45,000 |
| | Pension contributions paid | 5,000 - 10,000 | 5,000 - 10,000 |
| | | 35,000 - 40,000 | 35,000 - 40,000 |
| J Hardison Taylor | Remuneration | 35,000 - 40,000 | 35,000 - 40,000 |
| | Pension contributions paid | 5,000 - 10,000 | 5,000 - 10,000 |
| | | 10,000 | 10,000 |

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

| | Freehold property £ | Furniture and equipment £ | Total £ |
|--------------------------|---------------------------|------------------------------------|----------------|
| Cost or valuation | | | |
| At 1 September 2018 | 174,897 | 19,771 | 194,668 |
| Additions | - | 6,036 | 6,036 |
| At 31 August 2019 | <u>174,897</u> | <u>25,807</u> | <u>200,704</u> |
| Depreciation | | | |
| At 1 September 2018 | 11,114 | 13,839 | 24,953 |
| Charge for the year | 3,497 | 1,990 | 5,487 |
| At 31 August 2019 | <u>14,611</u> | <u>15,829</u> | <u>30,440</u> |
| Net book value | | | |
| At 31 August 2019 | <u>160,286</u> | <u>9,978</u> | <u>170,264</u> |
| At 31 August 2018 | <u>163,783</u> | <u>5,932</u> | <u>169,715</u> |

14. Debtors

| | 2019 £ | 2018 £ |
|-------------------------------------|---------------|---------------|
| Due after more than one year | | |
| Other debtors | 36,472 | 36,472 |
| | <u>36,472</u> | <u>36,472</u> |
| Due within one year | | |
| Other debtors | 36,472 | 36,472 |
| Prepayments and accrued income | 14,147 | 8,378 |
| Tax recoverable | 7,406 | 7,288 |
| | <u>94,497</u> | <u>88,610</u> |

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15. Creditors: Amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|---------------|---------------|
| ESFA advance funding | - | 2,490 |
| Trade creditors | 5,645 | 3,582 |
| Other taxation and social security | 8,401 | 8,530 |
| Other creditors | 9,053 | 8,740 |
| Accruals and deferred income | 9,555 | 14,766 |
| | <u>32,654</u> | <u>38,108</u> |

In 2016 the ESFA advanced £20,000 to the school to be repaid over two years. By the year end, this had been completely repaid.

| | 2019 £ | 2018 £ |
|-------------------------------------|-----------|--------------|
| Deferred income at 1 September 2018 | 6,116 | - |
| Resources deferred during the year | (6,116) | 6,116 |
| | <u>-</u> | <u>6,116</u> |

Deferred income related to trip income. There was none as at 31 August 2019.

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

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2019 £ |
|-------------------------------------|--|----------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 37,623 | 28,700 | (14,449) | - | - | 51,874 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | - | 472,886 | (442,886) | (30,000) | - | - |
| Pupil premium | - | 18,920 | (13,200) | - | - | 5,720 |
| Right to occupy | 72,944 | 36,472 | (36,472) | - | - | 72,944 |
| Restricted donations | 3,771 | 11,840 | (11,823) | (2,719) | - | 1,069 |
| Other restricted funds | - | 138,341 | (119,675) | 8,244 | - | 26,910 |
| Pension reserve | (398,000) | - | (70,000) | 30,000 | (29,000) | (467,000) |
| | <u>(321,285)</u> | <u>678,459</u> | <u>(694,056)</u> | <u>5,525</u> | <u>(29,000)</u> | <u>(360,357)</u> |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Fund | 169,715 | 11,561 | (5,487) | (5,525) | - | 170,264 |
| Total Restricted funds | <u>(151,570)</u> | <u>690,020</u> | <u>(699,543)</u> | <u>-</u> | <u>(29,000)</u> | <u>(190,093)</u> |
| Total funds | <u>(113,947)</u> | <u>718,720</u> | <u>(713,992)</u> | <u>-</u> | <u>(29,000)</u> | <u>(138,219)</u> |

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy Trust via the Education & Skills Funding Agency by the Department of Education.

The Pupil Premium Fund recognises the restricted funding received from the Education & Skills Funding Agency to raise the attainment of disadvantaged pupils and to close the gap between them and their peers.

The restricted donations fund relates to money raised by The Friends of Stisted C of E Church of England Primary Academy Trust and others, who kindly donate the monies raised for classroom and other

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16. Statement of funds (continued)

educational equipment. During the year, £2,719 was used to purchase fixed assets. The carried forward amount represents unspent funds raised from the golf day.

The Pension Reserve has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust Status, and through which all pension scheme movements are recognised.

Transfers from GAG represent the value of employer contributions made to the pension fund from GAG income.

The Restricted Fixed Assets Fund recognises the Net Book Value of the assets held by the Academy. Capital grant income and depreciation of tangible fixed assets is allocated to this fund.

Transfers out represent capital funding used for revenue expenditure during the year.

Transfers in represent GAG and other restricted revenue income that has been used towards the purchase of fixed assets.

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

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

| | <i>As restated Balance at 1 September 2017 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 August 2018 £</i> |
|-------------------------------------|--|---------------------|--------------------------|----------------------------------|--|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Catering fund | 10,000 | - | (10,000) | - | - |
| General funds | | | | | |
| General Funds - all funds | 59,450 | 29,220 | (61,047) | - | 37,623 |
| Total Unrestricted funds | 69,450 | 29,220 | (71,047) | - | 37,623 |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 476,210 | (476,210) | - | - |
| Pupil premium | - | 8,727 | (4,956) | - | 3,771 |
| Right to occupy | 72,944 | 36,472 | (36,472) | - | 72,944 |
| Restricted donations | - | 110,168 | (110,168) | - | - |
| Pension reserve | (400,000) | - | (49,000) | 51,000 | (398,000) |
| | (327,056) | 631,577 | (676,806) | 51,000 | (321,285) |
| Restricted fixed asset funds | | | | | |
| Restricted Fixed Asset Fund | 175,190 | 5,193 | (10,668) | - | 169,715 |
| Total Restricted funds | (151,866) | 636,770 | (687,474) | 51,000 | (151,570) |
| Total funds | (82,416) | 665,990 | (758,521) | 51,000 | (113,947) |

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 170,264 | 170,264 |
| Debtors due after more than one year | - | 36,472 | - | 36,472 |
| Current assets | 51,874 | 102,825 | - | 154,699 |
| Creditors due within one year | - | (32,654) | - | (32,654) |
| Provisions for liabilities and charges | - | (467,000) | - | (467,000) |
| Total | 51,874 | (360,357) | 170,264 | (138,219) |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Restricted fixed asset funds 2018 £ | Total funds 2018 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 169,715 | 169,715 |
| Debtors due after more than one year | - | 36,472 | - | 36,472 |
| Current assets | 75,731 | 40,243 | - | 115,974 |
| Creditors due within one year | (38,108) | - | - | (38,108) |
| Provisions for liabilities and charges | - | (398,000) | - | (398,000) |
| Total | 37,623 | (321,285) | 169,715 | (113,947) |

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18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2019 £ | 2018 £ |
|--|---------------|-----------------|
| Net income/(expenditure) for the year (as per Statement of financial activities) | 4,728 | (82,531) |
| Adjustments for: | | |
| Depreciation | 5,488 | 5,475 |
| Capital grants from DfE and other capital income | (11,561) | (5,193) |
| Interest receivable | (52) | (53) |
| Defined benefit pension scheme cost less contributions payable | 30,000 | 39,000 |
| Defined benefit pension scheme finance cost | 10,000 | 10,000 |
| Increase in debtors | (5,887) | (3,699) |
| (Decrease)/increase in creditors | (2,964) | 6,864 |
| Net cash provided by/(used in) operating activities | 29,752 | (30,137) |

19. Cash flows from financing activities

| | 2019 £ | 2018 £ |
|--|----------------|-----------------|
| Repayments of ESFA advance funding | (2,490) | (10,000) |
| Net cash used in financing activities | (2,490) | (10,000) |

20. Cash flows from investing activities

| | 2019 £ | 2018 £ |
|--|--------------|--------------|
| Dividends, interest and rents from investments | 52 | 53 |
| Purchase of tangible fixed assets | (6,037) | - |
| Capital grants from DfE Group | 11,561 | 5,193 |
| Net cash provided by investing activities | 5,576 | 5,246 |

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21. Analysis of cash and cash equivalents

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Cash in hand | 96,674 | 63,836 |
| Total cash and cash equivalents | 96,674 | 63,836 |

22. Capital commitments

| | 2019 £ | 2018 £ |
|--|-----------|-----------|
| Contracted for but not provided in these financial statements | | |
| Acquisition of tangible fixed assets | 5,392 | - |

At the year end, the trust had committed contractually to purchase some IT equipment.

23. Pension commitments

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

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

Contributions amounting to £9,052 were payable to the schemes at 31 August 2019 (2018 - £8,740) and are included within creditors.

Teachers' Pension Scheme

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

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

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £40,291 (2018 - £39,333).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £38,000 (2018 - £39,533), of which employer's contributions totalled £30,000 (2018 - £30,683) and employees' contributions totalled £ 8,000 (2018 - £8,850). The agreed contribution rates for future years are 19.9 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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23. Pension commitments (continued)

Principal actuarial assumptions

| | 2019 % | 2018 % |
|--|-----------|-----------|
| Rate of increase in salaries | 3.70 | 3.80 |
| Rate of increase for pensions in payment/inflation | 2.20 | 2.30 |
| Discount rate for scheme liabilities | 1.85 | 2.65 |

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

| | 2019 Years | 2018 Years |
|-----------------------------|---------------|---------------|
| <i>Retiring today</i> | | |
| Males | 21.3 | 22.3 |
| Females | 23.6 | 24.8 |
| <i>Retiring in 20 years</i> | | |
| Males | 23.0 | 24.5 |
| Females | 25.4 | 27.1 |

Sensitivity analysis

| | 2019 £000 | 2018 £000 |
|--|--------------|--------------|
| Discount rate +0.1% | (16) | (14) |
| Discount rate -0.1% | 17 | 14 |
| Mortality assumption - 1 year increase | (32) | (26) |
| Mortality assumption - 1 year decrease | 33 | 27 |

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23. Pension commitments (continued)

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

| | At 31 August 2019 £ | At 31 August 2018 £ |
|-------------------------------------|---------------------------|---------------------------|
| Equities | 170,000 | 141,000 |
| Gilts | 15,000 | 12,000 |
| Corporate bonds | 15,000 | 13,000 |
| Property | 22,000 | 20,000 |
| Cash and other liquid assets | 8,000 | 8,000 |
| Other managed funds | 14,000 | 9,000 |
| Alternative assets | 26,000 | 20,000 |
| Total market value of assets | 270,000 | 223,000 |

The actual return on scheme assets was £20,000 (2018 - £10,000).

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

| | 2019 £ | 2018 £ |
|---|-----------------|-----------------|
| Current service cost | (60,000) | (70,000) |
| Interest income | 6,000 | 4,000 |
| Interest cost | (16,000) | (10,000) |
| Total amount recognised in the Statement of financial activities | (70,000) | (76,000) |

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

| | 2019 £ | 2018 £ |
|--------------------------|----------------|----------------|
| At 1 September | 621,000 | 508,000 |
| Current service cost | 60,000 | 70,000 |
| Interest cost | 16,000 | 14,000 |
| Employee contributions | 8,000 | 9,000 |
| Actuarial losses/(gains) | 43,000 | (45,000) |
| Benefits paid | (11,000) | 65,000 |
| At 31 August | 737,000 | 621,000 |

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23. Pension commitments (continued)

Changes in the fair value of the academy's share of scheme assets were as follows:

| | 2019 £ | 2018 £ |
|------------------------|----------------|----------------|
| At 1 September | 223,000 | 108,000 |
| Interest income | - | 4,000 |
| Actuarial gains | 14,000 | 6,000 |
| Employer contributions | 30,000 | 31,000 |
| Employee contributions | 8,000 | 9,000 |
| Benefits paid | (11,000) | 65,000 |
| At 31 August | 264,000 | 223,000 |

24. Operating lease commitments

At 31 August 2019 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Not later than 1 year | 9,993 | 11,603 |
| Later than 1 year and not later than 5 years | 2,042 | 27,368 |
| | 12,035 | 38,971 |

25. Members' liability

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

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26. Related party transactions

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

The wife of the Headteacher, a trustee and the accounting officer, is employed by the academy trust as a teacher.

Her appointment was made in open competition and the Headteacher was not involved in the decision-making process regarding appointment. She is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.