

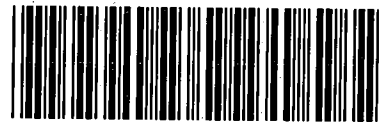
BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs W Hall Ms T Gardiner Mrs C Lewis - Representing the Diocese of Leicester Educational Trust
Trustees	Mrs L A Jackson, Chair of Trustees (resigned 31 December 2018) Mrs J E Willcock Mrs W Hall Mrs L McGrory, Head Teacher and Accounting Officer Mrs A Rochester (resigned 10 September 2018) Miss J E Gant (resigned 7 April 2019) Mrs E A Ling Mr G A Raper Mrs J V Reavley (resigned 9 April 2019) Rev D Payne Mrs C Arizmendi Mrs L Willis Mrs H Brooks (resigned 8 April 2019) Mrs P Lloyd (appointed 4 March 2019) Miss D Bass-Pickin, Chair of Trustees (appointed 28 July 2019) Ms T Gardiner (appointed 6 September 2019) Mrs T Jeffcoat (appointed 13 November 2018)
Company registered number	08259654
Company name	Bottesford Church of England Primary School Trust
Principal and registered office	Bottesford Church Of England Primary School Silverwood Road Bottesford Nottinghamshire NG13 0BS
Company secretary	Miss B Bell
Senior management team	Mrs L McGrory, Head Teacher Mrs E Barker, Deputy Head
Independent auditors	Duncan & Toplis Limited Chartered Accountants and Statutory Auditors 4 Henley Way Lincoln Lincolnshire LN6 3QR

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

Bankers

Lloyds Bank
42 St Peters Hill
Grantham
Lincolnshire
NG31 6QF

Solicitors

Leicestershire Legal Services
County Hall
Glenfield
Leicestershire
LE3 8RF

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

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

The Trust operates as an Academy for pupils aged 4 to 11 serving a catchment area of Bottesford, Muston, Normanton & Belvoir. It has a pupil capacity of 300 and had a roll of 271 on the school census at August 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Bottesford Church of England Primary School Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Bottesford Church of England Primary School Trust.

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

Members' liability

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

Trustees' indemnities

The Academy has taken out opted into the Department for Education's risk protection arrangement (RPA). This scheme includes Trustees' indemnity insurance providing cover up to a maximum value of £10,000,000.

Method of recruitment and appointment or election of Trustees

The company's Memorandum and Articles of Association are the primary governing documents of the Academy. Members of the Academy are nominated by the Secretary of State for Education. The Articles of Association require the members of the company to appoint at least three Trustees to be responsible for the affairs of the company and the management of the company.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies adopted for the induction and training of Trustees

The induction, training and support programme for Trustees will differ according to the nature of the post and the varying needs and experience of the individual concerned. There are, however, some general principles outlined below which should be common to all.

- It is expected that the incumbent Trustees will provide a good deal of practical help, advice, guidance and encouragement in all aspects of governance and in enabling new Trustees to integrate into a new situation.
- Prior to taking up the appointment the new Trustee will be welcome to visit the Academy as necessary to meet key people as appropriate.
- The Academy's Equality & Diversity and related policies will be applicable to all.
- The other Trustees will be informed of any new appointments.
- Every Trustee should be prepared to offer support to new Trustees as appropriate.

In some circumstances it may be advisable to appoint a short term mentor to provide individual support.

Organisational structure

The management structure consists of two levels: the Board of the Company (Trustees) and the Senior Leaders of the Academy. The aim of this structure is to devolve responsibility to those best able to make the appropriate decisions.

The Board of Trustees are responsible for determining the vision, ethos and strategic direction of Bottesford Church of England Primary School. The Board approve the school development plan and the annual budget; they also monitor the educational and financial performance of the school in their role as critical friends.

Arrangements for setting pay and remuneration of key management personnel

- To draw up and review annually a pay policy with due regard to the current Schools' Teachers' Pay and Conditions document and other appropriate guidance relating to staff.
- To determine matters relating to the pay of all staff in the Academy.
- To ensure that, within budget constraints, the pay policy meets the needs of recruitment, retention and development of staff and contributes to the resourcing of School Development Plan priorities.
- To make recommendations to the Resources Committee.
- To take into account recommendations from the Performance Management Trustees when determining the salary of the Headteacher.
- Ensure grades or re grades of staff posts comply with equal pay legislation.
- To act as a first appeals body as appropriate in relation to pay decisions, e.g. award of Upper Pay spine points.

Related parties and other connected charities and organisations

The Academy works with the Diocese who are represented on the Board of Trustees by two appointed Foundation Trustees.

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

OBJECTIVES AND ACTIVITIES

Objects and aims

- Aim 1
Provide a safe, happy and healthy school which recognises and celebrates effort and success
- Aim 2
Enable pupils to be excited by learning
- Aim 3
Enable pupils to value and respect themselves, other cultures and beliefs and their world

Objectives, strategies and activities

Key objectives and targets are identified in the School Development Plan and are informed by the significant challenges and opportunities arising from national development in education policy and funding.

2018-2019 targets included:

1. To improve provision and outcomes for SEND pupils
2. To improve outcomes in writing
3. To ensure the quality of teaching is consistently good or better across the school
4. To ensure provision enables good pupil personal development, behaviour and welfare – via the Route to Resilience (R2R) programme
5. To review the provision of Collective Worship

Public benefit

The core purpose of Bottesford Church of England Primary School is the advancement of learning. The Academy aspires towards the highest possible standards of achievement across a broad and balance curriculum for approximately 276 pupils aged 4-11.

The Academy has given a high priority to providing public benefit to the community.

The Trustees have considered the impact of the public health requirement including the guidance issued by the Charity Commission.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

STRATEGIC REPORT

Achievements and performance

There were many successes and achievements in 2018-2019. The Trustees would like to thank everyone pupils, staff, governors, parents and volunteers for all their work and support.

Some of the successes include:

- Good outcomes compared to national outcomes for KS2 pupils in 2019, especially in reading and writing
- Good outcomes for pupils in EYFS, with 83% achieving a Good Level of Development (GLD) and all pupils made expected or better progress in 2019
- The R2R (Route to Resilience) programme was completed further embedding Character Education
- Very successful involvement of parents in their understanding of Character Education
- Happy Lunchtime training led to better lunchtimes for all pupils, particularly the introduction of the Zone which provides alternative activities daily to engage pupils in having positive lunchtimes
- Staff professional development has continued to improve our provision for all groups, particularly the focus on Active Learning in Maths and Literacy
- Attainment and progress in reading continue to be a particular strength of the school, particularly in KS2
- Many sporting achievements across a range of sports as a direct impact of the sports premium
- Involvement of parents continues to be a strength – e.g. attendance at the Character Muscle activity afternoon
- Very strong links with the church - the vicar continues to support the school through leading Collective Worship, termly services, staff training and discussion and leading on developing the Christian vision of the school
- An active, well-led PTA continue to raise essential funds enrich the school in 2018/19 they funded the complete refurbishment of the EYFS playground
- The Open the Book (OTB) team lead collective worship fortnightly on bible stories, engaging pupils in dramatising the stories which leads to an increasing knowledge of these stories
- Enrichment activities, visits and visitors continue to support a broad and balanced curriculum
- Many clubs run to engage different interests – e.g. choir, band, varied sporting clubs, Irish dancing, gymnastics and drama
- Trustees proactive in monitoring the School Development Plan (SDP)
- Inclusive practice enables all pupils to access the curriculum, including the Y5/6 PGL residential
- A third consecutive successful Condition Improvement Funding (CIF) bid in 2018-2019 saw all the internal building specification (including roof space) upgraded to meet new fire regulations
- Gardening club have achieved Level Three from the Royal Horticultural Society

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

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Key performance indicators

- EYFS: 83% achieved a Good Level of Development (GLD)
- Year 1 Phonics: 82% passed screening check
- KS1 outcomes
 - 79% reached expected standard in Reading
 - 76% reached expected standard in Writing
 - 81% reached expected standard in Maths
 - 69% reached expected standard in Reading, Writing and Maths combined
- KS2 outcomes
 - 83% reached expected standard in Reading
 - 94% reached expected standard in Writing
 - 80% reached expected standard in Grammar, Punctuation and Spelling
 - 78% reached expected standard in Maths
 - 72% reached expected standard in Reading, Writing and Maths combined
- Attendance 97% for 2018-2019
- Ofsted 13 June 2018 graded the school as GOOD
- SIAMS inspection 9 June 2015 graded the school as OUTSTANDING

Going concern

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

Financial review

During the year ended 31st August 2019, total expenditure of £1,253,763 was covered by grant funding from the Department for Education (DFE) together with other incoming resources of £1,334,070. The excess income over expenditure, before the actuarial loss of the pension scheme for the year was £80,307.

At 31st August 2019 the net book value of fixed assets was £1,797,985 and movements in tangible fixed assets are shown in note 14 to the accounts. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

STRATEGIC REPORT (continued)

Financial review (continued)

Reserves policy

The Academy currently has £55,802 unrestricted reserves. The Trustees have decided that all unrestricted reserves will be utilised in helping the Academy achieve its objectives.

The level of restricted funds currently held, excluding the restricted fixed asset fund and pension reserve, is £182,180.

The fixed asset fund balance is £1,802,047. This balance can only be realised by the disposal of fixed assets.

The actuarial valuation resulting in the pension deficit and the corresponding liability of £564,000 does not result in an immediate cash flow impact to the Academy. The Trustees are confident that any liabilities can be met as they fall due.

The current levels of reserves are considered to be appropriate for the Academy.

Investment policy

The Academy's Investments policy is consistent with its Charitable Status. Investments must always be made in accordance with written procedures adopted by the Board of Trustees and must always ensure that the maximum integrity of such investments.

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

STRATEGIC REPORT (continued)

Financial review (continued)

Principal risks and uncertainties

Based on the strategic plan, the Board's appointed Resources Committee undertakes a comprehensive review of the risks to which the Academy is exposed. The Resources Committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the Academy.

The internal controls for managing risks deemed as medium and high are incorporated into the annual risk management action plan. The effectiveness of the Academy's internal controls in managing the risks identified is regularly monitored.

A thorough appraisal is undertaken in the subsequent year of the existing risks and any emerging risks, for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Resources Committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the Academy.

A risk register, covering low, medium and high level risks, is maintained by the Academy. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

The Academy's approach to risk management is supported by a risk management training programme which raises awareness of risk throughout the Academy. In addition, the Head Teacher incorporates risk management in their self-assessment reports and quality improvement plans.

Outlined below is a description of the principal risk factors that may affect the Academy. However, not all factors are within the Academy's control and other factors besides those listed below may also adversely affect the Academy.

1. Government Funding.

The Academy has considerable reliance on continued government funding through the Education and Skills Funding Agency (ESFA) and the Local Authority (LA).

- The risk has and will be mitigated in a number of ways:
- Funding is derived through a number of direct and indirect contractual arrangements.
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies.
- Ensuring the Academy is focused on those priority sectors which will continue to benefit from public funding.
- Contingency planning embedded into the Academy budget process.

2. Maintain adequate funding of pension liabilities

- The financial statements report the share of the local government pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS102.
- The Academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

Financial review (continued)

3. Pupil Strategy

The Academy seeks to maintain its popularity with current and prospective pupils by:

- Ensuring the Academy delivers high quality education and training.
- Maintaining outstanding success rates and good inspection outcomes; and investing in its staff and resources.

Fundraising

Fundraising is organised by the Friends of Bottesford Primary School, a separate registered charity run by a committee of parents. During the year various fundraising events were held, such as school discos, a summer and Christmas Fair and Christmas card sales. The funds raised from these and other events in the current year have helped to pay for new playground equipment in the reception class play area including a refurbishment of the playground itself, as well as Yearbooks for the Year 6 leavers and to subsidise school trips.

The Academy can confirm that:

- no fundraising has taken place with commercial participator and/or professional fundraisers;
- fundraising has conformed to recognised standards;
- no fundraising complaints have been received;
- the Academy has ensured the protection of the public, including vulnerable people, from unreasonable intrusive or persistent fundraising approaches and undue pressure.

Plans for future periods

The Academy will strive to improve the levels of performance of its pupils at all levels. The key priorities for 2019/2020 will be:

1. To review the whole school curriculum – Intent, Impact, Implementation
2. To improve pupils' outcomes in maths through a Mastery approach
3. To review the Christian vision of the school

Funds held as custodian on behalf of others

No funds are held on behalf of others.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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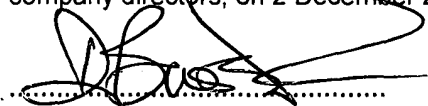
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

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



Miss D Bass-Pickin
Chair of Trustees

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the 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 Bottesford Church of England Primary School Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mrs L A Jackson, Chair of Trustees	4	7
Mrs J E Willcock	3	7
Mrs W Hall	4	7
Mrs L McGrory, Head Teacher and Accounting Officer	7	7
Mrs A Rochester	0	0
Miss J E Gant	6	6
Mrs E A Ling	5	7
Mr G A Raper	6	7
Mrs J V Reavley	5	6
Rev D Payne	6	7
Mrs C Arizmendi	5	7
Mrs L Willis	6	7
Mrs H Brooks	5	6
Mrs P Lloyd	1	3
Miss D Bass-Pickin, Chair of Trustees	0	0
Mrs T Jeffcoat	6	7

The Trustees undertake a regular evaluation of their skill sets and have the option to complete relevant training where appropriate.

The Resources committee is an appointed subcommittee of the Board of Trustees and its purpose is to have responsibility for the oversight and strategic objects with regard to:

- Finance, value for money and budget setting.
- Staffing and personnel including pay, performance management, recruitment and staff development.
- Premises and estates.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

These can be further defined as;

- Monitor and review the income and expenditure and ensure compliance with the terms of the funding agreement, drawing any matters of concern to the attention of the Board of Trustees.
- Drafting the budget, based on priorities in the Schools Development Plan to present to the Board of Trustees for adoption.
- Establishing and monitoring appropriate policies and procedures for sound budgetary control.
- Responding to any issues arising from the audit of the annual accounts.
- Ensuring that the financial implications of staffing decisions are explicitly identified, understood, budgeted for and that any unbudgeted items are pre approved.
- Considering financial implications of recommendations by the Head Teacher.
- Ensuring that Trust annually prepares and maintains a register of Pecuniary Interests for every Member, Trustee, and senior managers.
- Evaluate income generation possibilities.

The Audit Committee is represented within the Resources Committee, which reports to the main Board. Its main purpose is to advise the Board on the adequacy and effectiveness of the Trust's systems of internal controls and its arrangements for risk management and governance procedures including securing economy, efficiency and effectiveness (value for money).

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs W Hall	2	7
Mrs T Jeffcoat	3	5
Mrs J V Reavley	4	5
Mrs L McGrory	7	7
Mrs E A Ling	7	7
Miss J E Gant (Chair)	5	7
Mrs H Brooks	1	5

Review of value for money

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

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

- Crucial refurbishments of windows and doors and replacement of main school boilers and heaters in order to achieve long term energy cost savings.
- Improved procurement methods in order to achieve cost savings in relation to stationery, paper, staff absence insurance and other consumables.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bottesford Church of England Primary School Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Duncan & Toplis Limited, the external auditors, to perform additional checks.

These additional checks included giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

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

On a quarterly basis, the external auditors report to the board of Trustees through the Resources committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (CONTINUED)


Review of effectiveness

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

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

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

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


.....
Miss D Bass-Pickin
Chair of Trustees


.....
Mrs L McGrory
Accounting Officer

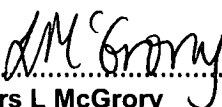
BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


.....
Mrs L McGrory
Accounting Officer
Date: 2 December 2019

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

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

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

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

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

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


.....
Miss D Bass-Pickin
Chair of Trustees

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the Year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

Responsibilities of trustees

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

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

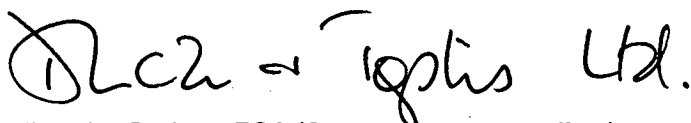
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Timothy Godson FCA (Senior statutory auditor)

for and on behalf of

Duncan & Toplis Limited

Chartered Accountants and Statutory Auditors

4 Henley Way

Lincoln

Lincolnshire

LN6 3QR

2 December 2019

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 9 May 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bottesford Church of England Primary School Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Bottesford Church of England Primary School Trust's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Bottesford Church of England Primary School Trust's funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

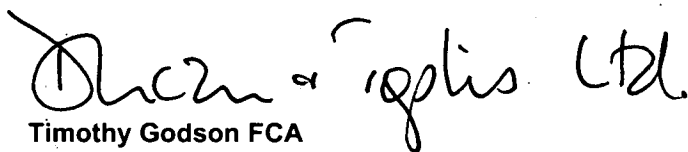
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

Conclusion

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



Timothy Godson FCA
Senior statutory auditor

Duncan & Toplis Limited

4 Henley Way
Lincoln
Lincolnshire
LN6 3QR

Date: 2 December 2019

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	19,551	2,782	95,623	117,956	193,235
Charitable activities:	4					
Funding for the academy trust's educational operations		30,013	1,107,103	-	1,137,116	1,101,058
Other trading activities	5	49,023	29,808	-	78,831	58,332
Investments	6	167	-	-	167	164
Total income		98,754	1,139,693	95,623	1,334,070	1,352,789
Expenditure on:						
Raising funds	7	3,461	2,535	-	5,996	11,768
Charitable activities:	8					
Academy trust educational operations		80,448	1,137,077	30,242	1,247,767	1,204,717
Total expenditure		83,909	1,139,612	30,242	1,253,763	1,216,485
Net income		14,845	81	65,381	80,307	136,304
Transfers between funds	17	(26,122)	-	26,122	-	-
Net movement in funds before other recognised gains/(losses)		(11,277)	81	91,503	80,307	136,304
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(173,000)	-	(173,000)	112,000
Net movement in funds		(11,277)	(172,919)	91,503	(92,693)	248,304
Reconciliation of funds:						
Total funds brought forward		67,079	(208,901)	1,710,544	1,568,722	1,320,418

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Net movement in funds	(11,277)	(172,919)	91,503	(92,693)	248,304
Total funds carried forward	55,802	(381,820)	1,802,047	1,476,029	1,568,722

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 08259654

**BALANCE SHEET
AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	1,797,985	1,681,882
Current assets			
Debtors	15	65,575	61,850
Cash at bank and in hand		356,181	293,782
Liabilities		421,756	355,632
Creditors: amounts falling due within one year	16	(179,712)	(135,792)
Net current assets		242,044	219,840
Total assets less current liabilities		2,040,029	1,901,722
Net assets excluding pension liability		2,040,029	1,901,722
Defined benefit pension scheme liability	23	(564,000)	(333,000)
Total net assets		1,476,029	1,568,722
Funds of the Academy			
Restricted funds:			
Restricted fixed asset funds	17	1,802,047	1,710,544
Restricted income funds	17	182,180	124,099
Restricted funds excluding pension liability	17	1,984,227	1,834,643
Pension reserve	17	(564,000)	(333,000)
Total restricted funds	17	1,420,227	1,501,643
Unrestricted income funds	17	55,802	67,079
Total funds		1,476,029	1,568,722

The financial statements on pages 23 to 51 were approved by the Trustees, and authorised for issue on 02 December 2019 and are signed on their behalf, by:

.....
Miss D Bass-Pickin
Chair of Trustees

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	112,954	29,464
Cash flows from investing activities	20	(50,555)	22,658
Change in cash and cash equivalents in the Year		62,399	52,122
Cash and cash equivalents at the beginning of the Year		293,782	241,660
Cash and cash equivalents at the end of the Year	21	<u><u>356,181</u></u>	<u><u>293,782</u></u>

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

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

1.2 Going concern

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

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

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

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line and 10% straight line
Furniture and equipment	- 25% straight line
Computer equipment	- 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.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Provisions

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

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

1.13 Operating leases

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

1.14 Pensions

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

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

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

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

The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.15 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	19,551	-	-	19,551	9,013
Capital Grants	-	-	76,634	76,634	174,242
Devolved Formula Capital	-	-	18,989	18,989	7,094
Other voluntary income	-	2,782	-	2,782	2,886
Total 2019	19,551	2,782	95,623	117,956	193,235
<i>Total 2018</i>	<i>9,013</i>	<i>2,886</i>	<i>181,336</i>	<i>193,235</i>	

4. Funding for the academy trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	980,310	980,310	941,536
Pupil Premium	-	34,075	34,075	30,478
Other DfE/ESFA Revenue grants	-	72,912	72,912	71,455
	-	1,087,297	1,087,297	1,043,469
Other government grants				
SEN 1-1 Funding	-	18,525	18,525	19,158
	-	18,525	18,525	19,158
Other funding				
Catering income	30,013	-	30,013	29,431
Staff insurance receipts	-	1,281	1,281	9,000
Total 2019	30,013	1,107,103	1,137,116	1,101,058
<i>Total 2018</i>	<i>29,431</i>	<i>1,071,627</i>	<i>1,101,058</i>	

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Uniform income	3,392	-	3,392	2,517
Lettings income	571	-	571	700
Other income	45,060	29,808	74,868	55,115
Total 2019	49,023	29,808	78,831	58,332
<i>Total 2018</i>	<i>13,054</i>	<i>45,278</i>	<i>58,332</i>	

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank account interest	167	167	164

BOTTESFORD CHURCH OF ENGLAND PRIMARY SCHOOL TRUST
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income:					
Direct costs	-	-	3,137	3,137	8,244
Expenditure on fundraising trading activities:					
Direct costs	-	-	2,859	2,859	3,524
Funding the academy trust's educational operations:					
Direct costs	811,020	22,506	65,567	899,093	861,730
Allocated support costs	137,702	58,791	152,181	348,674	342,987
Total 2019	948,722	81,297	223,744	1,253,763	1,216,485
Total 2018	930,616	73,671	212,198	1,216,485	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations	80,448	1,167,319	1,247,767	1,204,717
Total 2018	36,804	1,167,913	1,204,717	

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9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations	899,093	348,674	1,247,767	1,204,717
<i>Total 2018</i>	<i>861,730</i>	<i>342,987</i>	<i>1,204,717</i>	

Analysis of direct costs

	Educational operations 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs	811,020	811,020	790,986
Depreciation	30,242	30,242	29,830
Educational supplies	34,669	34,669	18,971
Examination fees	600	600	650
Staff development	4,591	4,591	6,227
Other costs	17,166	17,166	14,283
Operating leases - other	805	805	783
Total 2019	899,093	899,093	861,730

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs	137,702	137,702	139,630
Technology costs	23,120	23,120	15,272
Maintenance of premises and equipment	30,428	30,428	33,263
Cleaning	1,380	1,380	1,679
Rent and rates	9,135	9,135	7,604
Energy costs	12,268	12,268	11,164
Insurance	9,367	9,367	16,145
Transport	1,484	1,484	1,008
Telephone, postage and stationery	6,848	6,848	7,225
Catering	82,892	82,892	71,697
Other costs	18,153	18,153	23,924
Auditors' remuneration	8,063	8,063	8,538
Legal and professional fees	7,834	7,834	5,838
Total 2019	348,674	348,674	342,987

During the year ended 31 August 2019, the Academy incurred the following Governance costs:

£15,897 (2018 - £14,376) included within the table above in respect of Funding for the Academy's educational operations.

10. Net income

Net income for the Year includes:

	2019 £	2018 £
Operating lease rentals	805	783
Depreciation of tangible fixed assets	30,242	29,830
Fees paid to auditors for:		
- audit	5,140	5,000
- other services	2,923	3,538

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11. Staff costs

a. Staff costs

Staff costs during the Year were as follows:

	2019 £	2018 £
Wages and salaries	684,152	648,419
Social security costs	59,098	56,894
Pension costs	175,773	165,695
	<u>919,023</u>	<u>871,008</u>
Agency staff costs	29,699	51,399
Staff restructuring costs	-	8,209
	<u>948,722</u>	<u>930,616</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Severance payments	-	8,209
	<u>-</u>	<u>8,209</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	17	21
Administration and support staff	21	20
Management	1	1
	<u>39</u>	<u>42</u>

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11. Staff costs (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	12	12
Administration and support staff	12	11
Management	1	1
	25	24

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £136,229 (2018: £135,850).

12. Trustees' remuneration and expenses

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

	2019 £000	2018 £000
Mrs L McGrory, Head Teacher and Accounting Remuneration Officer	65-70	60-65
	Pension contributions paid	10-15
Mrs C Arizmendi	10-15	10-15
	Pension contributions paid	0-5
Mrs L Willis	10-15	20-25
	Pension contributions paid	0-5

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

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13. Trustees' and Officers' insurance

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

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	1,782,428	13,633	35,180	1,831,241
Additions	135,984	1,880	8,481	146,345
At 31 August 2019	1,918,412	15,513	43,661	1,977,586
Depreciation				
At 1 September 2018	113,605	12,950	22,804	149,359
Charge for the Year	22,506	480	7,256	30,242
At 31 August 2019	136,111	13,430	30,060	179,601
Net book value				
At 31 August 2019	1,782,301	2,083	13,601	1,797,985
At 31 August 2018	1,668,823	683	12,376	1,681,882

The school has occupied its current site in Bottesford, comprising land and buildings, since it was constructed in 1978. The site was owned in its entirety by Leicestershire County Council (LCC). When the school converted to Academy status in 2012, ownership of part of the site, comprising the buildings in existence at that time, were transferred to The Church of England Parish of Bottesford. The school continue to occupy the site and, since conversion to an Academy, occupy those buildings now owned by the Parish of Bottesford, under a rent free licence with a 2 year notice period.

In relation to the land comprising the playgrounds and the playing field as well as the buildings constructed since 2012 (currently occupied by Chestnut and Sycamore classes) there is a 125 year lease in place between the school and LCC dated 1 November 2012.

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15. Debtors

	2019 £	2018 £
Due within one year		
VAT recoverable	34,890	26,706
Prepayments and accrued income	30,685	35,144
	<u>65,575</u>	<u>61,850</u>

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	93,451	26,058
Other taxation and social security	13,417	13,435
Other creditors	15,548	14,938
Accruals and deferred income	57,296	81,361
	<u>179,712</u>	<u>135,792</u>

	2019 £	2018 £
Deferred income at 1 September 2018	26,687	32,486
Resources deferred during the Year	27,085	26,687
Amounts released from previous periods	(26,687)	(32,486)
	<u>27,085</u>	<u>26,687</u>

At the balance sheet date the Academy was holding funds received in advance for Universal Infant Free School Meals for the year 2019/20 of £23,963 and additional deferred catering income of £3,122.

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17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	67,079	98,754	(83,909)	(26,122)	-	55,802
Restricted general funds						
General Annual Grant	41,928	980,310	(945,489)	-	-	76,749
Pupil Premium	-	34,075	(34,075)	-	-	-
Other Dfe/ESFA Grants	49,637	72,912	(60,117)	-	-	62,432
Other income	30,537	31,089	(20,505)	-	-	41,121
School fund reserve	1,431	2,782	(2,335)	-	-	1,878
SEN 1-1 Funding	566	18,525	(19,091)	-	-	-
Pension reserve	(333,000)	-	(58,000)	-	(173,000)	(564,000)
	<u>(208,901)</u>	<u>1,139,693</u>	<u>(1,139,612)</u>	<u>-</u>	<u>(173,000)</u>	<u>(381,820)</u>
Restricted fixed asset funds						
Dfe/ESFA Capital grants	186,017	95,623	(6,186)	-	-	275,454
Capital expenditure from GAG	2,296	-	(2,021)	-	-	275
Capital expenditure from other income	1,522,231	-	(22,035)	26,122	-	1,526,318
	<u>1,710,544</u>	<u>95,623</u>	<u>(30,242)</u>	<u>26,122</u>	<u>-</u>	<u>1,802,047</u>
Total Restricted funds	<u>1,501,643</u>	<u>1,235,316</u>	<u>(1,169,854)</u>	<u>26,122</u>	<u>(173,000)</u>	<u>1,420,227</u>
Total funds	<u>1,568,722</u>	<u>1,334,070</u>	<u>(1,253,763)</u>	<u>-</u>	<u>(173,000)</u>	<u>1,476,029</u>

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

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

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

Other DFE / ESFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £58,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £173,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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

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17. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds					
General Funds - all funds	62,041	51,662	(45,607)	(1,017)	67,079
Restricted general funds					
General Annual Grant	44,213	945,272	(947,557)	-	41,928
Pupil Premium	-	30,478	(30,478)	-	-
Other Dfe/ESFA Grants	38,718	67,719	(56,800)	-	49,637
Other income	8,915	54,278	(32,656)	-	30,537
School fund reserve	1,510	2,886	(2,965)	-	1,431
SEN 1-1 Funding	-	19,158	(18,592)	-	566
Pension reserve	(393,000)	-	(52,000)	112,000	(333,000)
	(299,644)	1,119,791	(1,141,048)	112,000	(208,901)
Restricted fixed asset funds					
Dfe/ESFA Capital grants	6,406	181,336	(1,725)	-	186,017
Capital expenditure from GAG	6,905	-	(4,609)	-	2,296
Capital expenditure from other income	1,544,617	-	(23,403)	1,017	1,522,231
LAIS Risk Management Fund	93	-	(93)	-	-
	1,558,021	181,336	(29,830)	1,017	1,710,544
Total Restricted funds	1,258,377	1,301,127	(1,170,878)	113,017	1,501,643
Total funds	1,320,418	1,352,789	(1,216,485)	112,000	1,568,722

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	1,797,985	1,797,985
Current assets	58,924	358,770	4,062	421,756
Creditors due within one year	(3,122)	(176,590)	-	(179,712)
Provisions for liabilities and charges	-	(564,000)	-	(564,000)
Total	55,802	(381,820)	1,802,047	1,476,029

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	1,681,882	1,681,882
Current assets	68,274	258,696	28,662	355,632
Creditors due within one year	(1,195)	(134,597)	-	(135,792)
Provisions for liabilities and charges	-	(333,000)	-	(333,000)
Total	67,079	(208,901)	1,710,544	1,568,722

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19. Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	80,307	136,304
Adjustments for:		
Depreciation	30,242	29,830
Capital grants from DfE and other capital income	(95,623)	(181,336)
Interest receivable	(167)	(164)
Defined benefit pension scheme cost less contributions payable	48,000	42,000
Defined benefit pension scheme finance cost	10,000	10,000
Increase in debtors	(3,725)	(41,783)
Increase in creditors	43,920	34,613
Net cash provided by operating activities	112,954	29,464

20. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	167	164
Purchase of tangible fixed assets	(146,345)	(158,842)
Capital grants from DfE Group	95,623	181,336
Net cash (used in)/provided by investing activities	(50,555)	22,658

21. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank	356,181	293,782
Total cash and cash equivalents	356,181	293,782

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22. Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

(a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

23. Pension commitments

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

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

Contributions amounting to £15,249 were payable to the schemes at 31 August 2019 (2018 - £14,361) and are included within creditors.

Teachers' Pension Scheme

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

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

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the Year amounted to £78,969 (2018 - £78,138).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the Year ended 31 August 2019 was £59,000 (2018 - £56,000), of which employer's contributions totalled £48,000 (2018 - £45,000) and employees' contributions totalled £11,000 (2018 - £11,000). The agreed contribution rates for future years are 24.39 per cent for employers and 5.5 - 6.5 per cent for employees.

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

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23. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.30	3.30
Discount rate for scheme liabilities	1.90	2.80
Inflation assumption (CPI)	2.30	2.30

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.2	22.1
Females	23.4	24.3
<i>Retiring in 20 years</i>		
Males	22.2	23.8
Females	24.7	26.2

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate -0.1%	34	25
CPI rate +0.1%	26	18
Salary Increase Rate +0.1%	7	6

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	401,000	368,000
Corporate bonds	214,000	161,000
Property	55,000	53,000
Cash and other liquid assets	21,000	12,000
Total market value of assets	691,000	594,000

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23. Pension commitments (continued)

The actual return on scheme assets was £40,000 (2018 - £25,000).

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

	2019 £	2018 £
Current service cost	(78,000)	(87,000)
Past service cost	(18,000)	-
Interest income	17,000	14,000
Interest cost	(27,000)	(24,000)
Total amount recognised in the Statement of financial activities	(106,000)	(97,000)

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

	2019 £	2018 £
At 1 September	927,000	907,000
Current service cost	78,000	87,000
Interest cost	27,000	24,000
Employee contributions	11,000	11,000
Actuarial losses/(gains)	196,000	(101,000)
Benefits paid	(2,000)	(1,000)
Past service costs	18,000	-
At 31 August	1,255,000	927,000

Past service costs of £18,000 have arisen as a direct result of the McCloud judgement.

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

	2019 £	2018 £
At 1 September	594,000	514,000
Interest income	17,000	14,000
Actuarial gains	23,000	11,000
Employer contributions	48,000	45,000
Employee contributions	11,000	11,000
Benefits paid	(2,000)	(1,000)
At 31 August	691,000	594,000

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24. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	868	783
Later than 1 year and not later than 5 years	1,519	-
	<u>2,387</u>	<u>783</u>

25. Members' liability

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

26. Related party transactions

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

There were no related party transactions entered into by the academy trust during the year.