

Registration number: 07342848

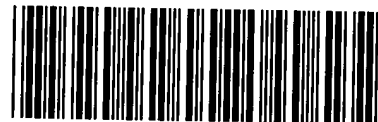
# St Buryan Academy Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2016

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# **St Buryan Academy Primary School**

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## **St Buryan Academy Primary School**

### **Reference and Administrative Details**

<b>Members</b>	A M George P M Hersant D M Hardy Rev. A H Burlton J M Piper
<b>Governors and Trustees (Directors)</b>	A M George (Chair) P M Hersant (Vice Chair) D M Hardy Rev. A H Burlton J M Piper M N Murrish B J Thomas (resigned 31 March 2016) S Reid (Chief Financial Officer) A Semmens
<b>Governors</b>	J Pascoe O Connell (resigned 31 January 2016) L J Sullivan (resigned 21 July 2016) J McDonald (appointed 31 January 2016)
<b>Principal</b>	J Pascoe
<b>Senior Management Team</b>	J Pascoe, Principal (Accounting Officer) T Care, Clerk to the Governors
<b>Principal and Registered Office</b>	Rectory Road St Buryan Penzance Cornwall TR18 6BB
<b>Company Registration Number</b>	07342848
<b>Auditors</b>	Walker Moyle Ltd Alverton Pavilion Trewithen Road Penzance Cornwall TR18 4LS

## **St Buryan Academy Primary School**

### **Reference and Administrative Details (continued)**

#### **Bankers**

NatWest Bank  
Penzance Branch  
31 Alverton Street  
Penzance  
Cornwall  
TR18 2QQ

# **St Buryan Academy Primary School**

## **Trustees' Report for the Year Ended 31 August 2016**

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

Administrative details set out on Page 1 form part of this report.

### **Structure, governance and management**

#### ***Constitution***

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The broad object of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The company registration number is 07342848. The charitable company is known as St Buryan Academy Primary School.

The governors act, except as noted on page 1, as the trustees for the charitable activities of St Buryan Academy Primary School and are also the directors of the charitable company for the purposes of company law. The governors employed by the company are not trustees or directors.

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

#### ***Members' liability***

Each member of the charitable company undertakes to contribute to the assets of the 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.

#### ***Trustees' indemnities***

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

## **St Buryan Academy Primary School**

### **Trustees' Report for the Year Ended 31 August 2016 (continued)**

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

The first governors are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Other governors are appointed as follows:

- a) By members – The members may appoint up to 10 governors, save that there shall be no more than three employees of the academy trust (including the Principal).
- b) Local Authority – The Local Authority may appoint the Local Authority Governor.
- c) Ex-Officio Governor – Shall be the Principal.
- d) By parents – The parent governors shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when elected.
- e) Governing body - Can appoint parent governors if the number of parents standing for election is less than the number of vacancies.
- f) The Governors – The governors may appoint up to 3 co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the academy trust would exceed 3 (including the Principal).
- g) The Secretary of State – May appoint Additional Governors in the following circumstances:
  - i. If the governors have received a warning notice and the governors have failed to comply with the notice.
  - ii. Where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by St. Buryan Academy Primary School shall be regarded as the grade received by the academy.
  - iii. The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors, any governors appointed under Article 50 of the Memorandum and Articles of Association and holding office immediately preceding the appointment of such governors, shall resign immediately and the Members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

The term of office for any governor except the Principal shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

#### ***Policies and procedures adopted for the induction and training of Trustees***

All governors are related to the academy in some way and are therefore familiar with the academy. All governors have the opportunity to go on training courses and receive guidance and training from existing governors.

## **St Buryan Academy Primary School**

### **Trustees' Report for the Year Ended 31 August 2016 (continued)**

#### ***Organisational structure***

The decisions relating to the running of the school are made by the Board of Governors, who meet on a regular basis. Academy policies and recommendations for future action can be put to the Board of Governors by any governor, although the majority of the recommendations are by the three governors employed by the academy. The day to day running of the academy is delegated to the Principal. The Clerk to the Governors, who is also the Academy Secretary, supports the Principal in the day to day management of the academy.

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

The process for paying the executive headteacher is linked to HT Performance Management outcomes.

#### ***Risk management***

The governors have assessed the major risks to which the Academy is exposed, in particular relating to the Academy's system of internal control. This incorporates risk management and encompasses a number of elements that together facilitate an effective and efficient operation. This enables the Academy to respond to a variety of operational, financial and commercial risks.

#### ***Related Parties and other Connected Charities and Organisations***

All of the governors are related parties of the academy. Full details of related party transactions are included at Note 22 to the accounts.

#### ***Objectives and activities***

##### ***Objects and aims***

The object of the academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The academy's mission statement is 'Believe, Imagine, Aspire'.

The academy's aims are:

**HIGH STANDARDS:** Our whole school community strives for our best in all aspects of school life.

**ENJOYMENT in LEARNING:** Our school was one of the first schools nationally to recognise the importance of a creative curriculum to ensure enjoyment in the learning process. We believe that school should be fun and exciting for everyone in order for our children to understand how they learn and to develop a love for lifelong learning.

**RESPECT:** We encourage respect for everyone, regardless of who they are or what they have. We respect the environment as a source of life and inspiration.

At St. Buryan Academy we believe in making children's learning relevant and do all we can to link our learning to the world around us.

## **St Buryan Academy Primary School**

### **Trustees' Report for the Year Ended 31 August 2016 (continued)**

#### ***Objectives, strategies and activities***

Focus: Raise Attainment and Progress in Mathematics throughout the school

Now that the MAPPIX Assessment system has been introduced and embedded into our whole school, the assessment system will be used to assist in raising performance within the area of maths by:

- Teaching staff to easily make informed judgements when assessing maths which contribute to on-going formative assessment of pupil performance for every child

#### **Progression for Pupils**

With its pupil friendly targets and a unique method of self-assessment that allows even our youngest children to engage with their learning and record their successes, MAPPIX will be used to give greater impact to the marking process which will, in turn, be used to inform future planning. The system makes it easy to identify gaps in knowledge or track pupils' strengths. Rather than waiting for the results of half termly tests MAPPIX will be used to access information that can be used for immediate intervention for lasting success.

#### **Definitive Data for Leaders**

Accurate, detailed analysis of whole-school performance is available instantly. Key staff, responsible for monitoring performance and progress in Maths will monitor pupil progress in every class and generate unambiguous summaries which can be filtered to view the outcomes of different groups. Indicators such as Pupil Premium, SEND, ethnicity, will be selected in order to compare achievement with expectation. This immediate, interactive data will be interrogated to help identify gaps and plan interventions within Maths to improve performance throughout the school.

#### **Hegarty Maths**

This online diagnostic tool has been introduced within Key Stage 2 to provide additional opportunities for children to engage with all aspects of Maths, but to help in particular in the consolidation of new skills and to identify gaps in knowledge and to then provide a variety of learning opportunities to address these issues within a personalised learning programme.

#### **Monitoring Impact**

The Headteacher will conduct weekly observations in the teaching of Maths in each class. Formative recording will monitor the progress learners make within these Maths sessions and these findings will be correlated using Mappix to evidence and triangulate this academic year's principal objective.

#### ***Public benefit***

The academy benefits the public by being open to all children with no fees being charged for admittance to the school. The academy is also an important central part of the local community.

The Trustees have complied with the duty in Section 17 of the 2011 Charities Act to have due regard to the public benefit guidance published by the Charity Commission.



## St Buryan Academy Primary School

### Trustees' Report for the Year Ended 31 August 2016 (continued)

#### Strategic Report

##### Achievements and performance

Our children performed better in both the KS1 (Reading and Maths) and KS2 (Reading and Writing) tests than the average school.

Our school improvement plan recognises the need to raise our school's performance, both in the overall attainment of our children, and more importantly in the progress made by all our pupils. Our focus is to ensure that everyone achieves the best that they can; therefore, whatever results are seen at the school level, it is the progress made by the individual child that is central to our drive for improvement.

##### Early Year Foundation Stage

79% of cohort achieved a 'Good Level of Development'

14% above nationally expected levels

##### Phonic Screening Test

The aim of the Phonics Test is to identify those children who may need further support with their reading. There is now pass or fail and the screening assessment is carried out in a relaxed environment, however, there is an expectation for a certain number of words and sounds to be recognised.

	% Achieving the expected score	Difference from National Average
Year 1	91	+10
National Average	81	+10
Year 2 (retakes)	*	N/A
National Average	91	N/A

\*Due to changes in the pupils on role at St Buryan we have chosen not to publish this data as it would be possible to identify the results of those children who joined our school.

##### Key Stage 1 (Year 2)

		% Reaching Expected Standard	% Working at Greater Depth
Reading	St Buryan Result	83	25
	National Average	74	24
	Difference	+9	+1
Writing	St Buryan Result	42	-
	National Average	65	13
	Difference	(23)	(13)
Mathematics	St Buryan Result	83	-
	National Average	73	18
	Difference	+10	(18)

## St Buryan Academy Primary School

### Trustees' Report for the Year Ended 31 August 2016 (continued)

#### Strategic Report

##### 2016 KS2 (Year 6)

The attainment of our pupils in Reading, Writing and Spelling Punctuation & Grammar were significantly above average; whilst the Maths results are just below that for Cornwall and England. A more detailed breakdown of the results are in the table below:

		% Reaching Expected Standard	% Working at Greater Depth
Reading	St Buryan Result	83	12
	National Average	66	15
	Difference	+16	-3**
Writing	St Buryan Result	82	12
	National Average	74	15
	Difference	+8	-3**
Mathematics	St Buryan Result	65	6
	National Average	70	17
	Difference	(5)	(11)
Combined	St Buryan Result	59	N/A
	National Average	53	N/A
	Difference	(6)	N/A

##### Previous Years results

Prior to 2016 all children took KS2 SATs with the results reported using a series of levels, from 3 to 6, with 4 being the expected result. The results achieved by the pupils of St Buryan Academy showed an upward trend, both in progress and attainment, over the three years in the run up to the changes in structure of the SATs and the revised curriculum.

#### *Key financial performance indicators*

	Unit	2016	2015
General Annual Grant (GAG) received in year to 31 August 2016	£	410,889.00	452,903.00
General Annual Grant (GAG) carried forward at 31 August 2016	£	-	-
Level of unrestricted reserves carried forward at 31 August 2016	£	150,139.00	136,038.00

#### *Going concern*

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

## **St Buryan Academy Primary School**

### **Trustees' Report for the Year Ended 31 August 2016 (continued)**

#### **Strategic Report**

##### **Financial review**

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust is the Department for Education.

The Academy also receives funding from the Local Authority (Cornwall Council) including nursery funding for 3/4 year olds.

The Academy Trust held fund balances at 31 August 2016 of £750,811 comprising £728,672 of restricted funds, £150,139 of unrestricted funds and a pension reserve deficit of £128,000.

Factors likely to affect the financial performance and position of the academy include:

- Drop in number on roll- at present our NOR (number on roll) is 96 (Autumn Census 2016) but is likely to drop again in academic year 2016-17 due to a large cohort transitioning to a secondary situation (17) being replaced by a much smaller group of children entering the school at Reception (9). The difference in numbers (-8) will impact on next year's budget; balances are likely to be provided by succession planning strategies.

##### ***Financial and risk management objectives and policies***

In respect of bank balances the liquidity risk is managed by a continual review of the balance and the forecast expenditure compared to actual expenditure to ensure that the account never goes overdrawn and that all liabilities are met.

Other debtors mainly consist of grants due but not yet paid. Due to their nature and recognition when the income is almost certain, the risk is minimal.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

##### ***Reserves Policy***

St Buryan Academy Primary School (SBA) has established a reserves policy to protect its activities by providing a financial comfort zone against an unpredictable environment and to make sufficient provision for future cash flow requirements and capital procurement. The policy also provides the framework for future strategic planning and decision-making. The development of an effective reserves policy will restrict the impact of any risk upon the continuing operations of SBA.

The reserves policy and the establishment of ranges is based upon an annual risk assessment of the internal and external operating environment, as well as having a due regard for the nature of activities under taken by SBA for its beneficiaries.

## **St Buryan Academy Primary School**

### **Trustees' Report for the Year Ended 31 August 2016 (continued)**

#### **Strategic Report**

##### **Types of Reserves**

###### **Unrestricted Reserves**

Unrestricted Reserves (including Designated Reserves) are derived from income funds, grants or donations that can be spent at the discretion of the directors and governors in furtherance of any of the SBA's objectives.

If part of an unrestricted income fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the directors' and governors' discretion to spend the fund. Unrestricted Reserves will be achieved through operational efficiencies and any trading activities undertaken by the SBA.

Unrestricted Reserves are generally defined as funds held after excluding:

Endowment funds (permanent & expendable); Restricted funds; and  
Funds that can only be generated on the sale of fixed assets used for charitable purposes.

###### **Restricted Reserves**

Restricted Reserves (including Designated Reserves) may be restricted income funds, grants or donations that are spent at the discretion of the directors and governors in furtherance of some particular aspect(s) of the objects of SBA; or where the nature of expenditure has been defined by the donor; or they may be endowment funds, where the funds or assets are required to be invested or retained for actual use, rather than spent.

Restricted Reserves are only available for expenditure once SBA has met its commitments and other planned expenditure and is in accordance with the limitations outlined in the original funding.

Restricted Reserves also are inclusive of capital items and are defined as Restricted Fixed Asset Reserves. This reserve is specifically held for capital purposes in furtherance of some particular aspect of the objectives of SBA.

All Restricted Reserves will be generated through improved operational efficiencies and effective manpower planning and resourcing in addition to a proactive programme to identify relevant sources of grant funding.

###### **Designated Reserves**

Designated Reserves are reserves that have been set aside at the discretion of the Directors in furtherance of any of SBA's objectives. Where a designation has been identified, the purpose and timing of any expenditure must be explained.

The target range for any Designated Reserve will be determined by the nature of the designation itself; the reserves will be derived from unrestricted and restricted funds where applicable.

###### **Pension Reserve**

The risks surrounding SBA's pension liability have been taken into consideration when calculating the target ranges. The presence of a pension surplus or deficit does not constitute an immediate liability or realisable asset and does not mean that the equivalent amount is already committed or no longer available to SBA.

## **St Buryan Academy Primary School**

### **Trustees' Report for the Year Ended 31 August 2016 (continued)**

#### **Strategic Report**

##### **Management of Reserves**

Reserves held will be reviewed by SBA trustees on an annual basis and an appropriate range of options will be considered which might include releasing the funds into the revenue budget in furtherance of SBA's objectives, assigning funds to appropriate designated reserves as may be determined by SBA, or investing the funds to generate further income to allow expansion of the SBA's work.

The movement of funds to and from the reserves identified (other than movements from restricted to unrestricted) above will be at the discretion of the SBA trustees, or the finance sub-committee where delegated authority has been provided by the Board of Directors, subject to the restrictions which will remain attached to Restricted Funds (Revenue and Capital) and their use.

##### **Policy Review**

This policy will be actively reviewed during the year and changes applied to reflect the nature of the AT's operations, beneficiaries, and operating environment.

The trustees consider the current year end position of total funds carried forward of £750,811 (2015 - £818,683) to be satisfactory. This comprises £714,744 (2015 - £724,691) of restricted fixed asset funds, £13,928 (2015 - £9,954) of restricted general funds, £150,139 (2015 - £136,038) of unrestricted funds, and restricted pension funds in deficit of £128,000 (2015 - deficit of £52,000). Of the unrestricted reserves held by the academy trust, £85,000 (2015 - £nil) have been designated for the new build project.

All restricted reserves relate to income received with conditions regarding expenditure. The pension deficit of £128,000 (31 August 2015 - £52,000) represents the deficit on the Local Government Pension Scheme. The Academy has entered into an agreement with the trustees of the Local Government Pension Scheme to make additional annual contributions of £600 per annum from April 2015 in respect of the deficit.

The level of free, unrestricted reserves held by the academy trust at the 31 August 2016 is £49,539 (31 August 2015 - £136,038).

£70-85,000 of reserves have been ring-fenced for new build; as it has been proposed that this building is used to accommodate 2 year pre-school children (as well as extended school activities, outdoor learning etc.) the school hopes that this initiative will serve to encourage families into the school (who may have chosen a different setting) so that, having become familiar with the school, those children will progress into the main school and thus boost number on roll.

##### ***Investment policy***

The academy retains surplus funds in its bank accounts. The Board of Governors monitor the type of bank accounts held and decide to either close or open additional accounts if necessary.

The governors have the power to invest any funds of the academy not immediately required for the furtherance of its objects, but to invest only after obtaining such advice from a financial expert as the governors consider necessary and having regard to the suitability of investments and the need for diversification.

##### ***Principal risks and uncertainties***

Pension Deficit Figures - each year this issue is considered and advice taken from Cornwall Council. The academy has been advised that, although contributions to this fund are set to slightly increase from April 2017, no further action is necessary or required at this time.

## St Buryan Academy Primary School

### Trustees' Report for the Year Ended 31 August 2016 (continued)

#### Strategic Report

##### *Plans for future periods*

1. Aim- to increase NOR (number on roll) by engaging strategies such as promoting the school through Open Day events to which prospective parents and the local community are invited as well as providing accommodation for 2 year olds to encourage new families to the school.
2. Plan for Replacement of ICT equipment- the academy greatly benefits from the use of iPads. These are likely to become outdated within the next 2-3 years and plans are in place for the gradual introduction of additional units which will eventually replace the older versions.

##### **Auditor**

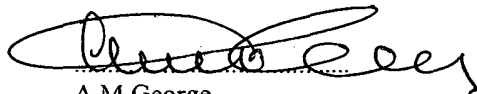
In so far as the Trustees are aware:

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

##### *Reappointment of auditor*

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Walker Moyle Ltd as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, was approved by order of the members of the Board on 30.11.16 and signed on its behalf by:



A M George  
Governor and trustee

# **St Buryan Academy Primary School**

## **Governance Statement**

### **Scope of responsibility**

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

The Governing Body has delegated the day-to-day responsibility to J Pascoe, Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Buryan Academy Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A M George	6	6
P M Hersant	5	6
J M Piper	5	6
D M Hardy	6	6
B J Thomas	2	5
M N Murrish	5	6
Rev. A H Burlton	5	6
L J Sullivan	5	6
O Connell	3	4
J Pascoe	6	6
S Reid	5	6
A Semmens	6	6
J McDonald	3	3

## St Buryan Academy Primary School

### Governance Statement (continued)

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to manage and direct the Academy's finances and specialist issues. However, all financial reviews and decisions are made at the full governors' meetings. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
J Pascoe	3	3
P M Hersant	3	3
M N Murrish	3	3
S Reid	2	3
A M George	2	3
A Semmens	1	3
J M Piper	0	3

#### Review of Value for Money

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

- employing a specialist sports coach as a TA to cover PPA which represents a substantial saving when compared to teacher costs.
- St Buryan Academy is a member of the Applied Minds group of schools; as a member we have negotiated the purchase of 28 reconditioned iPads which represents a substantial saving when compared to buying new.
- the academy had, in previous years, identified the rising costs of coach travel; as our school believes strongly in the advantages of promoting learning by getting children out and about in real life situations, this was becoming an ever increasing problem. This, coupled with the fact that our youngest drivers, holding non-D1 driving licenses, were unable to drive our 17 seater minibus, resulted in several strategies being considered. Having carefully scrutinised the potential costs involved, it was decided to invest in an additional minibus which could be driven by younger drivers. This decision proved problematic itself as this type of minibus was difficult to source as so many other schools were pursuing the same objective but a 12 seater bus was purchased this year, meaning that a whole class can now be transported without the need to hire a coach.



## **St Buryan Academy Primary School**

### **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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Buryan Academy Primary School for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

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

#### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Responsible Officer 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 Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed S Reid to perform peer review

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

- testing of bank reconciliations
- review of management accounts
- review of the annual budget

The trustee in this role of reviewer then reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the reviewer to date.

## St Buryan Academy Primary School

### Governance Statement (continued)

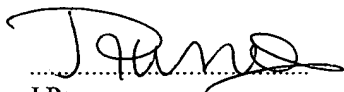
#### Review of effectiveness

As Accounting Officer, J Pascoe, Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been performed by:

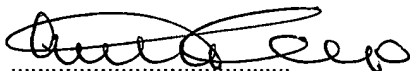
- the work of the peer reviewer;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 30.11.16 and signed on its behalf by:



J Pascoe  
Principal  
Accounting officer



A M George  
Governor and trustee

## St Buryan Academy Primary School

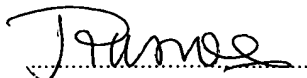
### Statement on Regularity, Propriety and Compliance

As Accounting Officer of St Buryan Academy Primary School I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Trust Governing Body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and the EFA. If any instances are identified after the date of this statement, these will be notified to the Governing Body and EFA:

- A minibus was purchased from a connected party during the year. Although value for money was considered and various quotes obtained before the purchase was made, the 'at cost' requirement applying to contracts for goods and services from a connected party was not documented at the time of the purchase. A statement of assurance from the connected party has since been received confirming that the price paid for the minibus did not exceed the cost to the party.



J Pascoe, Accounting Officer

30.11.16.....

Date

## St Buryan Academy Primary School

### Statement of Trustees' Responsibilities

The Trustees (who are 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 Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

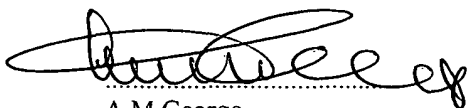
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 30.11.16 and signed on its behalf by:



A M George  
Governor and trustee

## **St Buryan Academy Primary School**

### **Independent Auditor's Report on the Financial Statements to the Members of St Buryan Academy Primary School**

We have audited the financial statements of St Buryan Academy Primary School for the year ended 31 August 2016, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

#### **Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 18), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

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

#### **Opinion on the financial statements**

In our opinion the financial statements:

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

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

## **St Buryan Academy Primary School**

### **Independent Auditor's Report on the Financial Statements to the Members of St Buryan Academy Primary School (continued)**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take account of the small companies exemption in preparing the Trustees' Annual Report.

.....  
Paula Thomas BA FCA DChA (Senior Statutory Auditor)  
For and on behalf of Walker Moyle Ltd, Statutory Auditor

Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

7 December 2016

## **St Buryan Academy Primary School**

### **Independent Reporting Accountant's Report on Regularity to St Buryan Academy Primary School and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 2 November 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Buryan Academy Primary School during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of St Buryan Academy Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Buryan Academy Primary School's funding agreement with the Secretary of State for Education dated 28 July 2010 and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. 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 from 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing internal controls and testing a sample to ensure they are being correctly implemented
- reviewing the minutes of meetings of the trustees and of the finance and general purpose committee
- reviewing a sample of expenditure incurred during the year and confirming it was in accordance with the academy's framework and accounting objectives.

## **St Buryan Academy Primary School**

### **Independent Reporting Accountant's Report on Regularity to St Buryan Academy Primary School and the Education Funding Agency (continued)**

#### **Conclusion**

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

- A minibus was purchased from a connected party during the year. Although value for money was considered and various quotes obtained before the purchase was made, the 'at cost' requirement applying to contracts for goods and services from a connected party was not documented at the time of the purchase. A statement of assurance from the connected party has since been received confirming that the price paid for the minibus did not exceed the cost to the party.

.....  
Paula Thomas BA FCA DChA  
For and on behalf of Walker Moyle Ltd, Chartered Accountants

Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

7 December 2016



# St Buryan Academy Primary School

## Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
<b>Income and endowments from:</b>					
Donations and capital grants	2	19,566	1,480	6,810	27,856
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	5,643	492,084	-	497,727
Other trading activities	4	14,870	-	-	14,870
Total		40,079	493,564	6,810	540,453
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	25,833	498,590	16,902	541,325
Net income/(expenditure)		14,246	(5,026)	(10,092)	(872)
Transfers between funds		(145)	-	145	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension scheme	21	-	(67,000)	-	(67,000)
Net movement in funds/(deficit)		14,101	(72,026)	(9,947)	(67,872)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2015		136,038	(42,046)	724,691	818,683
Total funds/(deficit) carried forward at 31 August 2016		150,139	(114,072)	714,744	750,811

# St Buryan Academy Primary School

## Statement of Financial Activities for the Year Ended 31 August 2015 (including Income and Expenditure Account)

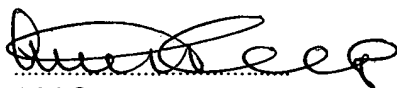
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £
<b>Income and endowments from:</b>					
Donations and capital grants	2	16,996	252	10,071	27,319
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	4,500	548,846	-	553,346
Other trading activities	4	11,628	-	-	11,628
Total		33,124	549,098	10,071	592,293
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	504	545,825	17,159	563,488
Net income/(expenditure)		32,620	3,273	(7,088)	28,805
Transfers between funds		(39,528)	(46,155)	85,683	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension scheme	21	-	1,000	-	1,000
Net movement in (deficit)/funds		(6,908)	(41,882)	78,595	29,805
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2014		142,946	(164)	646,096	788,878
Total funds/(deficit) carried forward at 31 August 2015		136,038	(42,046)	724,691	818,683

# St Buryan Academy Primary School

(Registration number: 07342848)  
Balance Sheet as at 31 August 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	10	727,226	724,691
<b>Current assets</b>			
Stocks	11	610	550
Debtors	12	16,739	9,543
Cash at bank and in hand		<u>157,638</u>	<u>163,963</u>
		174,987	174,056
Creditors: Amounts falling due within one year	13	<u>(23,402)</u>	<u>(28,064)</u>
Net current assets		<u>151,585</u>	<u>145,992</u>
Total assets less current liabilities		<u>878,811</u>	<u>870,683</u>
Net assets excluding pension liability		878,811	870,683
Pension scheme liability	21	<u>(128,000)</u>	<u>(52,000)</u>
Net assets including pension liability		<u><u>750,811</u></u>	<u><u>818,683</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		13,928	9,954
Restricted fixed asset fund		714,744	724,691
Restricted pension fund		<u>(128,000)</u>	<u>(52,000)</u>
		<u>600,672</u>	<u>682,645</u>
<b>Unrestricted funds</b>			
Unrestricted general fund		65,139	136,038
Unrestricted designated fund		<u>85,000</u>	<u>-</u>
		<u>150,139</u>	<u>136,038</u>
Total funds		<u><u>750,811</u></u>	<u><u>818,683</u></u>

The financial statements on pages 23 to 47 were approved by the Trustees, and authorised for issue on 30.11.16 and signed on their behalf by:



A M George  
Governor and trustee

# **St Buryan Academy Primary School**

## **Statement of Cash Flows for the Year Ended 31 August 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	17	13,132	33,132
Cash flows from investing activities	18	<u>(19,457)</u>	<u>(92,984)</u>
Change in cash and cash equivalents in the year		(6,325)	(59,852)
Cash and cash equivalents at 1 September		<u>163,963</u>	<u>223,815</u>
Cash and cash equivalents at 31 August	19	<u><u>157,638</u></u>	<u><u>163,963</u></u>

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016**

### **1 Accounting policies**

#### **Statement of accounting policies**

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

#### **Basis of preparation**

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

St Buryan Academy Primary School meets the definition of a public benefit entity under FRS 102.

#### **Going concern**

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

#### **Income**

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably. The income is derived from the Ordinary Activities and is stated after trade discounts, other sales taxes and net of VAT (if charged).

#### **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.

The General Annual Grant (GAG) is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Any unspent amount is reflected as a balance in the restricted general fund.

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

## **St Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

#### **1 Accounting policies (continued)**

##### ***Donations***

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

##### ***Other income***

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

##### ***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.

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

##### ***Charitable activities***

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

##### ***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 economical 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, at rates calculated to write off the cost of each asset over its expected useful life, per the table below.

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.

## St Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

#### 1 Accounting policies (continued)

##### Asset class

Freehold buildings

Fixtures, fittings and equipment

ICT equipment

Motor vehicles

##### Depreciation method and rate

Equally over 50 years

Equally over 10 years

Equally over 3 years

On a reducing balance basis at 25% per year

##### Liabilities

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

##### Provisions

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

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

##### Leased assets

Rentals under operating leases are charged equally over the term of lease.

##### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

##### Taxation

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

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

## **St Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

#### **1 Accounting policies (continued)**

##### **Pension benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 21, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

##### **Fund accounting**

Incoming resources and resources expended are allocated to the appropriate fund. Any transfers between funds are done at the year end to subsidise any funds in deficit. All restricted balances are retained where there is agreement with the fund provider to do so.

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

Restricted asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and other 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 Education Funding Agency.

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

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



# St Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

### 1 Accounting policies (continued)

#### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
School trips and swimming income	16,928	-	-	16,928	9,572
Capital grants	-	-	5,130	5,130	10,071
Other donations	2,638	1,480	1,680	5,798	7,676
	<u>19,566</u>	<u>1,480</u>	<u>6,810</u>	<u>27,856</u>	<u>27,319</u>

# St Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

### 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	410,888	410,888	452,903
Other DfE/EFA Grants	-	8,420	8,420	8,455
Pupil Premium	-	21,048	21,048	26,058
Universal Infant Free School Meals	-	15,192	15,192	20,278
	<u>-</u>	<u>455,548</u>	<u>455,548</u>	<u>507,694</u>
<b>Other government grants</b>				
Local authority grants	-	20,266	20,266	25,474
<b>Non-government grants and other income</b>				
Insurance settlement	5,643	-	5,643	4,500
Catering income	<u>-</u>	<u>16,270</u>	<u>16,270</u>	<u>15,679</u>
	<u>5,643</u>	<u>16,270</u>	<u>21,913</u>	<u>20,179</u>
<b>Total grants</b>	<u><u>5,643</u></u>	<u><u>492,084</u></u>	<u><u>497,727</u></u>	<u><u>553,347</u></u>

# St Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

### 4 Other trading activities

	Unrestricted funds £	Total 2016 £	Total 2015 £
After School Club and Music Tuition	14,392	14,392	11,078
Uniforms	197	197	187
Other	281	281	363
	<u>14,870</u>	<u>14,870</u>	<u>11,628</u>

### 5 Expenditure

	Staff costs £	Premises £	Other costs £	Total 2016 £	Total 2015 £
<b>Academy's educational operations</b>					
Direct costs	330,372	-	44,410	374,782	394,140
Allocated support costs	<u>73,436</u>	<u>54,204</u>	<u>38,903</u>	<u>166,543</u>	<u>169,348</u>
	<u>403,808</u>	<u>54,204</u>	<u>83,313</u>	<u>541,325</u>	<u>563,488</u>

### Net incoming/outgoing resources for the year include:

	2016 £	2015 £
Fees payable to auditor		
- audit	4,500	3,400
- non audit services	1,818	1,773
Depreciation	22,054	17,159
Operating lease rentals	<u>1,052</u>	<u>1,052</u>

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the trust	113	-	Various small gifts to staff leavers/volunteers

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

### **6 Charitable activities**

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	330,372	339,077
Educational supplies	23,497	23,358
Staff development	1,330	1,963
ICT costs	8,825	16,070
After school club	214	606
Music tuition	1,320	2,875
Other direct costs	224	1,191
Pension (Income)/Cost	9,000	9,000
	<u>374,782</u>	<u>394,140</u>
<b>Allocated support costs</b>		
Support staff costs	73,436	73,592
Depreciation	22,052	17,159
Recruitment and support	192	114
Maintenance of premises and equipment	15,066	6,638
Cleaning	2,419	3,320
Rent, rates and utilities	4,076	3,876
Heating and Lighting	3,384	3,204
Insurance	3,359	7,198
Security and transport	1,461	1,690
Office expenses, including telephone, printing and photocopying	7,233	13,670
Catering	13,689	16,156
Other support costs	7,593	11,214
Professional fees	470	460
Governance costs	12,113	11,057
	<u>166,543</u>	<u>169,348</u>
	<u><u>541,325</u></u>	<u><u>563,488</u></u>

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

### **6 Charitable activities (continued)**

	<b>Educational operations £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<b>Analysis of support costs</b>			
Support staff costs	73,436	73,436	73,592
Depreciation	22,052	22,052	17,159
Premises costs	32,153	32,153	34,702
Other support costs	26,789	26,789	32,838
Governance costs	12,113	12,113	11,057
<b>Total support costs</b>	<u>166,543</u>	<u>166,543</u>	<u>169,348</u>

### **7 Staff**

	<b>2016 £</b>	<b>2015 £</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	329,544	343,231
Social security costs	17,216	16,558
Pension costs	56,750	50,552
Supply teacher costs	6,093	8,212
	<u>409,603</u>	<u>418,553</u>

### **Staff numbers**

The average number of persons (including senior management team) employed by the Academy during the year was as follows:

	<b>2016 No</b>	<b>2015 No</b>
Teachers	9	9
Administration and support	14	16
	<u>23</u>	<u>25</u>

No staff received remuneration of £60,000 or over (excluding pension contributions) during the current or previous year.

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £96,830 (2013: £94,848).

## **St Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

#### **8 Related party transactions - trustees' remuneration and expenses**

One or more of trustees has been paid remuneration or has received other benefits from an employment with the academy trust. 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 and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy in respect of their role as trustees.

The value of trustees' remuneration was as follows:

J Pascoe (Principal):

Remuneration: £55,000 - £60,000 (2015 - £55,000 - £60,000)

Employer's pension contributions: £5,000 - £10,000 (2015 - £5,000 - £10,000)

O Connell (Staff Governor):

Remuneration: £5,000 - £10,000 (2015 - £20,000 - £25,000)

Employer's pension contributions: £0 - £5,000 (2015 - £0 - £5,000)

L J Sullivan (Staff Governor):

Remuneration: £0 - £5,000 (2015 - £5,000 - £10,000)

Employer's pension contributions: £Nil (2015 - £Nil)

J McDonald (Staff Governor):

Remuneration: £15,000 - £20,000 (2015 - £Nil)

Employer's pension contributions: £0 - £5,000 (2015 - £Nil)

Both O Connell and L Sullivan resigned as governors during the year. The remuneration and pension contributions shown above in respect of services provided as staff are for the periods that they were acting as governors only.

J McDonald was appointed as a governor during the year, again the remuneration and pension contributions detailed above are for the part of the year where he acted as governor.

No trustee expenses have been incurred during the year.

Other related party transactions involving the trustees are set out in note 22.

#### **9 Trustees' and officers' insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £224 (2015 - £253).

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

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

### **10 Tangible fixed assets**

	Freehold land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2015	718,359	55,868	6,000	33,118	813,345
Additions	<u>2,013</u>	<u>394</u>	<u>20,500</u>	<u>1,680</u>	<u>24,587</u>
At 31 August 2016	<u>720,372</u>	<u>56,262</u>	<u>26,500</u>	<u>34,798</u>	<u>837,932</u>
<b>Depreciation</b>					
At 1 September 2015	30,527	23,425	4,577	30,125	88,654
Charge for the year	<u>7,893</u>	<u>5,627</u>	<u>5,481</u>	<u>3,051</u>	<u>22,052</u>
At 31 August 2016	<u>38,420</u>	<u>29,052</u>	<u>10,058</u>	<u>33,176</u>	<u>110,706</u>
<b>Net book value</b>					
At 31 August 2016	<u>681,952</u>	<u>27,210</u>	<u>16,442</u>	<u>1,622</u>	<u>727,226</u>
At 31 August 2015	<u>687,832</u>	<u>32,443</u>	<u>1,423</u>	<u>2,993</u>	<u>724,691</u>

### **11 Stock**

	2016 £	2015 £
Books and stationery	110	50
Catering	100	100
Clothing	<u>400</u>	<u>400</u>
	<u>610</u>	<u>550</u>

### **12 Debtors**

	2016 £	2015 £
Trade debtors	3,323	3,640
Prepayments	7,668	2,552
VAT recoverable	2,073	3,351
Other debtors	<u>3,675</u>	<u>-</u>
	<u>16,739</u>	<u>9,543</u>

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

### **13 Creditors: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	476	753
PAYE and NIC creditor	-	4,605
Pension scheme creditor	-	6,616
Accruals	15,405	5,505
Deferred income	<u>7,521</u>	<u>10,585</u>
	<u><u>23,402</u></u>	<u><u>28,064</u></u>

	<b>2016</b>
	<b>£</b>
<b>Deferred income</b>	
Deferred income at 1 September 2015	10,585
Resources deferred in the period	7,521
Amounts released from previous periods	<u>(10,585)</u>
Deferred income at 31 August 2016	<u><u>7,521</u></u>

At the balance sheet date the academy trust was holding funds received in advance for free school meals in the autumn term 2016.



# St Buryan Academy Primary School

## Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

### 14 Funds

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General Annual Grant	-	410,889	(410,744)	(145)	-
Pupil Premium	-	21,048	(21,048)	-	-
PE & Sports Grant	-	8,420	(8,420)	-	-
Universal Infant Free School Meals	9,336	15,192	(11,218)	-	13,310
School Development	618	-	-	-	618
3/4 Year Old Nursery Funding	-	19,667	(19,667)	-	-
Catering	-	16,270	(16,270)	-	-
Other grants	-	2,080	(2,080)	-	-
	<u>9,954</u>	<u>493,566</u>	<u>(489,447)</u>	<u>(145)</u>	<u>13,928</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA Capital Grants	29,528	5,130	(2,999)	-	31,659
Transferred to Academy on conversion	580,677	-	(7,207)	-	573,470
From GAG or other funds	100,652	1,680	(6,402)	145	96,075
Big Lottery Grant	9,107	-	(198)	-	8,909
Academies Capital Maintenance	<u>4,727</u>	<u>-</u>	<u>(96)</u>	<u>-</u>	<u>4,631</u>
	724,691	6,810	(16,902)	145	714,744
<b>Restricted pension funds</b>					
Pension reserve	<u>(52,000)</u>	<u>-</u>	<u>(9,000)</u>	<u>(67,000)</u>	<u>(128,000)</u>
Total restricted funds	<u>682,645</u>	<u>500,376</u>	<u>(515,349)</u>	<u>(67,000)</u>	<u>600,672</u>
<b>Unrestricted funds</b>					
Unrestricted general funds	136,038	40,079	(25,978)	(85,000)	65,139
Unrestricted designated funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,000</u>	<u>85,000</u>
Total unrestricted funds	<u>136,038</u>	<u>40,079</u>	<u>(25,978)</u>	<u>-</u>	<u>150,139</u>
Total funds	<u>818,683</u>	<u>540,455</u>	<u>(541,327)</u>	<u>(67,000)</u>	<u>750,811</u>

## St Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

#### 14 Funds (continued)

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

**General Annual Grant** - This is the main source of funding for the academy to fund its educational operations.

**Pupil Premium** - Funding is allocated to schools to close the gap in attainment between children from lower income families and their peer group. Funding received in the year to 31 August 2016 was used to fund breakfast and after school clubs, to subsidise educational visits and provide additional teaching support and mentoring for these pupils.

**The School Development Grant** - This was a balance received relating to unallocated government funds, the unspent balance can be carried forward to be spent in future periods.

Other restricted funds have been received for, and expended on the purposes described.

Restricted Fixed Asset funds have been expended for the purpose described.

**Pension Scheme** - This represents the deficit of the Local Government Pension Scheme. See Note 21 for details. As with most pension schemes this is currently in deficit due to the excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy will follow the recommendations of the actuary to reduce the deficit over a number of years.

A transfer has also been made from restricted funds to the fixed asset fund, due to expenditure on fixed assets from the GAG.

Following the release of the Academies Financial Handbook 2013, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

The designated reserves have been ring fenced by the Governors for the new build project.

#### 15 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	15,600	-	711,626	727,226
Current assets	150,420	21,449	3,118	174,987
Current liabilities	(15,881)	(7,521)	-	(23,402)
Pension scheme liability	-	(128,000)	-	(128,000)
<b>Total net assets</b>	<b>150,139</b>	<b>(114,072)</b>	<b>714,744</b>	<b>750,811</b>

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

### **16 Commitments under operating leases**

#### *Operating leases*

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

	2016 £	2015 £
Within one year	1,052	1,052
Between one and five years	1,578	2,630
	<u>2,630</u>	<u>3,682</u>

### **17 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities**

	2016 £	2015 £
Net (expenditure)/income	(872)	28,805
Depreciation	22,052	17,159
Donated capital and capital grants	(5,130)	(10,071)
Increase in stocks	(60)	-
(Increase)/decrease in debtors	(7,196)	11,991
Decrease in creditors	(4,662)	(23,752)
Pension (Income)/Cost	9,000	9,000
Net cash outflow from operating activities	<u>(13,132)</u>	<u>(33,132)</u>

### **18 Cash flows from investing activities**

	2016 £	2015 £
Purchase of tangible fixed assets	(24,587)	(103,055)
Capital funding received from sponsors and others	5,130	10,071
Net cash used in investing activities	<u>(19,457)</u>	<u>(92,984)</u>

## St Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

#### 19 Analysis of changes in net funds

	At 31 August 2016 £	At 31 August 2015 £
Cash at bank and in hand	157,638	163,963
Total cash and cash equivalents	157,638	163,963

#### 20 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.

#### 21 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall 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 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year. Contributions amounting to £nil (2015 - £(6,616)) were payable to the schemes at 31 August and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

## **St Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

#### **21 Pension and similar obligations (continued)**

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

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%));
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million, giving a notional past service deficit of £14,900 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations;
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £36,303 (2015 - £31,734).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

##### **Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £26,000 (2015 - £24,000), of which employer's contributions totalled £21,000 (2015 - £19,000) and employees' contributions totalled £5,000 (2015 - £5,000). The agreed contribution rates for future years are 22.4 per cent for employers and 5.5 - 8.5 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.

# **St Buryan Academy Primary School**

## **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

### **21 Pension and similar obligations (continued)**

#### **Principal actuarial assumptions**

	<b>At 31 August 2016 %</b>	<b>At 31 August 2015 %</b>
Rate of increase in salaries	4.10	4.60
Rate of increase for pensions in payment/inflation	2.10	2.70
Discount rate for scheme liabilities	2.10	3.80
Commutation of pensions to lump sums	<u>40.00</u>	<u>40.00</u>

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

	<b>At 31 August 2016</b>	<b>At 31 August 2015</b>
<b>Retiring today</b>		
Males retiring today	22	22
Females retiring today	24	24
<b>Retiring in 20 years</b>		
Males retiring in 20 years	24	24
Females retiring in 20 years	<u>27</u>	<u>27</u>

The Academy Trust's share of the assets and liabilities in the scheme were:

	<b>At 31 August 2016 £</b>	<b>At 31 August 2015 £</b>
Equities	88,000	58,000
Other bonds	79,000	70,000
Property	13,000	10,000
Cash	<u>3,000</u>	<u>3,000</u>
Total market value of assets	183,000	141,000
Present value of scheme liabilities - funded	<u>(311,000)</u>	<u>(193,000)</u>
Deficit in the scheme	<u>(128,000)</u>	<u>(52,000)</u>

The actual return on scheme assets was £16,000 (2015 - £4,000).

## St Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

#### 21 Pension and similar obligations (continued)

##### Amounts recognised in the statement of financial activities

	2016 £	2015 £
Current service cost	28,000	27,000
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	69,000	-
Total operating charge	<u>97,000</u>	<u>27,000</u>

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

	2016 £	2015 £
At 1 September	193,000	157,000
Current service cost	28,000	27,000
Interest cost	8,000	6,000
Employee contributions	5,000	5,000
Actuarial losses/(gains)	77,000	(2,000)
At 31 August	<u>311,000</u>	<u>193,000</u>

##### Changes in the fair value of academy's share of scheme assets:

	2016 £	2015 £
At 1 September	141,000	113,000
Expected return on assets	6,000	5,000
Return on plan assets (excluding net interest on the net defined pension liability)	10,000	(1,000)
Employer contributions	21,000	19,000
Employee contributions	5,000	5,000
At 31 August	<u>183,000</u>	<u>141,000</u>

#### 22 Related party transactions

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

During the year the academy made the following related party transactions:

##### **Mrs M Burlton**

(Wife of Rev A H Burlton)

Mrs M Burlton is the wife of Governor Rev A H Burlton and is employed by the academy as a teaching assistant. The total amount paid to Mrs M Burlton during the year was £8,450 (2015: £8,435). At the balance sheet date the amount due to Mrs M Burlton was £Nil (2015 - £Nil).

## **St Buryan Academy Primary School**

### **Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**

#### **22 Related party transactions (continued)**

##### **Trelawny Citroen Limited**

(M N Murrish (governor) is a director and controlling shareholder of the company)

A school minibus was purchased during the year, and further maintenance services were provided throughout the year as required. In the previous year, the company was paid for advertising services to the academy. The total amount paid to the company during the year was £25,669 (2015: £1,056). At the balance sheet date the amount due to Trelawny Citroen Limited was £Nil (2015 - £Nil).

##### **NSN Electrical Ltd**

(Son of L Sullivan is a director and 50% shareholder of the company )

NSN Electrical Ltd supplied electrical repairs services to the academy during the year. The total amount paid to the company was £1,444 (2015: £nil). At the balance sheet date the amount due to NSN Electrical Ltd was £Nil (2015 - £Nil).

##### **Mrs L Reid**

(Wife of S Reid)

Mrs L Reid provided modern language tuition at the academy during the year, The total amount paid to Mrs L Reid during the year was £730 (2015: £nil). At the balance sheet date the amount due to Mrs L Reid was £Nil (2015 - £Nil).

Total amount of donations received without conditions from related parties totalled £200 (2015: £nil).

#### **23 Transition to FRS 102**

##### **First time adoption of FRS 102**

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP FRS 102.

##### **Explanation of transition to FRS 102**

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



## St Buryan Academy Primary School

### Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

#### 23 Transition to FRS 102 (continued)

##### Reconciliation of net income/(expenditure)

	Note	Amount £
Net income/(expenditure) previously reported under UK GAAP		29,805
Change in recognition of LGPS interest cost		<u>(1,000)</u>
Net movement in funds reported under FRS 102		<u>28,805</u>

##### Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £1,000 and increase the credit/debit in other recognised gains and losses in the SOFA by an equivalent amount.