

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

for the Year ended 31 August 2017

**Company Registration Number: 07937939
(England and Wales)**



ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

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ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Reference and administrative details

Governors & Trustees

Mr E Abreo – Chair of Governors
Mr C. Andrew – Head Teacher
Mrs K Rodrigues - Vice Chair of Governors & Chair of Resources, Buildings and Finance Committee
& Chair of Curriculum Committee
Mr A Willis – Responsible Officer (Resigned 31st July 2016)
Mrs J Bingham - Chair of Admissions Committee
Mrs M Balsekar
Mrs L Brennan
Mrs D Lawless
Mr G Perkins
Mrs R Williams
Mr K Andradi
Ms C Simon
Mrs A Scanlan

Company Secretary

Mrs P Spinks

Senior management team

Mr C Andrew (Head Teacher) (Appointed 1st September 2016)
Mrs L Owen (Deputy Head Teacher)
Mrs R Williams
Miss T O'Connor
Mrs J Wellington

Company Name

St James The Great R.C Primary And Nursery School

Registered Office

Windsor Road
Thornton Heath
Surrey CR7 8HJ

Company Registration Number

07937939

Charity Reference Number

EW11338

Independent Auditor

Davis, Burton, Williams & Co.
Chartered Certified Accountants and Registered Auditors
11 Beeches Avenue
Carshalton
Surrey
SM5 3LB

Bankers

Allied Irish Bank
201-202 Finchley Road
London
NW3 6BX

Lloyds Bank
Minerva House,
5 Montague Cl,
London
SE1 9BB

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report

The Governors present their annual report together with the financial statements and auditors report of the Charitable Company for the year ended 31 August 2017.

The academy operates for pupils aged 4 to 11. It has a pupil capacity of 499 and had a roll of 487 on 1 September 2017.

1. Structure, Governance and Management

1.1. 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 Governors act as the trustees for the charitable activities of the Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as St James the Great Catholic Primary School (company number 07937939).

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on Page 2.

1.2. 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.

1.3. Governors' Indemnities:

Since the incorporation of the Charitable Company on 6th February 2012 the Governors (directors) have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. As explained in Note 12 to the Financial Statements the limit of this indemnity is £1,000,000.

1.4. Principal Activities:

The principal activity of St James the Great R.C. Primary & Nursery School is to provide a quality, free education for Catholic young people, aged 3 to 11, who live in the area local to the School, with priority being given to the parishes communities of St Andrew's, Thornton Heath and St Bartholomew's, Norbury.

1.5. Method of Recruitment and Appointment or Election of Governors:

The processes for appointing or electing the various types of Governor at St James the Great Catholic Primary School are as follows:

1) Governors – The Trustees of the St James the Great Catholic Primary School have the right to appoint up to EIGHT governors. Such appointments are usually made following consultation by the Trustees with the Governors of the School.

In addition to their overall role as Governors, the Governors are appointed for the purpose of ensuring that the character of the School is preserved and developed. They are also appointed to ensure that the School is conducted in accordance with the governing documents as well as any trust deed relating to the School.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report (continued)

2) Parent Governors – The Articles of Association require that there shall be TWO Parent Governors. Parents, including carers, of registered pupils at the School are eligible to stand as individuals for election as a Parent Governor. They are elected by other parents at the School as individuals who are representative of the parental body. Suitable procedures have been put in place for the conduct of Parent Governor elections.

If insufficient parents stand for election, the Governing Body must appoint Parent Governors to bring their number up to that required by the Articles of Association. Such appointed Parent Governors would preferentially be parents or carers of registered pupils at the School. If, however, no such parents are willing to undertake the role then the Governing Body can appoint any person who is the parent or carer of one or more school-age children.

3) Staff Governors – Up to TWO Staff Governors are elected by the School staff as individuals, representative of the staff of the School. Both teaching and support staff paid to work at the School are eligible for staff governorship.

Suitable procedures have been put in place for the conduct of Staff Governor elections.

4) Community Governors - Up to ONE Community Governor can be appointed by the Governing Body. Community Governors can be people who live or work in the community served by the School, or people who live outside of the immediate area and who are committed to the good governance and success of the School.

Vacancies for Community Governors will be posted on the School's web site. Anyone expressing an interest in becoming a Community Governor will be asked to provide an appropriate curriculum vita with their letter of application. Following an informal interview with the Chairman and Head Teacher each application will be considered by the Governing Body.

The Governors may not appoint an employee of St James the Great R.C. Primary & Nursery School as a Community Governor if the number of Governors who are employed by the School (including the Head Teacher) would thereby exceed one third of the total number of Governors.

5) Co-opted Governors – Up to TWO Co-opted Governors can be appointed by the Governing Body because they have experience and/or expertise of particular benefit to the school. Following an identification of specific needs suitable candidates are identified by the Governing Body and approached accordingly.

A "Co-opted Governor" means a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed.

The Governors may not appoint an employee of St James the Great Catholic Primary School as a Co-opted Governor if the number of Governors who are employed by the School (including the Head teacher) would thereby exceed one third of the total number of Governors.

1.6. Policies and Procedures Adopted for the Induction and Training of Governors

Following their appointment/election all new Governors receive an introduction to their role from the Chairman and Head Teacher, this introduction includes tours of the School's sites and the opportunity to meet other members of the Senior Leadership Team.

The Governing Body at St James the Great Catholic Primary School is committed to providing adequate opportunities for Governors to undertake and receive suitable training so as to enable them to undertake their role more effectively.

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Governors' Report (continued)

1.7. Organisational Structure:

As an Academy we continue to have strong links with the Diocese, Local Authority and other Schools. A number of other Schools within Croydon are now academies including other Catholic primary schools. The trust is also a member of the umbrella trust with other Croydon schools / academies.

At St James the Great R.C. Primary & Nursery School the majority of the roles and responsibilities of the Governing Body have been delegated to a small number of committees, as defined in the School's Standing Orders. The full Governing Body has retained responsibility for certain aspects, again as defined in the Standing Orders.

Members of the Senior Leadership Team (SLT), in addition to the Head Teacher, attend Governors' meetings as appropriate.

The Governors are responsible for the strategic management of the School; deciding and setting key aspects of the School, including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Head Teacher and staff. The latter is carried out at a number of levels; i.e. by the Senior Leadership Team, subject leaders and year group staff.

School policies are developed by senior members of the School's staff, to reflect both the strategic direction agreed by the Governors and also statutory requirements. These policies are approved and adopted by the Governing Body, and implemented as procedures and systems by the SLT and other designated members of staff. Policies are posted on the school's website on which there is a section relating to statutory requirements for the publication of school information.

During the past year, the full Governing Body met three times; the Resources, Buildings and Finance Committee three times; the Admissions Committee once and the Curriculum Committee three times.

At the end of the year, the two staff governors came to the end of their terms of office. New staff governors elections were held in the new academic year.

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

This is undertaken by the Pay and Remuneration committee. The Pay and Remuneration Committee will have a minimum of four members and shall include the Chair or Vice Chair of the Governing Body and the Chair or Vice Chair of the following Committees - Finance and Buildings Committee, Personnel Committee and the Curriculum and Standards Committee.

Purpose:

1. To take and implement remuneration decisions fairly taking full account of equal opportunities provided that they are consistent with the agreed policy and within the School Budget.
2. To be aware of all current Statutory Regulations regarding current School Staff Pay and Conditions.
3. To ensure that the pay review of all staff, including those on the leadership scale, is informed by the outcomes of their performance review and that the outcome of the review is shared with them.
4. To ensure that all members of the teaching staff receive annual salary statements.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report (continued)

1.9. Related Parties and Connected Charities and Organisations

The academy is part of the Croydon Catholic Primary Schools Umbrella Trust which is comprised of 8 Catholic primary schools. The Croydon Catholic Primary Schools Umbrella Trust has been established to promote and develop Catholic education within the London Borough of Croydon, to work collaboratively and supportively together. Each school maintains its own name and autonomy through its governing body.

The Umbrella Trust has the following aims:

- To enable all Catholic schools within the Umbrella Trust to provide high quality education for all their pupils and achieve the best possible standards.

- To maintain, promote and develop the Catholic ethos in our schools.

- To support all the Croydon Catholic Primary Schools in their individual visions and to enable all pupils to achieve their full potential within a Catholic community.

- To identify areas of potential difficulty in any of the schools and action appropriate intervention by offering effective and on-going support to any school within the Trust facing challenging circumstances within the capacity of the group.

- To broker support from external providers as appropriate.

- To share expertise and best practice.

- To secure cost effective resources and identify savings through economy of scale purchasing and negotiating services and agreements.

The Trustees of St James the Great Catholic Primary School work very closely with the Friends of St James the Great Association with regard to raising money for the School's benefit.

The School benefits from the donations made by the Friends of ST James the Great in providing for the School such special benefits of any kind as may from time to time be agreed between the 2 parties.

1.10. Risk Management:

As a converted academy St James the Great Catholic Primary School maintains a comprehensive assessment of possible risks to the future of the academy.

The chief risks identified include:

- Funding Level per pupil
- Level of pupil intake

These risks are reviewed by the Finance and Buildings Committee at their meetings in order to retain a 'watching brief'. Systems and procedures are in place to manage and mitigate these risks.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report (continued)

2. Objectives and Activities

2.1. Objects and Aims:

The principal object and activity of the charitable company is the operation of St James the Great Catholic Primary School to provide education for pupils between the ages of 4 and 11.

The School provides an education for pupils who are preferentially drawn from the area in which the School is situated.

2.2. Objectives, Strategies and Activities:

The Academy Trust was set up on 6 February 2012 to advance, for the public benefit, education in the Thornton Heath area of the County of Surrey by maintaining, operating and developing St James the Great R.C. Primary & Nursery School; a School with a history and tradition dating back to 1976. St James the Great R.C. Primary & Nursery School offers a broadly-based curriculum.

An initial objective was to ensure a smooth and seamless conversion of the School from voluntary aided to academy status. In doing this the Governing Body determined to maintain the traditional ethos, values, standards and achievements of the School, whilst continuing to work to fulfil the School's medium and longer term development plans.

The aims of the School rest on the following principles:

- a belief that all students have various talents that need encouragement to develop
- a recognition that school should be a preparation for life in the fullest possible sense and that students do need a sound basis of knowledge, skill, competence and experience to equip them to cope with the many roles they will have to take on during their lives
- the need for a working environment which secures effective teaching and learning, and values achievement by all students in their social, moral, spiritual, cultural, mental and physical development.

St James the Great Catholic Primary School therefore aims to encourage students to:

- Develop lively, enquiring minds capable of original thought and well-balanced critical argument.
- Become confident, independent learners, well-equipped for lifelong learning.
- Derive enjoyment from their learning which should extend their intellectual capacity, develop their interest and stimulate their curiosity.
- Embrace the many opportunities afforded by developments in information and communication technologies, whilst fully accepting the responsibilities that go with using them properly.
- Engage in a broad programme of experiences which enable them to appreciate their cultural inheritance and to understand more about themselves and the world in which they live.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report (continued)

- Develop the capacities to make informed, rational and responsible decisions and to work in ways which enhance their self-respect and sensitivity to the needs of others, particularly those less advantaged than themselves.
- Show respect for each other and all people working in the School, and to appreciate the diverse talents that contribute to our School community.
- Play a full part in creating a caring, supportive School environment.
- Develop a range of reasoned beliefs and values and a sympathy and respect for those held by others, which will prepare them to become considerate and responsible citizens.
- Display self-discipline and proper regard for authority.
- Foster good behaviour and avoid all forms of bullying.

Development Plan Objectives for the Academic Year 2016-2017

Achievement of Pupils

- To raise standards and the progress of learners in writing, with a particular focus on disadvantaged groups.
- To narrow the gaps for identified low-attaining pupils in Mathematics, especially for Pupil Premium children.
- To improve the attainment of all pupils in the phonics screening check
- To improve the expressive language of children with speech, language and communication difficulties.

Teaching and Learning

- To improve the quality of differentiation, particularly for SEN pupils.
- To monitor the effective implementation of the New National Curriculum and its incorporation into Years 2 and 6 using the Learning Challenge resources and other supplementary resources.
- To embed assessment systems with a focus on using formative assessment to inform planning (gap analysis).
- To extend music provision
- To improve quality of phonics teaching introduce a synthetic phonics scheme and link to reading scheme.

Behaviour and Safety

- To ensure consistency in the establishment and use of class rules.
- To monitor trends in behaviour through the use of behaviour books for each key stage.
- To ensure risk assessments for the school buildings and grounds have been updated and any necessary actions taken to minimise risk.
- To appoint a H&S audit.

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Governors' Report (continued)

Leadership and Management

- To review HR Provision and review contracts of staff.
- To develop the role of Subject Leaders and phase Leaders.
- To recruit Specialist Leaders of Education (SLEs) to lead improvement across this and other schools.
- To fulfil the responsibilities as the Lead School of the now established Change through Learning Teaching School Alliance.

2.3. Public Benefit:

The Governors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by St James the Great R.C. Primary & Nursery School is the maintenance and development of the high quality education provided by the School, since 1976, to the young people of Thornton Heath and the surrounding parishes.

2.4. Achievements and Performance:

St James the Great R.C. Primary & Nursery School makes good use of an "on track approach" to monitoring progress. It is a School that is rated as Outstanding in both Ofsted and Diocesan Inspections.

2015-16 Foundation Stage

Early Years Foundation Stage - Good Level of Development R.1 71.9%, R.2 65.6% - overall 68.8%. This is slightly below national at 70% - but this is largely attributable to EAL pupils at a low level of English. EYFS were moderated by Local Authority and they ratified all assessments as accurate.

YEAR 1 PHONICS Class 1.1- 73%, Class 1.2 -93% - overall 83.4% slightly above the national average.

YEAR 2 PHONICS 75% (6 out of 8 children)

YEAR 2 SATS

% expected or above	Reading	Maths
Actual	78%	66%

YEAR 2 TA Reading 84.7% expected or above (31% above), Writing 78% expected or above (22% above), Maths 81.4% expected or above (27% above)

% expected or above	Reading TA	Writing TA	Maths TA
Actual	84.7%	78%	81.4%
Target	75%	70%	80%

YEAR 6 TA Reading 90% expected or above (0% above), Writing 77% expected or above(12% above), Maths 92% expected or above (0% above)

% expected or above	Reading TA	Writing TA	Maths TA
Actual	90%	77%	92%
Target	77%	65%	80%

YEAR 6 SATS

% expected or above	Reading	GPS	Maths
Actual	87%	93%	88%
Working at greater depth	36.7%	12%	25%

(TA = Teaching Assessment)

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report (continued)

73% of children met the expected standard or higher in Reading, Writing and Maths combined which is significantly above the National average at 61%.

The average scaled score in Reading and Maths was 106.2 which is significantly above the National average of 104.1.

Progress

Progress from KS1 to KS2 was in line with the National average for Reading and Maths but below for writing, which was due to cohort issues with a particular focus on boys and prior higher attainers.

Progress overall was largely in line with national average.

Attendance

Remains positive after a focus on this and despite an issue created by the mismatch of the Easter holidays. There were a few issues with some persistent absentees, but this has been addressed.

2.5. Going Concern:

After making appropriate enquiries, the Governing Body has a reasonable expectation that St James the Great Catholic Primary School will continue in operational existence for the foreseeable future.

For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

3. Financial review

3.1. Operating and Financial Review for the year

Most of the School's income is obtained from the ESFA in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust. The GAG received during the year covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The school was awarded Teaching School status two years ago and related grant to run the initial Alliance of 9 schools. This will continue as long as Mr Andrew attains the NLE award during the coming Academic year - entry opens in November. The school also received Devolved Formula Capital Grant (DFC). In accordance with the Charities SORP 2005, the DFC received is shown in the Statement of Financial Activities (SOFA) as restricted fixed asset funds.

Fixed assets are shown as restricted asset funds. The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in Note 1 to the Financial Statements

3.2.i Reserves Policy:

Under its Funding Agreement with the Secretary of State for Education St James the Great R.C. Primary & Nursery School is allowed to hold reserves at the year end. The EFA previously set limits on the amount of GAG that could be carried forward by trusts from year-to-year. These limits have now been removed. Trusts should use their allocated GAG funding for the full benefit of their current pupils. The trust does not currently have a substantial surplus but will be required to have a clear plan for how such a surplus will be used for the benefit of their pupils, for example a long-term capital project were one to be established.

The Governors' Finance Committee has reviewed these reserve levels and believe that they should provide sufficient working capital to cover delays between spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work. Under normal circumstances the Governors would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion.

As of 31 August 2017 the School had a deficit based upon its GAG of around 0.89% (2016 - Reserve 2.82%).

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governors' Report (continued)

3.2ii Principle Risks and Uncertainties

Because of accounting for the local Government Pension Scheme it is recognising a significant pension fund deficit. This has resulted in a deficit on the restricted funds, although this does not mean that an immediate liability for this amount may crystallise. The Academy remains in ongoing discussions with the Education Funding Agency and the local authority in consultation with a group of 23 local academies with whom they are working in partnership to determine a plan for reducing this deficit.

3.3. Investment Policy:

Apart from the cash held for the operation of the School, St James the Great Catholic Primary School has no realisable investments. With respect to its cash holdings the Governing Body has adopted a low risk strategy.

3.4. Funds Held as Custodian Trustee on Behalf of Others:

During the year to 31 August 2017 St James the Great Catholic Primary School did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

4. Plans for Future Years

St James the Great Catholic Primary School will continue to work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in extra-curricular activities and in essential life skills; so as to increase the number of opportunities open to its students when they move on to senior education.

St James the Great R.C. Primary & Nursery School aims to continue its work in taking the teaching and learning into the community local to the School, both in local Schools and with members of the general public. The school successfully submitted an application to be recognised as a Teaching School to further strengthen its work in this area. Through this on-going initiative the School hopes to maintain and foster further the good relationships that it has developed with a broad range of Schools. The school has also completed utilising funds from the Mayor's Excellence Fund to develop literacy across a number of schools within three London Boroughs.

The school will continue to be proactive in seeking sources for additional funding through grants including accessing Capital Grant funding as appropriate.

5. Auditor

In so far as the Governors are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
 - The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware if that information.
- Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 11/2/18 (Date).

And signed on its behalf by:

Chairman 

Name: Mr E Abreo

Date 11/2/18

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

6. Governance Statement

6.1. Scope of Responsibility:

As Governors, we acknowledge we have overall responsibility for ensuring that St James the Great Catholic Primary School 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 Governing Body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St James the Great Catholic Primary School and the Secretary of State for Education. He is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

6.2. Governance

The board of trustees has formally met 3 times during the year. There are sub committees which meet termly to review school performance in key areas of curriculum standards, attainment and progress, buildings and finance. Attendance during the year at meetings of the full board was as

Governors		Meetings attended	Out of a possible
Edwin Abreo	Chair of Governors	3	3
Chris Andrew	Headteacher	3	3
Janice Bingham		2	3
Lesley Brennan		3	3
Aimee Scanlon		3	3
Cynthia Simon		2	3
Kirshan Andradi		3	3
Debbie Lawless		2	3
Margaret Balsekar		3	3
Gerard Perkins		3	3
Karen Rodrigues	Chair of Curriculum Committee	2	3
Rebecca Williams		3	3

Attendance at the Finance Committee meeting in the year are as follows:-

Governors		Meetings attended	Out of a possible
Edwin Abreo	Chair of Governors	3	3
Chris Andrew	Headteacher	3	3
Gerard Perkins	Foundation Governor	2	3
Kirshan Andradi	Foundation Governor	3	3
Karen Rodrigues	Chair of Curriculum Committee	3	3

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Governance Review

The governing body self-evaluates itself to ensure it becomes:

- more skilled, focused and effective
- aware of the freedoms that they have to work in different ways
- clear in its vision for the academy and how, together with the school leadership team, it can achieve this
- confident that it has a clear delineation of roles and responsibilities

An annual skills audit and expectations of attending dedicated governor training underpin part of this process.

Trustees are expected to hold school leaders to account for improving outcomes for all pupils, including those who are disadvantaged and to be clear about how it ensures that its young people are well prepared to be responsible citizens in Britain.

6.3. 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 available.

The accounting officer for the academy has delivered improved value for money during the year by:

RAISING STUDENT ATTAINMENT. St James the Great is highly inclusive and we have high expectations of progress for all our students. The academy has in place a rigorous tracking of student progress and achievement, with underachievement identified early and the appropriate interventions put in place. The academy operates an extensive programme of lesson observations and self-evaluation judgements of lessons by teaching staff, work scrutiny and pupil review.

QUANTIFYING IMPROVEMENTS. The academy supports improvements elsewhere and the headteacher is a member of the Primary Schools Umbrella Trust. Attainment over recent years generally shows an upward trend. Behaviour is 'outstanding' and attendance is significantly above national data.

The Academy continues to be oversubscribed with 220 applications received for 60 places. Inspections by qualified and current OFSTED inspectors (RAG rating Feb 16) viewed the school to be "Very Good" and offering good value for money.

FINANCIAL GOVERNANCE AND OVERSIGHT OF THE ACADEMY TRUST FINANCES. The governing body approves the annual budget forecast and reviews admissions numbers on an annual basis to ensure that we remain a "going concern" and facilitates future financial stability.

The Finance Committee meets termly to review the budget monitoring reports. Governors consider the external auditor's management report and take action on any recommendations made by them. Terms of Reference for all Governing Body Committees are reviewed and approved annually.

PUPIL PREMIUM. The academy carefully monitors Pupil Premium expenditure and its impact on improving attainment for students on Free School Meals and Looked After Children. Use of this grant and its effectiveness is published annually on the academy website.

FITNESS FOR PURPOSE. Long term contracts are regularly reviewed and compared against other providers, in order to achieve the best price without compromising quality. We negotiate prices with our suppliers regularly.

BENCHMARKING. The academy benchmarks itself against other schools of similar size, student numbers, staff numbers and costs whenever it can access the relevant information

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

6.4. The Purpose of the System of Internal Control:

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of St James the Great Catholic Primary School policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St James the Great Catholic Primary School for the period 1 September 2016 to 31 August 2017 and up to the date of the approval of the annual report and financial statements.

6.5. Capacity to Handle Risk:

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

6.6. The Risk and Control Framework:

St James the Great Catholic Primary School'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 Governing Body;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board Of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. Alan Willis continues in his role of Responsible Officer, to carry out a programme of internal checks as part of his role as Responsible Officer.

The Responsible Officer'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 payroll systems

Testing of procuring contracts

Testing of control account/bank reconciliations

On a termly basis the Responsible Officer is scheduled to report to the Board Of Governors, through the Finance Committee, on the operations of the systems of control and on the discharge of the Board Of Governors financial responsibilities.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

6.7. Review of Effectiveness:

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

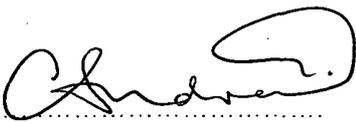
- the work of the financial consultant
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on.....1/2/18..... (Date)

And signed on its behalf by:

Chairman 

Accounting Officer 

Name Mr E Abreo

Name

Mr C Andrew

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

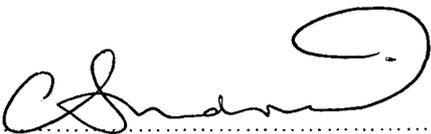
7. Statement of Regularity, Propriety and Compliance:

As accounting officer of St James the Great R.C Catholic Primary And Nursery School I have considered my responsibility to notify the Academy Trust Board of Governors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education.

As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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

Signed.......... (Accounting Officer)

Name: Mr C Andrew

Date12/18.....

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

8. Statement of Governors Responsibilities:

The Governors for St James the Great R.C Catholic Primary And Nursery School for the purposes of company law are responsible for preparing a Governors Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing the Financial Statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 academy trust will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and to 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the Corporate and Financial information included on the Charitable Companies website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Governors are aware at the time of approving our Governors Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charitable Companies Auditor is unaware, and
- the Governors, having made enquiries of fellow Governors and the Charitable Companies Auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Governor in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

By order of the Board of Governors.....11/2/18.....(date)

And signed on its behalf by:..........(chair)

Name: Mr E Abreo

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Independent Auditor's Report to the Members of ST. JAMES THE GREAT R. C. PRIMARY AND NURSERY SCHOOL

We have audited the Financial Statements of St James The Great R.C. Primary And Nursery School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)] and the Annual Accounts Direction 2016/2017 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 14, the Governors (who are also the Directors of the School for the purposes of Company Law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities) ; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2015/16 issued by the Education Funding Agency.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Annual Report for the financial year for which the financial statements are prepared is consistent with the Financial Statements.

(Continued)

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Independent Auditor's Report to the Members of ST. JAMES THE GREAT R. C. PRIMARY AND NURSERY SCHOOL (Continued)

Opinion on other matters prescribed by the School's funding agreement with the Secretary of State for Education

In our opinion grants made by the Education Funding Agency have been applied for the purposes intended.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mr P R Williams (Senior Statutory Auditor)
For and on behalf of:

Davis, Burton, Williams & Co., Statutory Auditor
11 Beeches Avenue
Carshalton
Surrey
SM5 3LB

Date: 1/2/18

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Independent Reporting Accountant's Assurance Report on Regularity to ST. JAMES THE GREAT R.C PRIMARY AND NURSERY SCHOOL and the Education Funding Agency

In accordance with the terms of our engagement letter dated the 31 August 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies: Accounts Direction 2016/17, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St James The Great R.C. Primary And Nursery School during the period 1 September 2016 to the 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St James The Great R.C. Primary And Nursery School Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible under the requirements of St James The Great R.C. Primary And Nursery School funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academies Financial Handbook as published by DfES in 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies: Accounts Direction 2016/17. 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 1 September 2016 to the 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2016/17 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Independent Reporting Accountant's Assurance Report on Regularity to St James The Great R.C. Primary And Nursery School and the Education Funding Agency (continued)

Work Undertaken

The work undertaken has been in accordance with the rules and regulations on auditing as laid down by the Chartered Association of Certified Accountants.

This included a review of internal control and detailed testing of the systems of recording together with a full review of the framework under which the Academy operates, as follows:-

Compliance with the Accounts Direction 2016/17 and the Academy's internal rules and regulations.

To seeking verification and accuracy of all assets and liabilities and fixed assets.

To consideration of materiality and the assessment of risks.

To testing and evaluating all the financial procedures in operation at the Academy paying particular attention to authorities and compliance with standing operational procedures.

To reviewing the work of the Responsible Officer and his reports.

To ensuring that the procedures in place limit the potential for fraud and irregularities.

To assessment of management control over day to day procedures.

Conclusion

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



Mr P R Williams
(Senior Statutory Auditor)
For and on behalf of:
Davis, Burton, Williams & Co.,
Statutory Auditor
11 Beeches Avenue
Carshalton
Surrey SM5 3LB

1/2/18

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Statement of Financial Activities for the year ended 31 August 2017
(including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	3	33,519	-	531,247	564,766	93,750
Charitable activities:						
Funding for the Academy's educational operations	4	-	2,184,148	-	2,184,148	2,269,281
Other trading activities	5	65,879	23,501	-	89,380	86,214
Investment income	6	357	-	-	357	541
Total		<u>99,755</u>	<u>2,207,649</u>	<u>531,247</u>	<u>2,838,651</u>	<u>2,449,786</u>
Expenditure on:						
Cost of generating funds:						
Expenditure on raising funds	7	-	-	-	-	-
Charitable activities:						
Academy's educational operations	8	52,368	2,227,037	650,629	2,930,034	2,437,276
Total resources expended	7.17	<u>52,368</u>	<u>2,227,037</u>	<u>650,629</u>	<u>2,930,034</u>	<u>2,437,276</u>
Net incoming / (outgoing) resources before transfers						
		47,387	(19,388)	(119,382)	(91,383)	12,510
Gross transfers between funds	17	<u>(24,635)</u>	-	<u>24,635</u>	-	-
Net income for the year		22,752	(19,388)	(94,747)	(91,383)	12,510
Other recognised (losses) and gains						
Actuarial gains / (losses) on defined benefit pension schemes	17.28	-	-	402,000	402,000	(463,000)
Net movement in funds		22,752	(19,388)	307,253	310,617	(450,490)
Reconciliation of funds						
Funds brought forward to 1st September 2016		132,610	(19,828)	6,256,186	6,368,968	6,819,458
Funds carried forward at 31 August 2017		<u>155,362</u>	<u>(39,216)</u>	<u>6,563,439</u>	<u>6,679,585</u>	<u>6,368,968</u>

All of the Academy's activities derive from continuing operations during the above financial year.

A statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Balance Sheet as at 31 August 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	13		7,679,439		7,774,186
Current assets					
Stock	14	14,758		15,662	
Debtors	15	211,001		169,292	
Cash at bank and in hand		373,295		279,604	
		<u>599,054</u>		<u>464,558</u>	
Creditors:					
Amounts falling due within one year	16	<u>(482,908)</u>	116,146	<u>(351,776)</u>	112,782
Net current assets					
Total assets less current liabilities			<u>7,795,585</u>		<u>7,886,968</u>
Net assets excluding pension liability					
Pension scheme liability	28		(1,116,000)		(1,518,000)
Net assets including pension liability					
			<u>6,679,585</u>		<u>6,368,968</u>
Funds of the Academy:					
Restricted funds					
Fixed asset fund	17		7,679,439		7,774,186
General funds	17		(39,216)		(19,828)
Pension reserve	17		<u>(1,116,000)</u>		<u>(1,518,000)</u>
Total restricted funds			<u>6,524,223</u>		<u>6,236,358</u>
Unrestricted funds	17		155,362		132,610
Total funds			<u>6,679,585</u>		<u>6,368,968</u>

The financial statements on page 22 to 43 were approved by the Governors, and authorised for issue on the 1/2/18 and are signed on their behalf by:



Mr E Abreo
 Chair of Governors
 Company Limited By Guarantee
 Company Registration Number: 07937939

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Cash Flow Statement for the year to the 31 August 2017

	Notes	2017 £	2016 £
Cash flows from operating activities	21	(413,277)	216,445
Returns on investments and servicing of finance	22	357	541
Capital expenditure	23	506,611	(43,720)
Increase / (decrease) in cash in the year	24	<u>93,691</u>	<u>173,266</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2016		279,604	106,338
Net funds at 31 August 2017		<u><u>373,295</u></u>	<u><u>279,604</u></u>

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017

1 Accounting Policies

Basis of Preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St James the Great R.C Primary and Nursery School Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The Governors 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 company to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Incoming Resources

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 receivable

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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

- Donations

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

- Other Income

Other Income is recognised in the year it is receivable and to the extent the goods have been provided or on completion of the service.

- Donated Services and Gifts In Kind

The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the year in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

On conversion the Academy took ownership of the Fixed Assets. As no value was paid on the transfer of the Land and Buildings, they have been included within the Financial Statements at their estimated valuation on the 6th February 2012.

Also on conversion the Academy inherited the Fixtures and Fittings and other Tangible Assets for the continued use of the Academy. It has been decided that the cost of putting a valuation on these assets would be disproportionate to the value of the information and so they are included at a nil valuation. However the insurance replacement valuation is currently £300,000.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

1 Accounting Policies (continued)

Resources Expended

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 assets use.

- Expenditure on Raising Funds

This included all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable funding.

- Charitable Activities

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

- Governance Costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses. All resources expended are exclusive of VAT.

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. 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 such assets is charged to the Restricted Fixed Asset Fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Depreciation is provided on all Tangible Fixed Assets including the Freehold Land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Motor Vehicles	25% straight line
Fixtures, Fittings and Equipment	25% straight line
ICT Equipment	25% straight line
Leasehold Land and Buildings	Over terms of lease 125 years
Building Improvements	Over 125 years

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.

Liabilities

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

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

1 Accounting Policies (continued)

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.

Leased Assets

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

Stock

All stocks are valued at the lower of cost or net realisable value.

Taxation

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

Pensions Benefits

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 quinquennial valuations using a prospective benefit method. As stated in Note 28, the TPS is a multi employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the year until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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 Governors.

Restricted Fixed Asset Funds are resources which are to be applied to specific capital purposes imposed by the Education & Skills Funding Agency/other funders where the Asset acquired or created is held for a specific purpose.

Restricted General Funds comprise all other Restricted Funds received and include grants from the Education Funding Agency.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

2 General Annual Grant (GAG)

The ESFA previously set limits on the amount of GAG that could be carried forward by trusts from year-to-year. These limits have now been removed.

3 Donations and Capital Grants	Unrestricted Funds	Restricted Funds	Restricted	Total 2017	Total 2016
			Fixed Asset Funds		
	£	£	£	£	£
Capital grants	-	-	531,247	531,247	23,438
Other donations	33,519	-	-	33,519	70,312
	33,519	-	531,247	564,766	93,750

4 Funding for the Academy's Educational Operations

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
DFE / ESFA revenue grants				
General Annual Grant (GAG) (note 2)	-	1,857,873	1,857,873	1,944,706
Other DFE / ESFA grants	-	241,680	241,680	241,300
	-	2,099,553	2,099,553	2,186,006
Other Government grants				
Local Authority Grants	-	84,595	84,595	83,275
Special Educational Projects	-	-	-	-
	-	84,595	84,595	83,275
	-	2,184,148	2,184,148	2,269,281

5 Other Trading Activities

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Lettings income	1,795	-	1,795	-
Music tuition	9,090	-	9,090	3,111
Residential visits	-	23,501	23,501	29,820
Catering income	54,994	-	54,994	53,283
	65,879	23,501	89,380	86,214

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

6 Investment Income	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Short term deposits	357	-	357	541
	<u>357</u>	<u>-</u>	<u>357</u>	<u>541</u>

7 Expenditure	Staff Costs £	Non Pay Expenditure		Total 2017 £	Total 2016 £
		Premises £	Other Costs £		
Expenditure on raising funds	-	-	-	-	-
Academy's educational operations					
Direct costs	1,466,793	-	820,845	2,287,638	1,780,628
Allocated support costs	266,296	162,335	213,763	642,394	656,648
	<u>1,733,089</u>	<u>162,335</u>	<u>1,034,608</u>	<u>2,930,032</u>	<u>2,437,276</u>

	2017 £	2016 £
Incoming/outgoing resources for the year include:		
Operating leases	-	-
Depreciation	119,382	121,996
Fees payable to Auditor:		
Audit	5,500	5,500
Other Services	3,000	1,500
	<u>127,882</u>	<u>128,996</u>

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

8 Charitable Activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations	2,287,638	1,780,628
Support costs - educational operations	642,396	656,648
	<u>2,930,034</u>	<u>2,437,276</u>

Analysis of support costs

	Educational operations	Total 2017 £	Total 2016 £
Support staff costs	266,296	266,296	241,445
Depreciation	119,382	119,382	121,996
Maintenance of premises and equipment	66,560	66,560	67,125
Cleaning	37,643	37,643	34,506
Rent and rates	12,923	12,923	12,917
Insurance	23,227	23,227	21,405
Security and transport	4,221	4,221	2,233
Catering	52,368	52,368	56,661
Energy costs	21,982	21,982	18,198
Other support costs	10,251	10,251	32,549
Governance costs	27,543	27,543	47,613
	<u>642,396</u>	<u>642,396</u>	<u>656,648</u>

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

9 Staff Costs

	Total 2017 £	Total 2016 £
Staff costs during the year were:		
Wages and salaries	1,359,803	1,299,491
Social security costs	98,450	78,087
Operating costs of defined pension schemes	247,411	246,493
	<u>1,705,664</u>	<u>1,624,071</u>
Supply staff costs	27,425	113,140
	<u>1,733,089</u>	<u>1,737,211</u>

The average number of persons (including senior leadership team) employed by the School during the year was as follows:-

Staff numbers	2017 No.	2016 No.
Teachers	18	14
Administration and support	58	58
Management	6	7
	<u>82</u>	<u>79</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2017 £	2016 £
£60,000 - £70,000	1	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1

Key management personnel

The key management personnel of the Academy comprise the 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 school was £42,554 (2016 - £55,389).

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

11 Governors' Remuneration and Expenses

The Head Teacher and other staff Governors only received remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors. The value of Governors remuneration was as follows:-

Mr S Beck (Head Teacher and Governor) - £Nil (2016 £100k - £110K)
 Mr C Andrew (Head Teacher and Governor) - £70K - £80K (2016 - £Nil)
 Mrs R Williams (Staff Governor) - £45K - £50K (2016 £45K - £50K)
 Mrs D Lawless (Staff Governor)- £35K - £40K (2016 £35K - £40K)
 Mrs E Miles (Foundation Governor)-£Nil (2016 £5K - £10K)

The value of the Head Teacher and Staff Governors' remuneration in respect of their services as Governors was £nil. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors.

During the year ended 31 August 2017, travel and subsistence and sundry other amounts totalling £nil were reimbursed to Governors.

Related Party Transactions involving the Governors are set out in note 29.

12 Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

13 Tangible Fixed Assets

	Leasehold					
	Buildings	Land & Buildings	Motor Vehicles	Furniture & Equipment	Computer Equipment	Total
Cost	£	£	£	£	£	£
At 1 September 2016	482,888	7,470,000	57,500	136,382	39,609	8,186,379
Additions	-	-	-	4,168	20,468	24,636
Disposals	-	-	-	-	(4,091)	(4,091)
At 31 August 2017	<u>482,888</u>	<u>7,470,000</u>	<u>57,500</u>	<u>140,550</u>	<u>55,986</u>	<u>8,206,924</u>
Depreciation						
At 1 September 2016	11,621	239,040	50,875	86,246	24,411	412,193
Charged in year	3,863	59,760	6,625	35,138	13,997	119,383
Disposals	-	-	-	-	(4,091)	(4,091)
At 31 August 2017	<u>15,484</u>	<u>298,800</u>	<u>57,500</u>	<u>121,384</u>	<u>34,317</u>	<u>527,485</u>
Net book values						
At 31 August 2017	<u>467,404</u>	<u>7,171,200</u>	<u>-</u>	<u>19,166</u>	<u>21,669</u>	<u>7,679,439</u>
At 31 August 2016	<u>471,267</u>	<u>7,230,960</u>	<u>6,625</u>	<u>50,136</u>	<u>15,198</u>	<u>7,774,186</u>

Depreciation is calculated over 125 years being the estimated life of the asset.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

14 Stock	2017	2016
	£	£
Catering	483	385
Stationery	14,275	15,277
	<u>14,758</u>	<u>15,662</u>
15 Debtors	2017	2016
	£	£
Prepayments	18,963	34,519
VAT recoverable	68,537	48,768
Other debtors	123,501	86,005
	<u>211,001</u>	<u>169,292</u>
16 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	60,915	75,245
Other taxation and social security	54,345	52,331
Accruals and deferred income	367,648	224,200
	<u>482,908</u>	<u>351,776</u>
Deferred income	2017	2016
	£	£
Deferred income at 1st September 2016	119,636	70,503
Resources deferred in the year	(74,912)	49,133
Deferred income at 31st August 2017	<u>44,724</u>	<u>119,636</u>
Deferred income is made up of the following:-		
Universal Free School Meals	39,767	44,738
Other Government Grants	4,957	74,898
	<u>44,724</u>	<u>119,636</u>

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

17 Funds	Balance at 1 September 2016 £	Incoming Resources £	Resources Expended £	Gains Losses and Transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	(21,358)	1,857,873	(1,877,261)	-	(40,746)
Pupil Premium	-	84,595	(84,595)	-	-
Other Grants	-	241,680	(241,680)	-	-
Other Restricted Funds	1,530	23,501	(23,501)	-	1,530
Pension reserve	(1,518,000)	-	-	402,000	(1,116,000)
	<u>(1,537,828)</u>	<u>2,207,649</u>	<u>(2,227,037)</u>	<u>402,000</u>	<u>(1,155,216)</u>
Restricted fixed asset funds					
DFE / ESFA capital grants	663,285	531,247	(531,247)	24,635	687,920
Capital expenditure from GAG	(414,411)	-	(119,382)	-	(533,793)
Assets on conversion	7,525,312	-	-	-	7,525,312
	<u>7,774,186</u>	<u>531,247</u>	<u>(650,629)</u>	<u>24,635</u>	<u>7,679,439</u>
Total restricted funds	<u>6,236,358</u>	<u>2,738,896</u>	<u>(2,877,666)</u>	<u>426,635</u>	<u>6,524,223</u>
Unrestricted funds	132,610	99,755	(52,368)	(24,635)	155,362
	<u>132,610</u>	<u>99,755</u>	<u>(52,368)</u>	<u>(24,635)</u>	<u>155,362</u>
Total funds	<u>6,368,968</u>	<u>2,838,651</u>	<u>(2,930,034)</u>	<u>402,000</u>	<u>6,679,585</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other ESFA Grants includes monies received outside of GAG funding and these Grants are all related to the furtherance of education within the Academy.

Unrestricted Funds represents funds generated via activities such as the sale of materials and music lessons to students, payments from other schools for the provision of teaching staff and income from universities with respect to student teachers.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

18 Analysis of net assets between funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	7,679,439	7,679,439
Current assets	155,362	443,692	-	599,054
Current liabilities	-	(482,908)	-	(482,908)
Pension scheme liability	-	(1,116,000)	-	(1,116,000)
Total net assets	<u>155,362</u>	<u>(1,155,216)</u>	<u>7,679,439</u>	<u>6,679,585</u>

19 Capital commitments

Contracted for, but not provided in the financial statements

2017 £	2016 £
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-	-
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20 Financial commitments

Operating leases

At 31 August 2016 the Academy Trust had annual commitments under non-cancellable operating leases as follows:-

	2017 £	2016 £
Land and buildings		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	<u>-</u>	<u>-</u>
Other		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	<u>-</u>	<u>-</u>

The Land & Buildings are subject to a 125 year lease of which the Academy has no pecuniary interest as the lease is by contract - a right to use as a school lease.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

21 Reconciliation of net income to net cash inflow from operating activities

	2017	2016
	£	£
Net income	(91,383)	12,510
Depreciation (note 13)	119,383	121,996
Capital grants from DfE and other capital income	(531,247)	(23,438)
Interest receivable (note 6)	(357)	(541)
Decrease / (increase) in stocks	904	(14,900)
(Increase) / decrease in debtors	(41,709)	(46,733)
Increase / (decrease) in creditors	131,132	167,551
Net cash outflow from operating activities	(413,277)	216,445

22 Returns on Investments and Servicing of Finance

Interest received	357	541
Net cash inflow from returns on investment and servicing of finance	357	541

23 Capital expenditure and financial investment

	2017	2016
	£	£
Purchase of tangible fixed assets - (note 13)	(24,636)	(67,158)
Capital grants from DfE / ESFA	531,247	23,438
Net cash outflow from capital expenditure and financial investment	506,611	(43,720)

24 Analysis of Changes in Net Funds

	At 31 August 2017	At 31 August 2016
	£	£
Cash in hand and at bank	373,295	279,604
Total cash and cash equivalents	373,295	279,604

25 Guarantees, Letters Of Comfort & Indemnities

The trust provided no guarantees, letters of comfort or indemnities during the year ended 31st August 2017.

26 Contingent Liabilities

During the year of the funding agreement, in the event of the sale or disposal by other means of any capital asset for which a Government Capital grant was received, the School is required to either re-invest the proceeds or to repay the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, as the Secretary of State may require.

27 Members' Liability

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

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

28 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 August 2016.

Contributions amounting to £102,626 are made up of the following - LGPS Pension Provision £76,250, LGPS Pension Due for August £9,908 and TPS Pension Due for August £16,468 (2016 - £16,695) which were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 billion and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 billion giving a notional past service deficit of £14,900 billion.
- 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%.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

28 Pension and similar obligations (continued)

During the previous year the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at April 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £124,373 (2016 - £123,873).

A copy of the valuation report and supporting documentation is available on the Teachers Pensions Website.

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

Local Government Pension Scheme

The School is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial calculations using the projected unit method. The total contribution made for the year ended 31 August 2017 was £90,970 (2016 - £85,672) of which employer contributions totalled £72,362 (2016 - £69,590, and employee contributions totalled £18,608 (2016 - £16,082). The current employer contribution rate is 24.9%. LGPS also require an additional calculated annual deficit figure to be paid as stated in the triennial report. The school is still in negotiation with LGPS concerning this. A provision has been included within the Creditors figure above of £76,250 (2016 - £84,000).

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

28 Pension and similar obligations (continued)

Principal Actuarial Assumptions

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	2.9%	3.1%
Rate of increase for pensions in payment / inflation	2.4%	2.1%
Discount rate for scheme liabilities	2.4%	2.0%

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

	At 31 August 2017	At 31 August 2016
Retiring Today		
Males	22.3	22.3
Females	24.4	24.4
Retiring in 20 years		
Males	24.0	24.4
Females	26.2	26.7

Amounts recognised in the statement of financial activities for the period to 31/8/2017

	2017	% of pay	2016	% of pay
			£000	
Current service cost (net of employee contributions)	141	44.5	129	46.2
Past service cost	-		-	-
Total operating charge	141	44.5	129	46.2

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	(18)	(5.7)	(15)	(5.4)
Interest on pension liabilities	46	14.5	45	16.1
Pension finance income / (costs)	28	8.8	30	10.7
Total	169	53.3	159	56.9

The current service cost includes an allowance for administration expenses of 1.1% of payroll which is based on a payroll projection of £317,000.

The major categories of plan assets as a percentage of total plan assets

	2017	2016
Equities	69.0%	70.0%
Bonds	17.0%	21.0%
Property	11.0%	9.0%
Cash	3.0%	0.0%

It is estimated the bid value of the Fund's assets as at 31 August 2017 to be £1,138,000,000 based on information provided by the Administering Authority and allowing for index returns where necessary.

ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

28 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Employer membership statistics

	Number		Total Salaries/Pensions £(000)		Average Age
	31 Mar 2016		31 Mar 2016		31 Mar 2016
Actives	15		222		57
Deferred Pensioners	1		1		55
Pensioners	4		3		70
Deferred pensioners included undecided leavers and frozen refunds. Salaries are actual, not full-time equivalent.					
Payroll					
Period Assumed Total Pensionable Payroll based on Information Provided					
1 September 2016 to 31 August 2017		£317,000			
LGPS early retirements					
	Number		Total Pension Accrued (£)		Total Pension Actual (£)
New early retirements					
Redundancy	-		-		-
Efficiency	-		-		-
Other	-		-		-
Teachers' early retirements					
	Number		Recharged Accrued Pension (£)		Total Actual Recharged Pension (£)
New Early Retirements					
1 September 2016 to 31 August 2017					
Redundancy	-		-		-
Efficiency	-		-		-
Other	-		-		-
Investment returns					
The return on the Fund in market value terms for the period to 31 August 2016 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:					
Actual Returns from 1 October 2016 to 30 June 2017					9.6%
Total Returns from 1 September 2016 to 31 August 2017					13.5%

Default assumptions

Please note that bond yields continue to be particularly volatile and it is the observed bond yields at the actual year-end date that will be used to set default assumptions. Therefore, the actual default assumptions could be significantly different from the indicative assumptions shown below based on *market conditions as at 31 May 2016*.

Duration category	31 August 2017		31 August 2015		31 May 2016	
	Discount rate	RPI (CPI)	Discount rate	RPI (CPI)	Discount rate	RPI (CPI)
Short	2.4%	3.4%	3.7%	3.2%	3.2%	3.0%
	3.5%	(2.4%)		(2.3%)		(2.0%)
Medium	2.5%	3.4%	3.7%	3.5%	3.3%	3.1%
	3.6%	(2.4%)		(2.6%)		(2.1%)
Long	2.5%	3.4%	3.8%	3.6%	3.4%	3.1%
	3.7%	(2.4%)		(2.7%)		(2.1%)

Financial assumptions

31 August 2017 were those from the beginning of the period and have not been changed during the period. Recommended assumptions for disclosure of the funded status under the Accounting Standard as at 31 August 2017 are summarised below.

Period	Weighted Average Duration		
	Short 31 Aug 2017 % p.a.	Medium 31 Aug 2017 % p.a.	Long 31 Aug 2017 % p.a.
Discount Rate	2.4%	2.5%	2.5%
Retail Price Inflation (RPI)	3.4%	3.4%	3.4%
Consumer Price Inflation (CPI) - Pension Increase Rate	2.4%	2.4%	2.4%

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

28 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Information about the Defined benefit obligation

	Liability split £000) as at 31 August 2017	Liability split (%) as at 31 August 2017	Weighted average duration at last valuation
Active mer	1,767	96%	16.8
Medium	25	1.4%	20.0
Long	49	2.7%	10.1
Total	1,841	100.0%	16.6

The above figures are for the funded obligations only and do not include any unfunded pensioner liabilities.
The durations are as they stood at the previous formal valuation as at 31 March 2013.

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in Assumptions at 31st August 2017	Approximate % Increase to Employer Liability	Approximate Monetary Amount (£000)
0.5% decrease in Real Discount Rate	9.0%	172
0.5% increase in Salary Increase Rate	1.0%	26
0.5% increase in the Pension Increase Rate	8.0%	143

**Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability
for year end 31 August 2015**

Period ended 31 August 2017	Assets £(000)	Obligations £(000)	Net (liability/ asset £(000)
Fair value of plan assets	676	-	676
Present value of liabilities	-	2,194	(2,194)
Opening Position as at 31 August 2016	676	2,194	(1,518)
Service cost			
Current service cost*	-	146	(146)
Past service cost (including curtailments)	-	-	-
Effect of settlements	-	-	-
Total Service Cost	-	146	(146)
Net Interest			
Interest income on plan assets	14	-	14
Interest cost on defined benefit obligations	-	45	(45)
Impact of asset ceiling on net interest	-	-	-
Total net interest	14	45	(31)
Total defined benefit cost recognised in Profit or (Loss)	14	191	(177)
Cashflows			
Plan participant's contributions	19	19	-
Employer contributions	72	-	72
Contributions in respect of unfunded benefits	-	-	-
Benefits paid	(27)	(27)	-
Unfunded benefits paid	-	-	-
Effect of business combinations and disposals	-	-	-
Expected closing position	754	2,377	(1,623)
Remeasurements			
Changes in demographic assumptions	-	(10)	10
Changes in financial assumptions	-	(60)	60
Other experience	-	(466)	466
Return on assets excluding amounts included in net interest	(29)	-	(29)
Changes in asset ceiling	-	-	-
Total remeasurements recognised in Other Comprehensive Income (OCI)	(29)	(536)	507
Fair value of plan assets	725	-	725
Present value of funded liabilities	-	1,841	(1,841)
Present value of unfunded liabilities	-	-	-
Closing position as at 31 August 2017	725	1,841	1,116

* The current service cost includes an allowance for administration expenses of 1.1% of payroll.

Notes to the Financial Statements for the year to the 31 August 2017 (continued)

28 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 August 2016

	Assets £(000)	Obligations £(000)	Net (liability/ asset £(000))
Period ended 31 August 2016			
Fair value of plan assets	517	-	517
Present value of funded liabilities	-	1,572	(1,572)
Present value of unfunded liabilities	-	-	-
Opening Position as at 31 August 2015	517	1,572	(1,055)
Service cost			
Current service cost*	-	98	(98)
Past service cost (including curtailments)	-	-	-
Effect of settlements	-	-	-
Total Service Cost	-	98	(98)
Net Interest			
Interest income on plan assets	20	-	20
Interest cost on defined benefit obligations	-	59	(59)
Impact of asset ceiling on net interest	-	-	-
Total net interest	20	59	(39)
Total defined benefit cost recognised in Profit or (Loss)	20	157	(137)
Cashflows			
Plan participant's contributions	16	16	-
Employer contributions	70	-	70
Contributions in respect of unfunded benefits	-	-	-
Benefits paid	(44)	(44)	-
Unfunded benefits paid	-	-	-
Effect of business combinations and disposals	-	-	-
Expected closing position	579	1,701	(1,122)
Remeasurements			
Changes in demographic assumptions	-	-	-
Changes in financial assumptions	-	496	(496)
Other experience	-	(3)	3
Return on assets excluding amounts included in net	97	-	97
Changes in asset ceiling	-	-	-
Total remeasurements recognised in Other Comprehensive Income (OCI)	97	493	(396)
Fair value of plan assets	676	-	676
Present value of funded liabilities	-	2,194	(2,194)
Present value of unfunded liabilities**	-	-	-
Closing position as at 31 August 2016	676	2,194	(1,518)

* The current service cost includes an allowance for administration expenses of 1.1% of payroll.

** For unfunded liabilities as at 31 August 2017, it is assumed that all unfunded pensions are payable for the remainder of the member's life. It is further assumed that 90% of pensioners are married (or cohabiting) at death and that their spouse (cohabitee) will receive a pension of 50% of the member's pension as at the date of the member's death.

29 Related Party Transactions

There were no related party transactions during the year.

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's Financial Regulations and normal procurement procedures.

30 Events After The Balance Sheet Date

There are no events to be reported.

31 Agency arrangements

There are no agency arrangements to be reported.

