

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



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**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members

Z McCormick (resigned 31 March 2018)
E Roberts (resigned 4 October 2017)
R Musto (resigned 12 April 2018)
P McGuigan (appointed 9 March 2018)
T Gilson (appointed 9 March 2018)
V FitzGerald (appointed 9 March 2018)
J McCarthy (appointed 15 May 2018)

Trustees

J Brown (resigned 9 March 2018)^{1,2}
M Bradley (resigned 9 March 2018)¹
Z McCormick (resigned 31 March 2018)^{1,2}
S Muir (resigned 16 April 2018)²
R Musto (resigned 12 April 2018)²
S Hobbs (resigned 9 March 2018)¹
S Bown (resigned 9 March 2018)²
D Cole (resigned 9 March 2018)^{1,2}
G Jones (resigned 9 March 2018)¹
K Dolton (appointed 24 September 2018)
V FitzGerald (appointed 9 March 2018)
T Gilson (appointed 9 March 2018)
J McCarthy (appointed 15 May 2018)
P McGuigan, Chair (appointed 9 March 2018)

¹ Finance, Staffing and Curriculum Committee

² Premises, Resources and Health & Safety Committee

**Company registered
number**

07977150

Company name

Seven Fields Primary School

Accounting Officer

D Cole

**Senior management
team**

Z McCormick, Headteacher (resigned 31 March 2018)
D Cole, Joint Headteacher (appointed 1 April 2018)
G Jones, Joint Headteacher (appointed 1 April 2018)
S Kershaw, Assistant Headteacher
K Luker, School Business Manager

Independent auditors

Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

Swindon Borough Council
Euclid Street
Swindon
SN1 2JH

Bankers

Lloyds
84-86 Cricklade Road
Gorsehill
Swindon
SN2 8AF

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 2 to 11 in Swindon. It has a pupil capacity of 455 and had a roll of 399 in the school census in May 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Seven Fields Primary School are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Seven Fields Primary School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 they ceased to be a member.

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 6th March 2012 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

In March 2018 new Members were appointed based on a recommendation by the Regional Schools Commissioner and they subsequently appointed themselves to the board to replace existing trustees, who all resigned.

During the year the Members have adopted the latest version of the model Articles for Single Academy Trusts with effect from 23rd August 2018. The Headteacher can choose to act as a Trustee (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees). At this time the Headteacher is not a Trustee.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 7 Trustees who are appointed by the members;
- up to 2 Parent Trustees who are elected by Parents of registered pupils at the Academy.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

The Members anticipate the appointment of at least 3 additional Trustees in the next financial year.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. Since changes to the Board in April 2018, and given the small number of Trustees, committees were not formally reconstituted. Designated Trustees have led work in the following areas: Finance – V FitzGerald and Safeguarding and Premises – P McGuigan.

In the year ahead there will be a return to 2 committees as follows:

- Staffing, Finance & Curriculum Committee - this Committee meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. Once a term it monitors, evaluates and reviews Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. The Committee also ensures that the school undertakes and evaluates its statutory commitments to child safeguarding.
- Premises, Health & Safety & Safeguarding Committee – this Committee meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy performance in relation to health, safety and asset management of the school.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the interim Joint Headteachers and Senior Leadership Team (SLT). The SLT comprises the Joint Headteachers, Assistant Headteacher and the School Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

One of the Joint Headteachers is the Accounting Officer.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees, in the future, plan to benchmark against pay levels in other Academies of a similar size.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Seven Fields Primary School. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on raising the academic attainment of children from low socio-economic backgrounds.

The aims of the Academy during the year ending 31 August 2018 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils;
- to provide a broad and balanced curriculum, including extra curricular activities;
- to develop pupils as more effective learners;
- to maximise the number of pupils who achieve expected plus levels in English and Maths at the end of Year 6/KS2 from their starting points;
- to develop the Academy site so that it enables pupils to achieve their full potential;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to develop the curriculum at Seven Fields Primary School to accommodate some specialist teaching, particularly with an emphasis on raising the academic attainment of children from low socio-economic backgrounds;
- to develop greater coherence, clarity and effectiveness in school systems;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with the local community;
- to develop the Academy's capacity to manage change; and,
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Seven Fields Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Objectives, Strategies and Activities

Key activities and targets were identified in the School Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- continue to embed the developments and staffing changes within the Early Years Foundation Stage to continue its early success in ensuring significant good levels of development in writing and maths;
- review of staffing levels in the light of budgetary pressure;
- further development of the office to support administration and communication;
- continued development of systems for tracking and monitoring pupil attainment under the new assessment procedures;
- range of activities to promote community adhesion and support of other charities activities; and,
- to develop the provision to provide 30 hour schooling for children age 3+ with working parents.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Penhill, Swindon and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of raising the academic attainment of children from low socio-economic backgrounds.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

STRATEGIC REPORT

Achievements and Performance

The Academy is in its sixth year of operation and has maintained its pupil numbers. The Academy has spaces in each year group.

Due to continued parental demand the school continues to provide a pre-school provision governed by the trustees of the academy with 48 spaces for 2 year olds.

The Academy's admission data shows children's attainment is significantly below the national at point of entry. The Foundation Stage Data shows a significant increase in the percentage of children obtaining a good level of development, this has risen from 38% to 66% over the last 3 academic years. This is the impact of the changes that have been made in recruitment and curriculum investment, with targeted action planning supporting further changes.

The Year 6 data shows no gap between pupils receiving pupil premium funding and those that don't.

Progress scores:

- Reading: 13.6
- Writing: +1.4
- Maths: -3.7

SATs scores:

- Reading: 53%
- Maths: 45%
- Writing: 70%
- Grammar, Punctuation & Spelling: 58%
- Science: 83%
- Combined: 35%

The achievement at the end of KS2 was disappointing. Although we predicted a dip in attainment which was significantly cohort related, there were a group of pupils who achieved a scale score of 99 (100 = expected standards), 85% of the cohort had additional needs and interventions in place. The Headteachers quickly implemented an action plan to significantly improve the standards of teaching and learning throughout the school.

The Academy has managed to maintain small class sizes, this year each year group has had 2 classes each. All classes have a teaching assistant, which is a valuable addition to the classroom.

Many parent volunteers have been helping in the Academy this year. Their commitment to the children and Academy is inspirational. They have helped with reading, writing, maths and trips out of school. The Academy continues to support some of these parent volunteers as they work towards achieving vocational qualifications.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Phase Leaders and Senior Leadership Team (SLT). These are moderated by an external consultant. Learning Reviews are held three times in the academic year and are moderated by the SLT and external consultant.

The Academy was inspected by Ofsted in April 2018 and retained its 'Good' judgement.

During the year the Academy continued to maintain and manage the significant assets that it has. Currently the school has no specific staff room area. The Academy has continued to invest in significant resources to support the development of the maths curriculum.

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Continued professional development for staff has been successful with specific emphasis on the development of Foundation Staff and staff supporting pupils with Special Educational Needs. The Academy continues the professional development of middle leaders with the support of the School Improvement Partner. The Academy continues to support teaching assistants with their vocational qualifications as well as supporting them towards obtaining their teacher qualification. One middle leader has also completed their NPQSL qualification.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is not restricted. In the period under review, £50,964 was carried forward representing 3.5% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for September 2017 were 369, a slight decrease from 2016. The reduction in numbers is in the Nursery and Pre-School and this is due to a reduction in the number of classes and staffing levels, the additional class may be re-opened later in the year if there is demand for this. In the main school (Year R to Year 6) there is an increase in pupil numbers from 253 to 299. It is anticipated that this number will continue to rise as many of the schools in Swindon are over subscribed and the Academy has its spaces allocated to a growing number of children from outside its catchment area by Swindon Borough Council's school admission team.

Another key financial performance indicator is staffing costs as a percentage of recurring educational funding. For 2018 this was 90.70%. (2017: 82.28%).

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Capital Fund. The Capital Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2018, total expenditure of £2,002,869 was covered by recurrent grant funding from the DfE, together with other incoming resources of £2,003,301. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £432.

At 31 August 2018 the net book value of fixed assets was £5,043,912 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Complaints and Safeguarding policies.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Reserves Policy

The Trustees review the reserve levels of the Academy termly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £40,000 to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and a rise in pupil numbers meaning that we don't have sufficient funding to teach the pupils. In addition to the free reserves the Academy needs to ensure that it holds sufficient funds to cover all commitments between spending and the receiving of invoices. The Trustees are also working on an action plan to increase their reserves to cover one month's salaries as recommended by Bishop Fleming.

Total reserves of the Academy (excluding Fixed Asset funds and pension deficit) amount to £43,524. This is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums in excess of £50,000 may be invested on deposit for extended periods.

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and School Business Manager within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

- Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 94.2% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Educational – the risk in this area is the achievement and progress for pupils in all key stages. The Academy receives Ofsted inspections, has a School Development Plan, an External School Improvement Partner and educational expertise on the Board of Trustees who challenge educational strategies and outcomes.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure effective recruitment and the continued development and training of staff as well as ensuring performance management and clear succession planning.
- Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy are predicted to grow, risks to revenue funding from a falling roll are small. However, the predicted reduction in Free School Meal numbers, the uncertainty on Pupil Premium Funding, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs means that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at the Finance, Curriculum and Staffing Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide education of the highest quality and to improve the performance of all pupils. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy is looking to extend its work with partner schools to improve the educational opportunities for its students.

Full details of our plans for the future are given in our School Improvement Plan.

The Academy is currently investigating various options for the future direction of the school.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

FUNDRAISING

The Academy only carries out internal fundraising activities. The Academy occasionally applies for grants. The Academy does not work with a commercial or professional fundraiser. The school council, organised within the school, raises funds from the community which are donated to the Academy. These funds are raised by holding movie nights, cake sales, school fetes and non uniform days. These funds are used to buy resources requested by the classes i.e. toys and resources for wet playtime, books etc. The Academy has not received any complaints regarding fundraising.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming Bath Limited, are willing to continue in-office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 19th November 2018 and signed on the board's behalf by:



**Peter McGuigan
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Seven Fields 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 Board of Trustees has delegated the day-to-day responsibility to one of the Headteachers, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Seven Fields Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Zita McCormick	2	3
David Cole	1	2
Richard Musto	2	2
Steve Hobbs	2	2
Sarah Muir	1	2
Gill Jones	2	2
Janet Brown	2	2
Melvyn Bradley	2	2
Steve Bown	2	2
Peter McGuigan	3	3
Tim Gilson	3	3
Victoria FitzGerald	3	3
Jackie McCarthy	2	2

Following the retirement of the long-serving Headteacher on 31 March 2018, there was a significant alteration in the Members and the Trustees. The 'existing' Members appointed 3 'new' Members and then the 'existing' Members resigned. Those 'new' Members appointed themselves as Trustees and on 1 April 2018 appointed interim Joint Headteachers of the school. Other Members and Trustees left the company around that point as detailed on Page 1 of this report. Since 9 March 2018 a further Member/Trustee has been appointed and a Parent Trustee has been elected and will start their term of office in the new school year. The recruitment of further Trustees continues and the Members anticipate the appointment of at least 3 additional Trustees in the next Financial/Academic year.

During the year the new Members have adopted the latest version of the model Articles for Single Academy Trusts with effect from 23 August 2018. The composition of the new Board has significantly strengthened the leadership of the school in all areas.

Challenges faced in the year have included:

- the recruitment of a substantive headteacher;
- a decline in attainment at the end of KS2; and,
- an Ofsted inspection in the first weeks of the appointment of the interim headteachers.

Monitoring of budgets during the year led to significant changes in the over all organisation of the school which enabled us to maintain a positive budget situation at year end. Issues of attendance are also being addressed by a change in structure of its management.

The new Board of Trustees was established in April 2018 with the support of the Regional Schools Commissioner, therefore a self-evaluation exercise will be carried out within one year of that date.

GOVERNANCE STATEMENT (continued)

The Staffing, Finance, Curriculum and Safeguarding Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, as well as being compliant with reporting and regulatory requirements, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. Once a term it monitors, evaluates and reviews Academy policy, practice and performances in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral and safeguarding issues.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Zita McCormick	0	2
David Cole	1	2
Steve Hobbs	2	2
Gill Jones	2	2
Janet Brown	2	2
Melvyn Bradley	2	2

Key issues that this committee focused on this year were:

- external inspection of the school from independent consultants, with the aim of providing a report for the Headteacher/s to inform the school regarding improvement planning;
- ongoing budget monitoring;
- introduction of 'Jigsaw', a PHSE programme for the school; and,
- ensuring the Academy meets its statutory requirements with regard to the safeguarding of all pupils.

Due to the changes in the Board this year the Staffing, Finance, Curriculum and Safeguarding matters were raised in the main Board meetings from April 2018 onwards. In the year ahead, when more Trustees are recruited, the Board plans to revert back to having additional committees (Staffing, Finance, Curriculum & Safeguarding committee and Premises, Health & Safety Committee).

REVIEW OF VALUE FOR MONEY

As Accounting Officer, one of the Headteachers has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy 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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- the discussion and challenge of financial information at Finance and Board of Trustees meetings;
- robust financial governance and budget management;
- reviewing the quality of curriculum provision and teaching and deploying staff effectively;
- reviewing the quality of children's learning to enable them to achieve expected progress;
- ensuring that there is no gap in KS2 between Free School Meal/Pupil Premium children and non Free School Meal/Pupil Premium children; and,
- continuing to offer all children the opportunity to take part in a wide range of activities and experiences.

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 Seven Fields Primary School for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees 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 Board of Trustees 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 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy 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 Board of Trustees;
- regular reviews by the Staffing, Finance and Curriculum Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Financial Services 4 Schools Limited, to carry out a programme of internal checks.

Financial Services 4 Schools' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems;
- testing of purchases and purchase systems;
- testing of income;
- testing of the accounting system;
- testing of bank account reconciliations and banking procedures; and,
- testing of the use of the Academy's credit card and Petty Cash systems.

Three times a year Financial Services 4 Schools reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

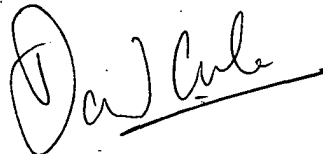
- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 19.11.18 and signed on their behalf, by:



**Peter McGuigan
Chair of Trustees**



**David Cole
Accounting Officer**

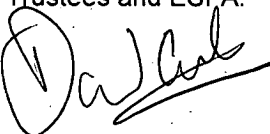
**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Seven Fields Primary School I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



David Cole
Accounting Officer

19/11/2017

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees, (who act as governors of Seven Fields Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued 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 then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 of Trustees and signed on its behalf by:



**P McGuigan
Chair of Trustees**

Date: 19.11.18

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEVEN FIELDS PRIMARY SCHOOL

OPINION

We have audited the financial statements of Seven Fields Primary School (the 'academy') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEVEN FIELDS PRIMARY SCHOOL

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEVEN FIELDS PRIMARY SCHOOL

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Simon Morrison FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date:

29/11/2018

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SEVEN
FIELDS PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 August 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Seven Fields Primary School during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF SEVEN FIELDS PRIMARY SCHOOL'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Seven Fields Primary School's funding agreement with the Secretary of State for Education dated 30 March 2013, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SEVEN
FIELDS PRIMARY SCHOOL AND THE EDUCATION & SKILLS 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 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morrison FCA (Reporting Accountant)

Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: 29/11/2018

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	1,426	10,602	-	12,028	13,647
Charitable activities	5	27,947	1,962,041	-	1,989,988	1,908,892
Other trading activities	3	1,195	-	-	1,195	714
Investments	4	90	-	-	90	121
TOTAL INCOME		30,658	1,972,643	-	2,003,301	1,923,374
EXPENDITURE ON:						
Charitable activities		53,412	2,087,457	126,825	2,267,694	2,112,674
TOTAL EXPENDITURE	6	53,412	2,087,457	126,825	2,267,694	2,112,674
NET EXPENDITURE BEFORE TRANSFERS		(22,754)	(114,814)	(126,825)	(264,393)	(189,300)
Transfers between Funds	18	-	(3,843)	3,843	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(22,754)	(118,657)	(122,982)	(264,393)	(189,300)
Actuarial gains on defined benefit pension schemes	23	-	241,000	-	241,000	199,000
NET MOVEMENT IN FUNDS		(22,754)	122,343	(122,982)	(23,393)	9,700
RECONCILIATION OF FUNDS:						
Total funds brought forward		41,667	(362,732)	5,166,894	4,845,829	4,836,129
TOTAL FUNDS CARRIED FORWARD		18,913	(240,389)	5,043,912	4,822,436	4,845,829

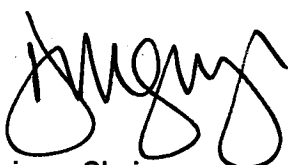
The notes on pages 26 to 48 form part of these financial statements.


SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07977150

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		5,043,912		5,159,206
CURRENT ASSETS					
Debtors	14	60,232		102,361	
Cash at bank and in hand		110,511		68,961	
		<u>170,743</u>		<u>171,322</u>	
CREDITORS: amounts falling due within one year	15	(101,901)		(89,930)	
NET CURRENT ASSETS			<u>68,842</u>		<u>81,392</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,112,754</u>		<u>5,240,598</u>
CREDITORS: amounts falling due after more than one year	16		(25,318)		(26,769)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>5,087,436</u>		<u>5,213,829</u>
Defined benefit pension scheme liability	23		(265,000)		(368,000)
NET ASSETS			<u><u>4,822,436</u></u>		<u><u>4,845,829</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	18	24,611		5,268	
Fixed asset funds	18	5,043,912		5,166,894	
Restricted funds excluding pension liability		<u>5,068,523</u>		<u>5,172,162</u>	
Pension reserve		<u>(265,000)</u>		<u>(368,000)</u>	
Total restricted funds			<u>4,803,523</u>		<u>4,804,162</u>
Unrestricted funds	18		<u>18,913</u>		<u>41,667</u>
TOTAL FUNDS			<u><u>4,822,436</u></u>		<u><u>4,845,829</u></u>

The financial statements on pages 23 to 48 were approved by the Trustees, and authorised for issue, on 19.11.18 and are signed on their behalf, by:


P McGuigan, Chair
Chair of Trustees


D Cole
Accounting Officer

The notes on pages 26 to 48 form part of these financial statements.

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	46,310	(52,329)
Cash flows from investing activities:			
Interest received		121	191
Purchase of tangible fixed assets		(11,531)	7,872
Capital grants from DfE Group		8,032	7,508
Net cash (used in)/provided by investing activities		(3,378)	15,571
Cash flows from financing activities:			
Repayments of borrowings		(1,382)	(1,317)
Net cash used in financing activities		(1,382)	(1,317)
Change in cash and cash equivalents in the year		41,550	(38,075)
Cash and cash equivalents brought forward		68,961	107,036
Cash and cash equivalents carried forward	21	110,511	68,961

The notes on pages 26 to 48 form part of these financial statements.

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES

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

1.1 GENERAL INFORMATION

Seven Fields Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is Leigh Road, Swindon, Wiltshire, SN2 5DE and the registered number is 07977150.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the academy trust, 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Seven Fields Primary School constitutes a public benefit entity as defined by FRS 102.

1.3 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy 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.

**SEVEN FIELDS PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 EXPENDITURE

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

On conversion the Academy was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	- 125 years straight line
Leasehold property	- 50 years straight line
Furniture and fixtures	- 5 years straight line
Motor vehicles	- 5 years straight line
Computer equipment	- 3 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.9 LIABILITIES AND PROVISIONS

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

1.10 TAXATION

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.12 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, 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.

**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

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.

1.13 FUND ACCOUNTING

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

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

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

1.14 OPERATING LEASES

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	1,426	2,570	-	3,996	5,959
Capital Grants	-	8,032	-	8,032	7,688
	<u>1,426</u>	<u>10,602</u>	<u>-</u>	<u>12,028</u>	<u>13,647</u>
Total 2017	<u>571</u>	<u>5,388</u>	<u>7,688</u>	<u>13,647</u>	

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3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	714	-	714	714
Other	481	-	481	-
	<u>1,195</u>	<u>-</u>	<u>1,195</u>	<u>714</u>
Total 2017	<u>714</u>	<u>-</u>	<u>714</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	90	-	90	121
	<u>121</u>	<u>-</u>	<u>121</u>	
Total 2017	<u>121</u>	<u>-</u>	<u>121</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Education	27,947	1,886,647	1,914,594	1,808,404
Pre-School funding	-	75,394	75,394	100,488
	<u>27,947</u>	<u>1,962,041</u>	<u>1,989,988</u>	<u>1,908,892</u>
Total 2017	<u>25,884</u>	<u>1,883,008</u>	<u>1,908,892</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	1,469,737	1,469,737	1,387,517
Other DfE Group grants	-	255,858	255,858	273,446
	-	1,725,595	1,725,595	1,660,963
Other Government grants				
High Needs	-	18,395	18,395	5,405
Other government grants	-	142,657	142,657	116,152
	-	161,052	161,052	121,557
Other funding				
Internal catering income	21,608	-	21,608	20,836
Sales to students	431	-	431	423
Other	5,908	-	5,908	4,625
	27,947	-	27,947	25,884
	27,947	1,886,647	1,914,594	1,808,404
Total 2017	25,884	1,782,520	1,808,404	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Education:					
Direct costs	1,401,298	106,249	111,245	1,618,792	1,456,410
Support costs	275,283	59,865	238,360	573,508	555,799
Pre-School:					
Direct costs	50,202	-	3,397	53,599	93,374
Support costs	9,666	3,846	8,283	21,795	7,091
	1,736,449	169,960	361,285	2,267,694	2,112,674
Total 2017	1,576,239	228,703	307,732	2,112,674	

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NOTES TO THE FINANCIAL STATEMENTS
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7. DIRECT COSTS

	Education £	Pre-School £	Total 2018 £	Total 2017 £
Pension finance costs	8,000	-	8,000	7,289
Educational supplies	60,268	2,510	62,778	67,181
Other costs	20,718	818	21,536	12,349
Supply teachers	47,471	1,950	49,421	37,297
Technology costs	1,683	69	1,752	5,559
Wages and salaries	1,014,812	38,840	1,053,652	1,004,100
National insurance	81,328	2,096	83,424	76,941
Pension cost	257,687	7,316	265,003	205,868
Depreciation	126,825	-	126,825	133,200
	<u>1,618,792</u>	<u>53,599</u>	<u>1,672,391</u>	<u>1,549,784</u>
Total 2017	<u>1,456,410</u>	<u>93,374</u>	<u>1,549,784</u>	

8. SUPPORT COSTS

	Education £	Pre-School £	Total 2018 £	Total 2017 £
Pension finance costs	3,000	-	3,000	3,711
Staff development	5,407	222	5,629	11,608
Other costs	1,583	62	1,645	144
Recruitment and support	3,359	138	3,497	3,301
Maintenance of premises and equipment	37,873	1,556	39,429	44,486
Cleaning	14,711	604	15,315	14,391
Rent and rates	13,067	537	13,604	16,437
Energy costs	21,522	884	22,406	20,189
Insurance	16,060	660	16,720	15,371
Security and transport	6,387	265	6,652	7,577
Catering	53,403	2,194	55,597	54,202
Technology costs	15,417	633	16,050	20,910
Office overheads	3,956	163	4,119	4,527
Legal and professional	21,136	834	21,970	14,456
Bank interest and charges	1,413	58	1,471	1,542
Professional support services	64,998	2,705	67,703	60,672
Governance	14,933	614	15,547	17,333
Wages and salaries	188,447	7,742	196,189	184,034
National insurance	10,396	427	10,823	11,353
Pension cost	76,440	1,497	77,937	56,646
	<u>573,508</u>	<u>21,795</u>	<u>595,303</u>	<u>562,890</u>
Total 2017	<u>555,799</u>	<u>7,091</u>	<u>562,890</u>	

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9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	126,825	133,200
Auditors' remuneration - audit	7,150	7,050
Auditors' remuneration - other services	2,000	2,300
Operating lease rentals	6,034	2,348

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,249,841	1,173,914
Social security costs	94,247	88,294
Operating costs of defined benefit pension schemes	342,940	262,514
	<u>1,687,028</u>	<u>1,524,722</u>
Agency staff costs	49,421	37,297
Staff restructuring costs	-	14,220
	<u>1,736,449</u>	<u>1,576,239</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs is a non-contractual severance payment totalling £Nil (2017: £14,220).

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	16	17
Teaching Assistants	31	28
Administrative and support staff	22	28
Management	3	4
	<u>72</u>	<u>77</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	15	15
Educational Support	20	18
Administration and Clerical	12	12
Management	3	3
	<u>50</u>	<u>48</u>

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10. STAFF COSTS (continued)

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	0

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was 2 (2017: 1).

e. Key management personnel

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as 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 was £236,797 (2017: £240,262).

As staff trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

11. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows; Z McCormick Remuneration £25,000 - £30,000 (2017: £45,000 - £50,000), Employer's pension contributions £Nil (2017: £Nil); S Hayward Remuneration £10,000 - £15,000 (2017: £40,000 - £45,000), Employer's pension contributions £0 - £5,000 (2017: £5,000 - £10,000); D Cole Remuneration £60,000 - £65,000 (2017: £65,000 - £60,000), Employer's pension contributions £10,000 - £15,000 (2017: £10,000 - £15,000); G Jones Remuneration £50,000 - £55,000 (2017: £45,000 - £50,000), Employers pension contributions £5,000 - £10,000 (2017: £5,000 - £10,000) and M Still Remuneration £Nil (2017: £25,000 - £30,000), Employer's pension contributions £Nil (2017: £0 - £5,000); S Brown Remuneration £0 - £5,000 (2017: £0 - £5,000), Employer's pension contributions £Nil (2017: Nil).

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, expenses totalling £413 (2017: £300) were reimbursed to 4 Trustees (2017: 3).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £627 (2017: £613).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

13. TANGIBLE FIXED ASSETS

	Leasehold property £	Furniture and fixtures £	Plant and equipment £	Total £
COST				
At 1 September 2017	5,670,637	140,582	133,278	5,944,497
Additions	-	7,087	4,444	11,531
At 31 August 2018	5,670,637	147,669	137,722	5,956,028
DEPRECIATION				
At 1 September 2017	544,306	117,691	123,294	785,291
Charge for the year	106,249	12,069	8,507	126,825
At 31 August 2018	650,555	129,760	131,801	912,116
NET BOOK VALUE				
At 31 August 2018	5,020,082	17,909	5,921	5,043,912
At 31 August 2017	5,126,331	22,891	9,984	5,159,206

14. DEBTORS

	2018 £	2017 £
Prepayments and accrued income	55,789	97,399
VAT recoverable	4,443	4,962
	<u>60,232</u>	<u>102,361</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other loans	1,452	1,383
Trade creditors	3,659	-
Other taxation and social security	22,541	22,788
Other creditors	25,341	23,943
Accruals and deferred income	48,908	41,816
	<u>101,901</u>	<u>89,930</u>

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15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	22,688	27,257
Resources deferred during the year	25,081	22,688
Amounts released from previous years	(22,688)	(27,257)
Deferred income at 31 August 2018	<u>25,081</u>	<u>22,688</u>

At the balance sheet date the Academy was holding funds received in advance for Universal Infants Free School Meals and rates relief.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Other loans	<u>25,318</u>	<u>26,769</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2018 £	2017 £
Repayable by instalments	<u>25,318</u>	<u>26,769</u>

Included in other loans is £28,152 (2017: £29,469) due to Swindon Borough Council in respect of historic equal pay claims. The loan was inherited by the academy on conversion at 1 April 2012. The loan is unsecured and accrues interest at 4.93% per annum.

17. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	<u>145,173</u>	<u>121,467</u>
Financial liabilities measured at amortised cost	<u>(29,504)</u>	<u>(19,128)</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accrued expenditure.

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18. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	41,667	30,658	(53,412)	-	-	18,913
RESTRICTED FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
General Annual Grant (GAG)	33,003	1,469,737	(1,449,006)	(2,770)	-	50,964
High needs	-	18,395	(18,395)	-	-	-
Pupil premium	-	203,267	(203,267)	-	-	-
Devolved formula capital	-	8,032	(4,189)	(3,843)	-	-
Nursery Grant Income	-	142,657	(142,657)	-	-	-
Pre-School funding	-	75,394	(75,394)	-	-	-
Other income	417	21,730	(21,730)	-	-	417
Loan on conversion	(28,152)	-	(1,388)	2,770	-	(26,770)
Universal Infant Free School Meals (UIFSM)	-	33,431	(33,431)	-	-	-
Pension reserve	(368,000)	-	(138,000)	-	241,000	(265,000)
	<u>(362,732)</u>	<u>1,972,643</u>	<u>(2,087,457)</u>	<u>(3,843)</u>	<u>241,000</u>	<u>(240,389)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion	5,104,193	-	(101,012)	-	-	5,003,181
Fixed assets purchased from GAG and other restricted funds	62,701	-	(25,813)	3,843	-	40,731
	<u>5,166,894</u>	<u>-</u>	<u>(126,825)</u>	<u>3,843</u>	<u>-</u>	<u>5,043,912</u>
Total restricted funds	<u>4,804,162</u>	<u>1,972,643</u>	<u>(2,214,282)</u>	<u>-</u>	<u>241,000</u>	<u>4,803,523</u>
Total of funds	<u>4,845,829</u>	<u>2,003,301</u>	<u>(2,267,694)</u>	<u>-</u>	<u>241,000</u>	<u>4,822,436</u>

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

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18. STATEMENT OF FUNDS (continued)

Restricted funds

The General Annual Grant (GAG) represents funding received from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High needs funding is received from the Swindon Borough Council to fund further support for children with additional needs.

Pupil Premium funding represents amounts received from the ESFA for children that qualify for free school meals to enable the Academy to address the currently underlying inequalities between those children and their wealthier peers.

Devolved Formula Capital income represents amounts received from the ESFA to cover the maintenance and purchase of the Academy Trust's assets.

Nursery grant income represents funding received from Swindon Borough Council to contribute to the school nursery.

Pre-School funding represents funding received from Swindon Borough Council to contribute to the pre-school.

Other income predominantly relates to parental contributions to educational trips and a PE grant from the ESFA.

The loan on conversion is in respect of an historic equal pay loan, see note 16 for details.

Universal Infant Free School Meal (UIFSM) represents income from the ESFA to fund the provision of free school meals to infants.

Pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed Asset Funds

Fixed assets transferred on conversion represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represents assets purchased from GAG and Devolved Formula Capital funding received from the ESFA.

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

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
GENERAL FUNDS						
General funds	35,221	27,290	(20,844)	-	-	41,667

RESTRICTED FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	29,966	1,387,517	(1,370,298)	(14,182)	-	33,003
High needs	-	5,405	(5,405)	-	-	-
Pupil premium	-	225,112	(225,112)	-	-	-
Nursery Grant Income	-	116,152	(116,152)	-	-	-
Pre-School funding	-	100,488	(100,488)	-	-	-
Other income	417	14,829	(14,829)	-	-	417
Loan on conversion	(29,469)	-	(1,453)	2,770	-	(28,152)
Universal Infant Free School Meals (UIFSM)	-	38,893	(38,893)	-	-	-
Pension reserve	(481,000)	-	(86,000)	-	199,000	(368,000)
	<u>(480,086)</u>	<u>1,888,396</u>	<u>(1,958,630)</u>	<u>(11,412)</u>	<u>199,000</u>	<u>(362,732)</u>

RESTRICTED FIXED ASSET FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	5,210,593	-	(106,400)	-	-	5,104,193
Fixed assets purchased from GAG and other restricted funds	70,401	7,688	(26,800)	11,412	-	62,701
	<u>5,280,994</u>	<u>7,688</u>	<u>(133,200)</u>	<u>11,412</u>	<u>-</u>	<u>5,166,894</u>
Total restricted funds	<u>4,800,908</u>	<u>1,896,084</u>	<u>(2,091,830)</u>	<u>-</u>	<u>199,000</u>	<u>4,804,162</u>
Total of funds	<u>4,836,129</u>	<u>1,923,374</u>	<u>(2,112,674)</u>	<u>-</u>	<u>199,000</u>	<u>4,845,829</u>

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	5,043,912	5,043,912
Current assets	18,913	151,830	-	170,743
Creditors due within one year	-	(101,901)	-	(101,901)
Creditors due in more than one year	-	(25,318)	-	(25,318)
Pension scheme liability	-	(265,000)	-	(265,000)
	<u>18,913</u>	<u>(240,389)</u>	<u>5,043,912</u>	<u>4,822,436</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	5,159,206	5,159,206
Current assets	41,667	121,967	7,688	171,322
Creditors due within one year	-	(89,930)	-	(89,930)
Creditors due in more than one year	-	(26,769)	-	(26,769)
Pension scheme liability	-	(368,000)	-	(368,000)
	<u>41,667</u>	<u>(362,732)</u>	<u>5,166,894</u>	<u>4,845,829</u>

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20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(264,393)	(189,300)
Adjustment for:		
Depreciation charges	126,825	132,990
Bank interest	(121)	(191)
Decrease/(increase) in debtors	42,129	(21,153)
Increase/(decrease) in creditors	11,902	(53,167)
Capital grants from DfE and other capital income	(8,032)	(7,508)
Defined benefit pension scheme cost less contributions payable	127,000	75,000
Defined benefit pension scheme finance cost	11,000	11,000
Net cash provided by/(used in) operating activities	46,310	(52,329)

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	110,511	68,961
	110,511	68,961

22. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

23. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire Pension Fund. Both are multi-employer Defined Benefit Pension Schemes.

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

Contributions amounting to £24,775 were payable to the schemes at 31 August 2018 (2017: £23,257) 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.

**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £101,595 (2017: £81,514).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded 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 scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £144,000 (2017: £115,000), of which employer's contributions totalled £112,000 (2017: £89,000) and employees' contributions totalled £32,000 (2017: £26,000). The agreed contribution rates for future years are 18.3% for employers and 5.5 - 12.5% for employees.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.60 %	2.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %
Inflation assumption (CPI)	2.30 %	2.50 %

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

	2018	2017
Retiring today		
Males	22.5 years	22.5
Females	24.9 years	24.9
Retiring in 20 years		
Males	24.1 years	24.1
Females	26.7 years	26.7

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	745,000	434,520
Bonds	147,000	85,680
Property	136,000	79,560
Cash and other liquid assets	21,000	12,240
Total market value of assets	<u>1,049,000</u>	<u>612,000</u>

The actual return on scheme assets was £84,000 (2017: £98,532).

The amounts recognised in the Statement of Financial Activities are as follows:

	2018 £	2017 £
Current service cost	(239,000)	(164,000)
Interest income	22,000	14,000
Interest cost	(33,000)	(25,000)
Total	<u>(250,000)</u>	<u>(175,000)</u>

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23. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	1,192,000	1,093,000
Current service cost	239,000	164,000
Interest cost	33,000	25,000
Employee contributions	32,000	26,000
Actuarial gains	(178,000)	(115,000)
Benefits paid	(4,000)	(1,000)
	<u>1,314,000</u>	<u>1,192,000</u>
Closing defined benefit obligation	<u>1,314,000</u>	<u>1,192,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	824,000	612,000
Interest income	22,000	14,000
Actuarial losses	63,000	84,000
Employer contributions	112,000	89,000
Employee contributions	32,000	26,000
Benefits paid	(4,000)	(1,000)
	<u>1,049,000</u>	<u>824,000</u>
Closing fair value of scheme assets	<u>1,049,000</u>	<u>824,000</u>

NOTES TO THE FINANCIAL STATEMENTS
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24. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	6,034	1,508
Between 1 and 5 years	17,350	3,016
Total	<u>23,384</u>	<u>4,524</u>

25. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

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