

Company Registration No. 07937939 (England and Wales)

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

**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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

## **CONTENTS**

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	<b>Page</b>
Reference and Administrative Details	1
Governors' Report	2 - 10
Governance Statement	11 - 13
Statement on regularity, propriety and compliance	14
Statement of Governors' responsibilities	15
Independent auditor's report on the accounts	16 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities	21 - 22
Balance sheet	23
Cash flow statement	24
Notes to the accounts	25 - 45

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

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## Reference and Administrative Details

<b>Members</b>	Rev. Msgr. M Dickens Rev. Msgr. Canon M Lee Mr E Abreo
<b>Governors (Directors)</b>	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) Mrs J Bingham (Chair of Admissions Committee) Mrs M Balsekar Mrs L Brennan Mrs J Wellington Mr G Perkins Ms J Ryzop Mr K Andradi Ms C Simon Mrs B Menezes-Dias
<b>Company Secretary</b>	Mrs L Owen
<b>Senior Management Team</b>	Mr C Andrew (Head Teacher) Mrs L Owen (Deputy Head Teacher) Mrs R Williams Miss T O'Connor Mrs J Wellington
<b>Company registration number</b>	07937939 (England and Wales)
<b>Registered office</b>	Windsor Road Thornton Heath Surrey CR7 8HJ
<b>Independent auditor</b>	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
<b>Bankers</b>	Allied Irish Bank 201-202 Finchley Road London NW3 6BX  Lloyds Bank plc PO Box 1000 Andover BX1 1LT
<b>Solicitors</b>	Winckworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB

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

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Governors' Report

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a Governors' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2017/18 issued by the ESFA.

The principal activity of the company is the operation of an academy school, providing a state education for children aged 3 to 11. It has a pupil capacity of 499 and had a roll of 487 in the school census on 17<sup>th</sup> May 2018.

#### Structure, governance and management

##### Constitution

The academy trust was incorporated as a company on 6 February 2012. 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 are also the directors of the charitable company for the purposes of company law and they are Governors of the charitable company.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Governors' indemnities

No indemnities have been given to any third parties on behalf of any Governors. Governors have been indemnified in respect of their legal liability for financial loss arising as a result of their negligent act, accidental error or omission in the course of their official duties. The limit of their indemnity is £1,000,000.

##### Method of recruitment and appointment or election of Governors

In accordance with the articles, the Governors, who are the Governors of the charitable company are also the directors. They are appointed as follows:

- 8 Foundation Governors appointed by the Archbishop of Southwark;
- 2 Staff Governors, elected by staff. They serve as ex-officio Governors;
- 1 Local Governor appointed by the Governing Body;
- 2 Parent Governors, elected by parents;
- The Principal (Head Teacher) is an ex-officio Governor;
- The Governors may appoint up to 2 Co-Opted Governors;
- Further and additional Governors may also be appointed by the Secretary of State in certain circumstances described in the Articles.

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

## **GOVERNORS' REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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### 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.

### Organisational structure

As an academy, we continue to have strong links with the Diocese, Local Authority and other schools. A number of other schools in 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, one staff governor resigned. New staff governors elections were held and a new staff governor was appointed.

### **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.

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

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Trade Union Facility Time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

#### Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	0
1% - 50%	3
51% - 99%	0
100%	0

#### Percentage of pay bill spent on facility time

Total Cost of facility time	NIL
Total Pay bill	NIL
Percentage of the total pay bill spent on facility time	N/A

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	10 days per annum
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### Related Parties and other Connected Charities and Organisations

The academy is part of 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 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 Governors 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.

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

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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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.

#### Objectives and activities

The principal activity of St James the Great R.C. Primary and 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.

#### Objects and Aims

The principal object of the Trust is defined in its Articles of Association. It is to advance for public benefit education in the UK. It does this through the operation of St James the Great RC Primary and Nursery School.

#### 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;
- 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 Schools, 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 as 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.

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

## GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

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### *Development Plan Objectives for the Academic year 2017-2018*

#### Achievement of Pupils

- Whole school focus on writing
- KS 1 focus on early and more confident readers and writers
- Ongoing development of teaching of phonics
- Year 3 Reading
- Year 6 all subjects, but writing in particular

#### Teaching and Learning

- Appraisal system and use of Iris and reflective journals
- Coaching
- Targeted CPD using Teaching School designation.

#### Public benefit

In setting the objectives and planning the associated activities, Governors have given careful consideration to the Charity Commission's general guidance on 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.

#### **Strategic report**

#### Achievements and performance

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

Ofsted have been very clear that they will not look at internal data. Whilst the school will continue to track and monitor pupil attainment and progress, this will be for internal use only.

**EYFS: 78% made a Good Level of Development which is higher than Nationally.**

**Phonics 87% Nationally 76%**

KS1	All	
	Working at level or higher	Working at Greater Depth
Reading	68%	33.3%
Writing	70%	15%
Mathematics	70%	18%

KS 2	All	
	Expected level or higher	GDS/high score
Reading	95%	52.6%
Writing	90%	17%
GPS	91%	57.8



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

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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Externally validated in RAG rating as Good, with some examples of outstanding teaching. Progress is showing an improving trend across the school. The wider curriculum is extensive and tailored to the need of the pupils and school community. Our Section 48 inspection classified the school as outstanding, although teaching and learning remained, good, with leadership outstanding and behaviour of pupils outstanding.

Sport has been particularly strong this year and more pupils than ever are learning a musical instrument.

Football	Netball
Football league semi-finalists. Croydon Cup winners London Youth Games gold medallists Croydon 5 a side winners Crystal Palace Foundation Winners	Croydon League Winners Croydon Youth Sports winners London Youth Games quarter finalists Emma Wallace Trophy Winners

**Athletics – Catholic Cross Country Winners, some individual winners at Croydon event.**

**Hockey – Joint first in Croydon School Sports**

**Gymnastics – 3<sup>rd</sup> place**

**Basketball 2<sup>nd</sup> place**

**Kwik Cricket semi finalists**

**Swimming Gala – 3<sup>rd</sup> place**

**Croydon Catholic Schools Sports day – 2<sup>nd</sup> place**

### Key Financial Performance Indicators

Regular review of staffing costs and maintain positive financial balance

### Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

### **Financial review**

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Governors.

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

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Governors ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

<b>Fund</b>	<b>Category</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
GAG	Restricted General Funds	0	(40)
Other Income	Restricted General Funds	<u>0</u>	<u>2</u>
<b>Sub-total</b>	<b>General Restricted Funds</b>	<b>0</b>	<b>(38)</b>
Other Income	Unrestricted General Fund	<u>51</u>	<u>156</u>
<b>Sub-Total</b>	<b>Spendable Funds</b>	<b>51</b>	<b>118</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	8,151	7,679
Share of LGPS Deficit	Restricted Pension Reserve	<u>(947)</u>	<u>(1,116)</u>
<b>Total</b>	<b>All Funds</b>	<b><u>7,255</u></b>	<b><u>6,681</u></b>

During the year under review and after transfers and actuarial gains, there was a surplus of £38k on general restricted funds, a deficit of £(57k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall surplus of £574k.

### 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 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. 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 believes 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 appropriate.

As at 31 August 2018 the School had reserves of 2.9% of GAG (2017 : 6.4%).

### Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

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

## **GOVERNORS' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Principal risks and uncertainties

The Governors have assessed the major risks to which the Trust is exposed, in particular those relating to academic performance/finances/child welfare/admissions. The Governors have implemented a number of systems to assess risks that the Trust faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Governors of actual financial performance, mitigates the risk.

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.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice. The deficit does not mean that an immediate liability for this amount may crystallise. The academy remains in ongoing discussions with the Education and Skills Funding Agency and the Local Authority in consultation with a group of 23 other local academies with whom they are working in partnership to determine a plan for reducing this deficit.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

### **Our fundraising practices**

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice).

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, and our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

### **Plans for future periods**

The Future aims for the Trust are to continue to consolidate distributive leadership across the eight schools and secure financial stability by pooling resources and expertise.

The Trust also plans to share its areas of excellence and expertise with failing schools in collaboration with the Schools Commission with a particular focus on teacher training and school to school support.

### **Funds held as custodian Governor on behalf of others**

The academy trust has not acted as custodian Governor for any other external body during the year.

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

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### 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 audit information and to establish that the auditor is aware of that information.

The Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 17 December 2018 and signed on its behalf by.



.....  
Mr E Abreo

Chair of Governors

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

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Governance Statement

#### 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 with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St James the Great Catholic Primary School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. There are sub-committees which meet termly to review school performance in key areas of curriculum standards, attainment and progress, buildings and finance.

The Board of Governors has formally met 3 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
Edwin Abreo	3	3
Chris Andrew	3	3
Janice Bingham	2	3
Lesley Brennan	3	3
Aimee Scanlon	0	3
Cyntia Simon	3	3
Kirshan Andradi	1	3
Margaret Balsekar	3	3
Gerard Perkins	3	3
Karen Rodrigues	3	3
Bernadette Menezes-Dias	3	3
Juli Ryzop	3	3

#### 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 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.

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

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Finance Committee is a committee to which the main Board of Governors has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure
- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls
- Fulfil the role of an Audit Committee

Attendance during the year at meetings of the Finance Committee was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Edwin Abreo	3	3
Chris Andrew	3	3
Gerard Perkins	3	3
Kirshan Andradi	2	3
Karen Rodrigues	3	3

### Review of Value for Money

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

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

- Benchmarking
- Collective purchasing
- Tendering

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St James the Great Catholic Primary School for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

### Capacity to handle risk

The Governing Body has reviewed the key risks to which the 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 Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

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

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### 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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. Alan Willis continued in his role as 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 trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of procurement 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 operation of the systems of control and on the discharge of the board of Governors' financial responsibilities

The Board of Governors is satisfied that the Responsible Officer has delivered their schedule of work as planned. No material control issues have arisen as a result of the Responsible Officer's work.

### Review of effectiveness

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

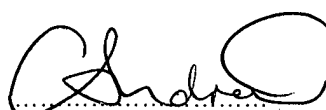
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Governors on 17 December 2018 and signed on its behalf by:



Mr E Abreo  
Chair of Governors



Mr C Andrew  
Accounting Officer

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

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

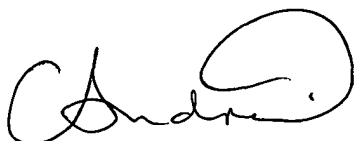
**FOR THE YEAR ENDED 31 AUGUST 2018**

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As accounting officer of St. James the Great R.C. Primary and Nursery School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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



C Andrew  
**Accounting Officer**  
17 December 2018



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

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2018**

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The trustees (who are also the directors of St. James the Great R.C. Primary and Nursery School for the purposes of company law) are responsible for preparing the trustees' report and the Financial Statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 17 December 2018 and signed on its behalf by:



E Abreo  
Chairman

**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**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Opinion**

We have audited the Financial Statements of St. James the Great R.C. Primary and Nursery School for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# **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)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Statements**

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

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **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)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Use of our report**

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**David John Walsh FCCA (Senior Statutory Auditor)**

**For and on behalf of Baxter & Co**

**Statutory Auditor**

**Chartered Certified Accountants**

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 17 December 2018

# **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 & SKILLS FUNDING AGENCY**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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In accordance with the terms of our engagement letter dated 20 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, 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 2017 to 31 August 2018 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 ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St. James the Great R.C. Primary and Nursery School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St. James the Great R.C. Primary and Nursery School and 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's 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's funding agreement with the Secretary of State for Education dated 31 August 2016 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. 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 period 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.9 of the Academies Financial Handbook 2017, issued by the ESFA.

# **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 & SKILLS FUNDING AGENCY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Baxter & Co**  
**Independent Reporting Accountants**  
**Chartered Certified Accountants**  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated: 17 December 2018

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2018 £000	Total 2017 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	78	-	59	137	565
Charitable activities:						
- Funding for educational operations	4	96	2,103	-	2,199	2,273
- Funding for teaching school	23	-	40	-	40	-
Other trading activities	5	3	-	-	3	2
<b>Total</b>		<u>177</u>	<u>2,143</u>	<u>59</u>	<u>2,379</u>	<u>2,840</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	260	1,544	121	1,925	2,931
- Teaching School	23	-	40	-	40	-
<b>Total</b>	<b>6</b>	<u>260</u>	<u>1,584</u>	<u>121</u>	<u>1,965</u>	<u>2,931</u>
<b>Net income/(expenditure)</b>		(83)	559	(62)	414	(91)
Transfers between funds	16	(22)	(512)	534	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	160	-	160	402
<b>Net movement in funds</b>		<u>(105)</u>	<u>207</u>	<u>472</u>	<u>574</u>	<u>311</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>156</u>	<u>(1,154)</u>	<u>7,679</u>	<u>6,681</u>	<u>6,370</u>
Total funds carried forward		<u>51</u>	<u>(947)</u>	<u>8,151</u>	<u>7,255</u>	<u>6,681</u>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**SUPPLEMENTARY NOTE:**  
**COMPARATIVE INFORMATION FOR THE**  
**YEAR ENDED 31 AUGUST 2017**

	Notes	Unrestricted Funds £000	General £000	Restricted funds: Fixed asset £000	Total 2017 £000
<b>Income and endowments from:</b>					
Donations and capital grants	3	34	-	531	565
Charitable activities:					
- Funding for educational operations	4	64	2,209	-	2,273
Other trading activities	5	2	-	-	2
<b>Total</b>		<u>100</u>	<u>2,209</u>	<u>531</u>	<u>2,840</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	52	2,228	651	2,931
<b>Total</b>	6	<u>52</u>	<u>2,228</u>	<u>651</u>	<u>2,931</u>
<b>Net income/(expenditure)</b>		48	(19)	(120)	(91)
Transfers between funds	16	(25)	-	25	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	402	-	402
<b>Net movement in funds</b>		23	383	(95)	311
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>133</u>	<u>(1,537)</u>	<u>7,774</u>	<u>6,370</u>
Total funds carried forward		<u>156</u>	<u>(1,154)</u>	<u>7,679</u>	<u>6,681</u>



**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

		2018	2017
	Notes	£000	£000
<b>Fixed assets</b>			
Tangible assets	11	8,151	7,679
<b>Current assets</b>			
Stocks	12	6	14
Debtors	13	231	214
Cash at bank and in hand		230	373
		<u>467</u>	<u>601</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(416)	(483)
		<u></u>	<u></u>
<b>Net current assets</b>		51	118
<b>Net assets excluding pension liability</b>		8,202	7,797
Defined benefit pension scheme liability	18	(947)	(1,116)
<b>Total net assets</b>		<u>7,255</u>	<u>6,681</u>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>	16		
- Fixed asset funds		8,151	7,679
- Restricted income funds		-	(38)
- Pension reserve		(947)	(1,116)
<b>Total restricted funds</b>		<u>7,204</u>	<u>6,525</u>
<b>Unrestricted income funds</b>	16	51	156
<b>Total funds</b>		<u>7,255</u>	<u>6,681</u>

The Financial Statements on pages 21 to 45 were approved by the trustees and authorised for issue on 17 December 2018 and are signed on their behalf by:



E Abreo  
Chairman

Company Number 07937939

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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	Notes	2018 £000	£000	2017 £000	£000
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	19		373		(413)
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		32		531	
Capital funding received from sponsors and others		27		-	
Purchase of tangible fixed assets		(575)		(24)	
<b>Net cash (used in)/provided by investing activities</b>			(516)		507
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(143)		94
Cash and cash equivalents at beginning of the year			373		279
<b>Cash and cash equivalents at end of the year</b>			230		373

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

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **1 Accounting policies**

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

##### **1.1 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 Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

##### **1.2 Going concern**

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

##### **1.3 Income**

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

###### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

###### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

---

**1 Accounting policies**

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1 Accounting policies**

**1.5 Tangible fixed assets and depreciation**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Improv. to land and buildings	125 years
Leasehold land and buildings	125 years
ICT equipment	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	25% straight line

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

**1.6 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.

**1.7 Leased assets**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.8 Financial instruments**

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1 Accounting policies**

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.9 Stock**

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

**1.10 Taxation**

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

**1.11 Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

**1.12 Fund accounting**

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

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

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1 Accounting policies**

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

**2 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the trustees have not needed to exercise any subjective judgements that would be critical to the academy trust's Financial Statements.

**3 Donations and capital grants**

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
Capital grants	-	32	32	531
Other donations	78	27	105	34
	<u>78</u>	<u>59</u>	<u>137</u>	<u>565</u>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**4 Funding for the academy trust's educational operations**

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,763	1,763	1,858
Other DfE group grants	-	202	202	242
	<u>-</u>	<u>1,965</u>	<u>1,965</u>	<u>2,100</u>
<b>Other government grants</b>				
Local authority grants	-	85	85	85
	<u>-</u>	<u>85</u>	<u>85</u>	<u>85</u>
<b>Other funding</b>				
School visit income	-	47	47	24
Other incoming resources	96	6	102	64
	<u>96</u>	<u>53</u>	<u>149</u>	<u>88</u>
<b>Total funding</b>	<u>96</u>	<u>2,103</u>	<u>2,199</u>	<u>2,273</u>

**5 Other trading activities**

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
Lettings income	3	-	3	2
	<u>3</u>	<u>-</u>	<u>3</u>	<u>2</u>

**6 Expenditure**

	Staff costs £000	Non Pay Expenditure		Total 2018 £000	Total 2017 £000
		Premises £000	Other £000		
Academy's educational operations					
- Direct costs	1,412	82	(223)	1,271	2,288
- Allocated support costs	301	203	150	654	643
Teaching School					
- Direct costs	40	-	-	40	-
	<u>1,753</u>	<u>285</u>	<u>(73)</u>	<u>1,965</u>	<u>2,931</u>

Included within other direct costs is an adjustment to capitalise additions to fixed assets included in expenditure in the year end 31 August 2017 amounting to £488k.



**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**6 Expenditure**

Net income/(expenditure) for the year includes:	2018 £000	2017 £000
Fees payable to auditor for:		
- Audit	6	6
- Other services	4	3
Operating lease rentals	6	-
Depreciation of tangible fixed assets	103	120
Net interest on defined benefit pension liability	26	31
	<u>          </u>	<u>          </u>

Included within expenditure are the following transactions:

	2018 £
Gifts made by the academy trust - total	70
	<u>          </u>

**7 Charitable activities**

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
<b>Direct costs</b>				
Educational operations	260	1,011	1,271	2,288
Teaching School	-	40	40	-
<b>Support costs</b>				
Educational operations	-	654	654	643
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	260	1,705	1,965	2,931
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**7 Charitable activities**

Analysis of costs	Teaching School	Educational operations	Total 2018	Total 2017
	£000	£000	£000	£000
<b>Direct costs</b>				
Teaching and educational support staff costs	40	1,412	1,452	1,466
Staff development	-	18	18	29
Depreciation	-	82	82	-
Technology costs	-	25	25	-
Educational supplies and services	-	209	209	234
Educational consultancy	-	1	1	-
Other direct costs*	-	(476)	(476)	559
	<u>40</u>	<u>1,271</u>	<u>1,311</u>	<u>2,288</u>

\*Included within other direct costs is an adjustment to capitalise additions to fixed assets included in expenditure in the year end 31 August 2017 amounting to £488k.

<b>Support costs</b>				
Support staff costs	-	336	336	266
Defined benefit pension scheme - staff costs (FRS102 adjustment)	-	(35)	(35)	-
Depreciation	-	21	21	120
Maintenance of premises and equipment	-	65	65	67
Cleaning	-	42	42	38
Energy costs	-	20	20	22
Rent, rates and other occupancy costs	-	23	23	13
Insurance	-	22	22	23
Security and transport	-	30	30	4
Catering	-	54	54	52
Defined benefit pension scheme - finance costs (FRS102 adjustment)	-	26	26	-
Other support costs	-	19	19	10
Governance costs	-	31	31	28
	<u>-</u>	<u>654</u>	<u>654</u>	<u>643</u>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**8 Staff**

**Staff costs**

Staff costs during the year were:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	1,349	1,360
Social security costs	117	98
Pension costs	251	247
Defined benefit pension scheme - staff costs (FRS102 adjustment)	(35)	-
	<hr/>	<hr/>
Staff costs	1,682	1,705
Supply staff costs	71	27
	<hr/>	<hr/>
Total staff expenditure	<u>1,753</u>	<u>1,732</u>

**Staff numbers**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Teachers	18	18
Administration and support	53	58
Management	5	6
	<hr/>	<hr/>
	<u>76</u>	<u>82</u>

**Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	-	1
£70,001 - £80,000	1	1
	<hr/>	<hr/>

**Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £330,028.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**9 Trustees' remuneration and expenses**

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Head Teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

C Andrew (Head Teacher):

- Remuneration £70,000 - £75,000 (2017: £70,000 - £75,000)
- Employer's pension contributions £10,000 - £15,000 (2017: £10,000 - £15,000)

J Wellington (Staff Trustee)

- Remuneration £45,000 - £50,000 (2017: Not appointed)
- Employer's pension contributions £5,000 - £10,000 (2017: Not appointed)
- 

J Ryzop (Staff Trustee)

- Remuneration £30,000 - £35,000 (2017: Not appointed)
- Employer's pension contributions £0 - £5,000 (2017: Not appointed)

During the year, travel and subsistence payments totalling £186 (2017: £nil) and other amounts of £84 (2017: £nil) were reimbursed or paid directly to 2 trustees (2017: 0 trustees).

Other related party transactions involving the trustees are set out within the related parties note.

**10 Trustees and officers insurance**

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2018 were not separately identifiable. The cost of this insurance is included in the total insurance cost.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**11 Tangible fixed assets**

	Improv. to land and buildings £000	Leasehold land and buildings £000	ICT equipment £000	Fixtures, fittings & equipment £000	Motor vehicles £000	Total £000
<b>Cost</b>						
At 1 September 2017	483	7,470	56	141	58	8,208
Additions	525	-	23	-	27	575
At 31 August 2018	1,008	7,470	79	141	85	8,783
<b>Depreciation</b>						
At 1 September 2017	16	299	34	122	58	529
Charge for the year	8	60	15	17	3	103
At 31 August 2018	24	359	49	139	61	632
<b>Net book value</b>						
At 31 August 2018	984	7,111	30	2	24	8,151
At 31 August 2017	467	7,171	22	19	-	7,679

Additions to improvements to land and buildings includes an adjustment of £488k relating to additions in the year ended 31 August 2017, not previously capitalised.

<b>12 Stocks</b>	<b>2018 £000</b>	<b>2017 £000</b>
Stationery	6	14
<b>13 Debtors</b>	<b>2018 £000</b>	<b>2017 £000</b>
VAT recoverable	23	69
Prepayments and accrued income	208	145
	231	214
<b>14 Creditors: amounts falling due within one year</b>	<b>2018 £000</b>	<b>2017 £000</b>
Trade creditors	68	61
Other taxation and social security	28	27
Other creditors	27	27
Accruals and deferred income	293	368
	416	483

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>15</b>	<b>Deferred income</b>	<b>2018</b>	<b>2017</b>
		<b>£000</b>	<b>£000</b>
	Deferred income is included within:		
	Creditors due within one year	123	45
		<hr/>	<hr/>
	Deferred income at 1 September 2017	45	120
	Released from previous years	(45)	(120)
	Resources deferred in the year	123	45
		<hr/>	<hr/>
	<b>Deferred income at 31 August 2018</b>	<b>123</b>	<b>45</b>
		<hr/>	<hr/>

Deferred income relates to Universal Infant Free School Meal grant income of £42k (2017: £40k), Early Years grant funding of £69k (2017: £nil) and other government grants of £12k (2017: £5k) received in advance.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16 Funds**

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(40)	1,763	(1,211)	(512)	-
Other DfE / ESFA grants	-	111	(111)	-	-
Pupil Premium	-	91	(91)	-	-
Other government grants	-	85	(85)	-	-
Teaching School	-	40	(40)	-	-
Other restricted funds	2	53	(55)	-	-
Pension reserve	(1,116)	-	9	160	(947)
	<u>(1,154)</u>	<u>2,143</u>	<u>(1,584)</u>	<u>(352)</u>	<u>(947)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	7,525	-	(60)	(354)	7,111
DfE group capital grants	688	32	(53)	255	922
Capital expenditure from GAG and other funds	(534)	-	(5)	633	94
Capital donations	-	27	(3)	-	24
	<u>7,679</u>	<u>59</u>	<u>(121)</u>	<u>534</u>	<u>8,151</u>
<b>Total restricted funds</b>	<u>6,525</u>	<u>2,202</u>	<u>(1,705)</u>	<u>182</u>	<u>7,204</u>
<b>Unrestricted funds</b>					
General funds	<u>156</u>	<u>177</u>	<u>(260)</u>	<u>(22)</u>	<u>51</u>
<b>Total funds</b>	<u>6,681</u>	<u>2,379</u>	<u>(1,965)</u>	<u>160</u>	<u>7,255</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents investment in fixed assets, net of related depreciation. Unspent capital grants are also held in this fund and their use is restricted to the capital projects for which the grant was paid.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16 Funds**

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

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(21)	1,858	(1,877)	-	(40)
Other DfE / ESFA grants	-	242	(242)	-	-
Other government grants	-	85	(85)	-	-
Other restricted funds	2	24	(24)	-	2
Pension reserve	(1,518)	-	-	402	(1,116)
	<u>(1,537)</u>	<u>2,209</u>	<u>(2,228)</u>	<u>402</u>	<u>(1,154)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	7,525	-	-	-	7,525
DfE group capital grants	663	531	(531)	25	688
Capital expenditure from GAG and other funds	(414)	-	(120)	-	(534)
	<u>7,774</u>	<u>531</u>	<u>(651)</u>	<u>25</u>	<u>7,679</u>
<b>Total restricted funds</b>	<u>6,237</u>	<u>2,740</u>	<u>(2,879)</u>	<u>427</u>	<u>6,525</u>
<b>Unrestricted funds</b>					
General funds	<u>133</u>	<u>100</u>	<u>(52)</u>	<u>(25)</u>	<u>156</u>
<b>Total funds</b>	<u>6,370</u>	<u>2,840</u>	<u>(2,931)</u>	<u>402</u>	<u>6,681</u>



**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16 Funds**

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(21)	3,621	(3,088)	(512)	-
Other DfE / ESFA grants	-	353	(353)	-	-
Pupil Premium	-	91	(91)	-	-
Other government grants	-	170	(170)	-	-
Teaching School	-	40	(40)	-	-
Other restricted funds	2	77	(79)	-	-
Pension reserve	(1,518)	-	9	562	(947)
	<u>(1,537)</u>	<u>4,352</u>	<u>(3,812)</u>	<u>50</u>	<u>(947)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	7,525	-	(60)	(354)	7,111
DfE group capital grants	663	563	(584)	280	922
Capital expenditure from GAG and other funds	(414)	-	(125)	633	94
Private sector capital sponsorship	-	27	(3)	-	24
	<u>7,774</u>	<u>590</u>	<u>(772)</u>	<u>559</u>	<u>8,151</u>
<b>Total restricted funds</b>	<u>6,237</u>	<u>4,942</u>	<u>(4,584)</u>	<u>609</u>	<u>7,204</u>
<b>Unrestricted funds</b>					
General funds	<u>133</u>	<u>277</u>	<u>(312)</u>	<u>(47)</u>	<u>51</u>
<b>Total funds</b>	<u>6,370</u>	<u>5,219</u>	<u>(4,896)</u>	<u>562</u>	<u>7,255</u>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**17 Analysis of net assets between funds**

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	-	-	8,151	8,151
Current assets	51	416	-	467
Creditors falling due within one year	-	(416)	-	(416)
Defined benefit pension liability	-	(947)	-	(947)
<b>Total net assets</b>	<b>51</b>	<b>(947)</b>	<b>8,151</b>	<b>7,255</b>

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	7,679	7,679
Current assets	156	445	-	601
Creditors falling due within one year	-	(483)	-	(483)
Defined benefit pension liability	-	(1,116)	-	(1,116)
<b>Total net assets</b>	<b>156</b>	<b>(1,154)</b>	<b>7,679</b>	<b>6,681</b>

**18 Pension and similar obligations**

The academy trust'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 Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £141k (2017: £103k) were payable to the schemes at 31 August 2018 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 Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 18 Pension and similar obligations

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £131k (2017: £124k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2018 £000	2017 £000
Employer's contributions	225	72
Employees' contributions	24	19
	<hr/>	<hr/>
Total contributions	249	91
	<hr/>	<hr/>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18 Pension and similar obligations**

<b>Principal actuarial assumptions</b>	<b>2018</b>	<b>2017</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	2.90	2.90
Discount rate for scheme liabilities	2.70	2.40
CPI inflation	2.40	2.40

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

	<b>2018</b>	<b>2017</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	22.3	22.3
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.0	24.0
- Females	26.2	26.2

Scheme liabilities would have been affected by changes in assumptions as follows:

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Discount rate - 0.5%	2147	2,013
Salary rate + 0.5%	1986	1,867
Pensions rate + 0.5%	2120	1,984

**Defined benefit pension scheme net liability**

Scheme assets	1,014	725
Scheme obligations	(1,961)	(1,841)
Net liability	(947)	(1,116)

**The academy trust's share of the assets in the scheme**

	<b>2018</b>	<b>2017</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£000</b>	<b>£000</b>
Equities	720	500
Bonds	162	123
Cash	10	22
Property	122	80
Total market value of assets	1,014	725

The actual return on scheme assets was £70,000 (2017: £15,000).

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**18 Pension and similar obligations**

<b>Amount recognised in the Statement of Financial Activities</b>	<b>2018 £000</b>	<b>2017 £000</b>
Current service cost	190	41
Interest income	(20)	(14)
Interest cost	46	45
	<hr/>	<hr/>
Total operating charge	216	72
	<hr/>	<hr/>

<b>Changes in the present value of defined benefit obligations</b>	<b>2018 £000</b>
At 1 September 2017	1,841
Current service cost	190
Interest cost	46
Employee contributions	24
Actuarial gain	(110)
Benefits paid	(30)
	<hr/>
At 31 August 2018	1,961
	<hr/>

<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2018 £000</b>
At 1 September 2017	725
Interest income	20
Actuarial (gain)/loss	50
Employer contributions	225
Employee contributions	24
Benefits paid	(30)
	<hr/>
At 31 August 2018	1,014
	<hr/>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**19 Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	414	(91)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(59)	(531)
Defined benefit pension costs less contributions payable	(35)	-
Defined benefit pension net finance cost	26	-
Depreciation of tangible fixed assets	103	119
Decrease in stocks	8	1
(Increase) in debtors	(17)	(42)
(Decrease)/increase in creditors	(67)	131
<b>Net cash provided by/(used in) operating activities</b>	<b>373</b>	<b>(413)</b>

**20 Commitments under operating leases**

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Amounts due within one year	3	-
Amounts due in two and five years	6	-
	<u>9</u>	<u>-</u>

**ST. JAMES THE GREAT R.C. PRIMARY AND NURSERY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**21 Related party transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

St James the Great Charitable Foundation (Charity Number: 1123161) is a related party by virtue of the fact that some of the Governors of the Academy are also Trustees of the Trust. During the year donations of £86k were receivable from the Foundation. At the year end the Academy was due £86k, included in debtors falling due within one year.

Friends of St James the Great (Charity Number: 1017914) is a related party by virtue of the fact that some of the Governors of the Academy are also Trustees of the Trust. During the year the Academy received income of £40k. No balances were outstanding at the year end.

B Willis, spouse of A Willis, a trustee, is employed by the academy trust as a learning support assistant. B Willis' appointment was made in open competition and A Willis was not involved in the decision making process regarding appointment. B Willis is paid within the normal pay scale for the role and receives no special treatment as a result of her relationship to a trustee. The sister-in-law of B Menezes-Dias, a trustee, is also employed by the academy trust on the same basis and subject to the same processes.

**22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

<b>23 Teaching School trading account</b>	<b>2018</b>		<b>2017</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Direct income</b>				
Other external funding		40		-
<b>Direct costs</b>				
Direct staff costs	40		-	
Total expenditure		(40)		-
<b>Surplus/(deficit) from all sources</b>		-		-
Teaching School balances at 1 September 2017		-		-
<b>Teaching School balances at 31 August 2018</b>		-		-