

Company Registration Number: 08150822 (England & Wales)

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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HOLYWELL PRIMARY SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	Mark Needham Claudia Foster (resigned 3 October 2017) David Donegani Robert Seager (appointed 3 October 2017)
Trustees	Mark Needham, Chair of Trustees ¹ Robert Seager, Vice Chair of Trustees from 3 October 2017 Steven Christie, Chair of Premises ¹ David Donegani, Chair of Finance & Personnel ¹ Claudia Foster, Vice Chair of Trustees to 3 October 2017 Abigail Sinclair ¹ Julia Vermaak Rebecca Coleman (resigned 31 March 2018) Smita Jenna, Chair of Teaching & Learning Elizabeth Chahal ¹ Raja Manzoor (appointed 18 November 2017) Christopher Bulloch (appointed 18 November 2017) ¹ Anna Rowlands (appointed 1 April 2018) Diane Williams (appointed 1 September 2017) ¹ Finance & Personnel committee
Company registered number	08150822
Company name	Holywell Primary School
Principal and registered office	Berkeley Road Loughborough Leicester Leicestershire LE11 3SJ
Company secretary	Vivienne Webb (resigned 1 May 2018) Victoria Smith (appointed 1 May 2018)
Senior management team	Maria Ings, Headteacher Guy Stephenson, Deputy Headteacher Diane Williams, Assistant Headteacher
Independent auditors	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicestershire LE7 4UZ
Bankers	Lloyds Bank Plc PO Box 1000 BX1 1LT

HOLYWELL PRIMARY SCHOOL
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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 1 September 2017 to 31 August 2018. The annual report serves the purpose of both a Trustees' Report and a Directors' Report under company law.

The trust operates as an academy for pupils aged 4 to 11 serving a catchment area of Loughborough. It has a pupil capacity of 420 and had a roll of 421 at 18 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 charitable company was incorporated on 20 July 2012. The school converted to academy status on 1 November 2012 when its operations, assets and liabilities were transferred from Local Authority.

The governors of Holywell Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Holywell Primary School.

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

Members' liability

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

Trustees' indemnities

In accordance with normal practice the Academy has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £3 million and in the period under review the sum of £358 inclusive of tax was paid.

Method of recruitment and appointment or election of Trustees

The board of governors (trustees) comprises one governor nominated and elected by the Members, three staff members self-nominated and elected by staff members, six nominated and elected by members of the existing board of governors, and three parent governors self-nominated and elected by parents. The methods of appointment are clearly laid down in the Holywell Primary School Board of Governors' Standing Orders document and are always observed.

Please note that the head teacher is not a trustee/governor of the Holywell Academy Trust.

Policies and procedures adopted for the induction and training of Trustees

New governors are allocated a 'buddy' to support them in the early stages of their role to help them get used to it. Training is actively encouraged throughout the entire period of membership, with an expectation of attendance at a minimum of two courses per year. It is compulsory for new members to attend the one day governor induction training course during their first year of office.

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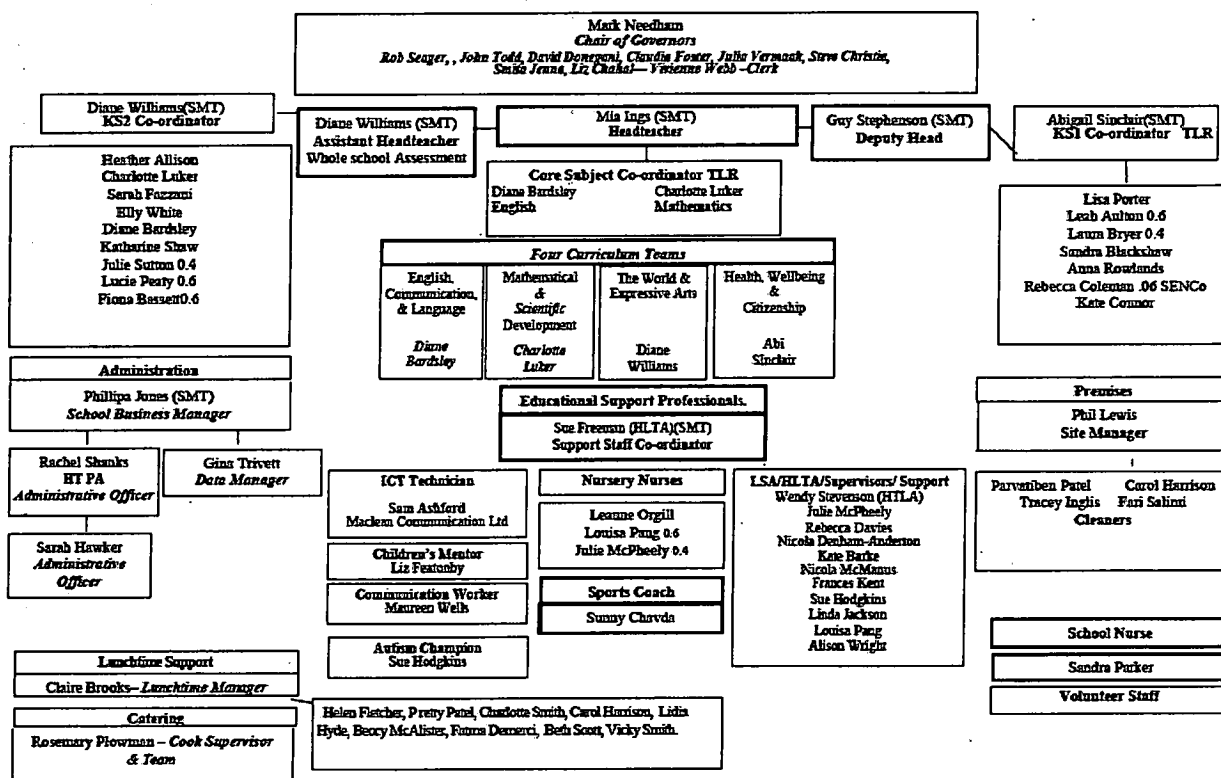
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Organisational structure

Day to day management of the school is by a very effective Senior Management Team (SMT), the members of which have undertaken specific training and continuous personal development (CPD), please also refer to the organisational structure chart below).

In very broad terms, the day-to-day management of the school is the responsibility of the head teacher and SMT, with references back to the board of governors for approval where appropriate. The governors' involvement is generally required where strategic decisions or planning are involved and/or agreement needs to be secured for significantly large amounts of school funds to be spent.

ORGANISATIONAL PERSONNEL STRUCTURE 2017- 2018



Pay policy for key management personnel

At Holywell we follow the national Teachers' Pay and Conditions for teachers pay and set pay increases as agreed through national pay deals and incremental increases following successful performance review meetings. For support staff we follow Leicestershire's local government pay scales and implemented locally agreed pay increases.

Connected organisations, including related party relationships

Holywell continues to work very effectively with the eight other primary schools in our area within the collaborative partnership called the Loughborough Primary Academy Partnership (LPAP) of which we are a member. Each of the schools remains a completely separate legal entity but benefits from the mutual support of other members through networks and shared practices.

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

Holywell School Parent Staff Association runs as a separate connected charity running social and fund raising events, the proceeds of which are donated to the school. Their charity registration number is 1042877. The charity was established for the purpose of supporting the school in a manner as determined by its own independent board. These funds are under the control of this independent board, not the Academy. In line with the Academies Accounts Direction 2017 to 2018 (SORP 2015) some summary details of this charity's activities are included in note 24 to the financial statements.

OBJECTIVES AND ACTIVITIES

An overview of the mission & values for 2017-18

Learning, Developing & Achieving Together

High achievement:	To ensure excellence in teaching and learning within a high quality learning environment, through leadership and within all aspects of school life.
Life-long learning:	To equip children with confidence, competence, resilience and perseverance to become creative and independent thinkers and to become learners for life within our changing world.
Equality:	To nurture and support all abilities, helping every child to achieve his/her potential in all areas of learning – intellectual, emotional, physical, social, moral, spiritual & cultural.
Excellent Environment:	To create a happy, safe, secure and stimulating learning environment in which all members of the school community can grow in confidence and develop their full potential.
Celebration of Diversity:	To value and embrace the uniqueness and achievement of every member of our school family and celebrate the diversity of our school.
Value Driven:	To promote British and co-operative values and attitudes of care, honesty, tolerance, trust and respect within the school and wider communities.

Priority Aims – Excellent pupil attainment and progress through high quality teaching and learning, curriculum enrichment and well-being.

Foundation Curriculum focus:	Offering a broad and balanced curriculum with enrichment opportunities to engage and enthuse learning.
Early Years Foundation Stage focus:	Offering an integrated approach to learning adapted to the specific needs of the cohort.
Well-being focus:	Promoting pupil and staff well-being throughout the year and during focus week activities.
Reading focus:	Exploring and analysing texts through the knowledge and use of specific reading skills.
Writing focus:	Developing the application of pupils' grammar, punctuation and spelling skills to their writing using 'Grammarsaurus' as a tool for support.
Maths focus:	Ensuring precise and targeted teaching, learning and assessment in mathematics, using 'Abacus' scheme as framework.

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

Objectives, strategies and activities

The school operates a rolling 5-year strategic plan which is annually reviewed by the School Management Team (SMT) and Full Governing Body. Below we detail the achievements for the year, shown in the five specific areas into which we classify the various issues:-

Strategic Plan Review of 2017 – 2018

Premises	Governor Review Statement
Priority aim 2017-2018: To create a happy, safe, secure and stimulating learning environment in which all members of the school community can grow in confidence and develop their full potential. (Article 17)	
<ul style="list-style-type: none"> In view of the reducing income to the school, this year has been one of careful appraisal of all premises plans, with the resultant removal of some of the more adventurous/aspirational ideas from the plan. Mr Lewis has concentrated this year on ensuring the premises continue to be fit for purpose, carrying out any necessary repairs in a cost-effective manner. The ongoing safety and safeguarding of our pupils continues to be our main priority. The idea of extending the hall is not yet considered a viable proposition for the near future, but remains an aspirational aim as this would produce benefits in terms of letting income. The shared evening locking up service established last year has proved very successful. <p>Main area of challenge this year: Despite the reduced availability of funds, it remains the case that increased letting revenue would be an advantage to the school, so although costly, the establishment of an outside toilet block will still be pursued. We may investigate external funding streams to achieve this goal, although these are increasingly hard to find.</p>	
Standards	Governor Review Statement
Priority aim 2017-2018: To aim high to ensure that 90% of pupils in years 1-6 achieve Age-Related Expectation in the core subjects and that 80% of pupils in EYFS attain a Good Level of Development. (Article 28)	
<ul style="list-style-type: none"> Last year we were very pleased that none of the teachers were looking elsewhere for alternative jobs. At the time we said that this spoke volumes for the stability and security the staff must be feeling and is a credit to Mrs Ings, Mr Stephenson and the school management team. We are very pleased to acknowledge that this year only one teacher is leaving us, which will be a great help in giving stability for the school and remains a testament to the management of the school. High quality training continues to be provided for all staff members to ensure we remain equipped to meet the challenges faced in maintaining the high standards the school has set for itself. The demands are high and the teaching staff of the school continue to respond extremely well to all that we ask of them. The high quality of teaching has helped produce significant improvements in the core subject school data in both KS1 & KS2. This is an ongoing task and we will continue to strive for further improvements, with the aim of moving the data into the highest quintile in all areas, which has already been achieved in some areas. The children at the school aspire to do well in all aspects of school life, an ethos that is embedded in the ethos of the school. A love of reading and writing continues to be fostered with the children of the school, helped by events such as World Book Day, and Dads in School specifically aimed at writing. We continue to compliment the work done in school by encouraging parental engagement with mathematics, sharing useful information with them. We have also purchased the Abacus programme, and Timetable Rockstars to help stimulate the pupils' enjoyment of maths and gain an understanding of its role in everyday life. <p>Main area of challenge this year: To continue to ensure that age-related expectations are achieved in the core subjects for the highest percentage of pupils, and pupils in foundation stage attain a good level of development. Simultaneously to ensure the demands on teaching staff to achieve this, whilst inevitably challenging, are not so high that they appear impossible to achieve.</p>	

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

Curriculum	Governor Review Statement
Priority aim 2017-2018: To ensure excellent pupil attainment & progress through high quality teaching & learning, curriculum enrichment & well-being. (Articles 13 & 28)	
<ul style="list-style-type: none"> We continue to aim to embed the most stable and sustainable assessment system in school and this year have introduced National Foundation Educational Resources (NFER) testing, and internal moderation to help in this aim. To add an extra dimension to the children's study, specific groups of pupils have undertaken joint projects with peer groups from other LPAP schools. This has resulted in a widening of their understanding and learning experience. The children continue to have access to a range of wider opportunities subjects to broaden their learning experience. <p>Main area of challenge this year: To continue to focus the use of available and ever-limited resources to achieve/maintain a high level of attainment across all school years and curriculum subjects, remembering always that this is the core purpose of our work in school.</p>	
Resources	Governor Review Statement
Priority aim 2017-2018: To ensure the school is effectively resourced to support both the learning and well-being needs of all stakeholders and demonstrates value for money. (Article 3)	
<ul style="list-style-type: none"> School website was updated early in the year as planned, with a much fresher look to it. It is now also much easier to use and the information contained within it easier to access. Investigation of procurement procedures of school by governors was completed. Generally found to be robust but one or two recommendations came out of this which have been acted on. It has also left all involved much more aware of the importance of doing this right in terms of (a) transparency and (b) the need to spend the school's money as wisely as possible given the reduction in available funds. We have just completed a tendering exercise for the school IT support contract which has shown that the one in place at present provides excellent value for money and is tailored very well to the needs of the school. We have had to consider the impact of the new General Data Protection Regulations this year and in order to manage this as efficiently as possible and ensure we comply with the regulations we have employed the services of a company to act as our Data Protection Officer for a 12 month period. There is a significant cost to this but we must meet the legal requirements and it stops our admin team having to do the whole job on their own with no support or training. Support for other schools has continued within LPAP. Very supportive PSA group continues to bring fun and much appreciated funding to the school. A strong business and continuity plan remains in place. Work/life balance of all staff members remains at the forefront of SMP considerations, especially now that demands are increased due to scarcity of resources, creating an environment where the risk of asking too much of staff is increased. <p>Main area of challenge this year: Generally to ensure we follow a path whereby we maximize income streams whilst simultaneously keeping control of expenditure as we have done up to now. Income is reducing in the coming years so good financial management will remain one of the most important elements of our management plans.</p>	
Children	Governor Review Statement
Priority aim 2017-2018: To promote children's wellbeing, in addition to progress and attainment so that 100% of pupils say they are usually happy in school. (Article 29)	
<ul style="list-style-type: none"> 100% of parents/carers who responded to the school survey said that their children are happy in school most of the time. Students continue to be given opportunities to take responsibilities within school – good for confidence building. A parental questionnaire resulted in a curriculum evening being held at the request of parents who responded to the questionnaire. We will continue to promote family support for learning using techniques such as this. 	

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TRUSTEES' REPORT (continued)
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- Robust system in place for maintaining children's wellbeing, with an invaluable contribution to this aim being made by the children's mentor Liz Featonby. Further support provided by educational psychologist if required.
- Teamwork has been encouraged this year with events organized between LPAP schools which were well supported; sports links with Charnwood College promoted, sportsmanship medals promoted.

Main area of challenge this year: To continue to focus on giving all groups of children the best possible outcomes despite the challenges of reducing funding and resources and constantly changing curriculum expectations.

Public benefit

The governors confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The Academy's public benefit is enshrined in its charitable objectives.

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

STRATEGIC REPORT

Achievements and performance

Ofsted grading: Outstanding

Our 2018 results compared to national figures		
Attainment measures	Holywell	National 2018 Red figures are 2017 data
% with a GLD at the end of EYFS (4 x PP)	80%	72%
% achieving the expected standard in phonics by end of Year 1 (2 x PP)	90%	82%
% achieving the expected standard in phonics by end of Year 2 (5 x PP cumulative)	93%	92%
% achieving the expected standard or above in reading at the end of Year 2 (5 x PP)	85%	75%
% achieving a high standard in reading at the end of Year 2	31%	25%
% achieving the expected standard or above in writing at the end of Year 2	86%	70%
% achieving a high standard in writing at the end of Year 2	25%	16%
% achieving the expected standard or above in mathematics at the end of Year 2	83%	76%
% achieving a high standard in mathematics at the end of Year 2	31%	21%
% achieving the expected standard in reading or above at the end of Year 6 (5 x PP) (2 EHCPs – did not undertake the tests – included in figures)	95%	75%
% achieving a high standard in reading at the end of Year 6	48%	28%
Reading average scaled score	110.0	105
% achieving the expected standard in writing at the end of Year 6	93.0%	78%
% achieving a high standard in writing at the end of Year 6	40%	20%
% achieving the expected standard in mathematics at the end of Year 6	92%	76%
% achieving a high standard in mathematics at the end of Year 6	52%	24%
Mathematics average scaled score	109.6	104
% achieving the expected standards in R,W and M at the end of Year 6	88%	64%
% achieving at a higher standard in R,W and M at the end of Year 6	30%	10%
% achieving the expected standard in EGPS at the end of Year 6	92%	78%
% achieving a high standard in EGPS at the end of Year 6	62%	34%
Progress measures		
Progress scores for reading from key stage 1 to key stage 2	+2.0	0
Progress scores for writing from key stage 1 to key stage 2	+1.3	0
Progress scores mathematics from key stage 1 to key stage 2	+2.4	0
Personal development, behaviour and welfare targets		
% Attendance of statutory age children and pupils	97%	96%

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 accounting policies.

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

FINANCIAL REVIEW

Financial review

The academy had a net decrease in funds for the year ended 31 August 2018 of £87,239 including fixed assets movements but excluding pension reserve movements. As at 31 August 2018 the academy held £204,652 of unrestricted reserves plus £135,417 of unspent (non-fixed asset) restricted funds. The academy therefore held combined unrestricted and non-fixed asset restricted funds, being its available reserves of £340,069.

The academy trust had a pension deficit on their Local Government Pension Scheme of £572,000 at 31 August 2018 and a fixed asset reserve of £3,527,526 being the book value of past purchases.

There are no significant factors going forward that are expected to impact on the normal continuing operation of the academy. The principal financial management policies adopted in the period are included in the academy's internal financial policies and are typical for an academy trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the academy are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the academy trust, subject to any remaining reserves.

Reserves policy

The trustees have developed a reserves policy for the school which is reviewed at least annually. The academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately £236,000.

Actual free reserves plus unspent GAG as at 31 August 2018 were £335,526, being approximately £100,000 higher than the target level set by the Trustees. This excess will be used to contribute towards the future in-year deficits forecast for the next 3 financial years. The academy also held other available restricted funds at the year end of £4,543 in relation to Loughborough Primary Academy Partnership (LPAP) funds. Total available reserves, being both the above figures at 31 August 2018 were £340,069. Cash at bank plus longer term bank deposits included in current asset investments at 31 August 2018 were £83,220 higher than total available reserves due to PAYE/NI and pension costs for August 2018 being paid over in September 2018 plus other accruals adjustments.

At 31 August 2018 the academy's fixed asset reserve of £3,527,526 represented funds which could only be realised if the assets were sold.

The only reserve in deficit at the year end was the pension reserve (deficit of £572,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

Material investments policy

The academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk. Available rates are reviewed from time to time and where returns are judged sufficient to more than offset the administrative cost of managing deposit funds, such accounts may be used.

Principal risks and uncertainties

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

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

1. Government funding

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

This risk has been and will continue to be mitigated in a number of ways:

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

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the academy's balance sheet in line with the requirements of FRS 102. The academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

3. Pupil Strategy

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

- ensuring the academy delivers high quality education and training;
- maintaining outstanding success rates and good inspection outcomes; and
- investing in the its teaching staff and resources.

This places the academy in an excellent position to attract new pupils.

At 31 August 2018 the pension deficit on the Local Government Pension Scheme stood at £572,000. The Academy has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contributions rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years.

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

Fundraising

Our fundraising activities are currently minimal, and detailed below to comply with the Charities (Protection & Social Investment) Act 2016:

- Our general approach to fundraising is that requests for funding from external non-governmental sources should be kept to a minimum. Direct fundraising carried out by the school is currently restricted to hiring out rooms and facilities to external organisations, along with an annual sponsored fundraising event.
- We do not use commercial or professional external fundraisers to generate funds for the school. The only other group we use is our own Parent Staff Association (PSA) described earlier in this report. The work done by them to raise funds for us is adequately monitored as the Head Teacher is regularly involved in decisions regarding the activities they decide to undertake and she or another member of the management team usually attend their committee meetings.
- Neither we nor the PSA engage in one-to-one fundraising approaches which would be likely to apply undue pressure to the public or vulnerable people through unreasonably intrusive or persistent methods to secure donations.

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

- To the best of our knowledge we and all bodies raising funds on our behalf conform to recognised standards. However should there be any complaints from any individual or corporate body, these should be fully detailed in writing to the school office, in which case they will be acknowledged and fully investigated by the management team or board of governors as appropriate and a response subsequently given.

PLANS FOR FUTURE PERIODS

Future developments

The Academy intends to action fully the areas of development as detailed in the Strategic Development Plan 2018-2022, which has been agreed by full governors in June 2018.

Funds held as custodian

No funds are held on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

Following audit tender presentations it was decided that a new company of auditors be appointed for the three year period from September 2018. The designated Trustees will propose a motion to appoint Haines Watts Leicester LLP at a meeting of the Trustees.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 27 November 2018 and signed on its behalf by:



Mark Needham
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Holywell 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 the Headteacher, 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 Holywell 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 6 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
Mark Needham	4	6
Robert Seager	4	6
Steven Christie	5	6
David Donegani	4	6
Claudia Foster	5	6
Abigail Sinclair	5	6
Julia Vermaak	6	6
Rebecca Coleman	4	4
Smita Jenna	5	6
Elizabeth Chahal	6	6
Raja Manzoor	5	5
Christopher Bulloch	5	5
Anna Rowlands	1	2
Diane Williams	6	6

- Changes in the composition of the Board are indicated on page 1 of the financial statements and all were of a routine nature.
- The Board's work was typical for a primary academy of its size and type, focusing on the improvement and maintenance of educational standards and on financial and general management. There were no unusual matters worthy of note dealt with by the Trustees during their work.
- A review of the Board's performance in the year is detailed below. Challenges encountered have been of a routine nature concerning finances, staff management and educational standards.
- The quality of data flowing to the Board is considered acceptable by Trustees based on their experience, their own observations, enquiries and judgements.

During the year one Governor has resigned.

Governance Reviews:

We continue to monitor carefully the financial viability of the school in the light of shrinking budgets and income. This was principally undertaken by the school financial management team and then discussed at length with the Chair of Finance and Personnel, who in turn kept all governors informed as required.

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GOVERNANCE STATEMENT (continued)

We continue to make use of skills audits to make informed choices on uptake of available training. This year we undertook a full review of our Risk Register to ensure that it remains fit for purpose. Some minor changes were made, mostly for the sake of clarity, which will ensure that it remains a useful document for use in assessing potential risks to the academy.

We have also this year done a lot of work on updating policies. The register of policies in force and their review dates had not been kept up to date, so was not performing its intended function. This has been brought up to date so it can once again be used as a reference point for policy review dates. There is further work to do in rationalising the policies themselves, which may be carried out during the 2018/19 year.

The Finance & Personnel Committee is one of the trust's three working committees. Part of its purpose is to review the financial position of the academy trust on a regular basis. This includes discussing and approving academy trust budgets and approving necessary expenditure. For larger procurement projects this also involves sourcing quotations for comparison to ensure that best value is secured. Attendance at meetings during the year was as follows:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Steven Christie	7	7
David Donegani	6	7
Mark Needham	6	7
Abigail Sinclair	7	7
Chris Bulloch	5	5
Elizabeth Chahal	6	7

Review of Value for Money

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

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

- Benchmarking against Loughborough Primary Academy Partnership schools.
- Procurement exercises.
- Discussion with other Head Teachers.
- Review of contracts.

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 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 Holywell 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.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 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.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Personnel 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 to appoint Leicestershire County Council Internal Audit Services as internal auditor.

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

- testing on payroll systems, purchase systems and control accounts and bank reconciliations.

On an annual basis, the auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The latest internal audit visit was in June 2018. No material control issues were identified as a result of the internal auditor's review work.


Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 27 November 2018 and signed on their behalf, by:



Mark Needham
Chair of Trustees



Maria Ings
Accounting Officer

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Holywell 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.



Maria Ings
Accounting Officer

Date: 27 November 2018

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 27 November 2018 and signed on its behalf by:



Mark Needham
Chair of Trustees

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLYWELL PRIMARY SCHOOL**

Opinion

We have audited the financial statements of Holywell Primary School (the 'Academy') for the year ended 31 August 2018 which comprise the statement of financial activities incorporating income and expenditure account, 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' 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 & 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 auditor's 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.

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.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLYWELL PRIMARY SCHOOL**

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 which the financial statements are prepared is consistent with the financial statements.
- the trustees' report has 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.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLYWELL PRIMARY SCHOOL**

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Magma Audit LLP

Luke Turner ACA FCCA (Senior statutory auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants
Statutory Auditors

Unit 2, Charnwood Edge Business Park
Syston Road
Cossington
Leicestershire
LE7 4UZ

Date:

06/12/18.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLYWELL
PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 22 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holywell 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 Holywell 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 Holywell 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 Holywell Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Holywell Primary School's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Holywell Primary School's funding agreement with the Secretary of State for Education dated 31 October 2012, 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.

The work undertaken to draw our conclusion includes:

- On a sample basis testing transactions and balances.
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLYWELL
PRIMARY SCHOOL AND THE EDUCATION AND 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.

Magma Audit LLP

Reporting Accountant

Chartered Accountants
Magma Audit LLP

Unit 2, Charnwood Edge Business Park
Syston Road
Cossington
Leicestershire
LE7 4UZ

Date:

06/12/18.

HOLYWELL 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	-	3,713	10,690	14,403	13,143
Charitable activities	3	-	1,566,964	-	1,566,964	1,577,074
Other trading activities	4	20,932	4,000	-	24,932	32,654
Investments	5	1,367	-	-	1,367	1,252
TOTAL INCOME		22,299	1,574,677	10,690	1,607,666	1,624,123
EXPENDITURE ON:						
Raising funds		7,110	5,394	-	12,504	11,836
Charitable activities		-	1,669,891	94,510	1,764,401	1,721,746
TOTAL EXPENDITURE	6	7,110	1,675,285	94,510	1,776,905	1,733,582
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between funds	17	15,189	(100,608)	(83,820)	(169,239)	(109,459)
		-	(16,155)	16,155	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		15,189	(116,763)	(67,665)	(169,239)	(109,459)
Actuarial gains on defined benefit pension schemes	21	-	151,000	-	151,000	136,000
NET MOVEMENT IN FUNDS		15,189	34,237	(67,665)	(18,239)	26,541
RECONCILIATION OF FUNDS:						
Total funds brought forward		189,463	(470,820)	3,595,191	3,313,834	3,287,293
TOTAL FUNDS CARRIED FORWARD		204,652	(436,583)	3,527,526	3,295,595	3,313,834

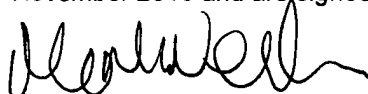
The notes on pages 25 to 45 form part of these financial statements.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08150822

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	2017 £
FIXED ASSETS				
Tangible assets	12		3,527,526	3,595,191
CURRENT ASSETS				
Stocks	13	-	5,097	
Debtors	14	29,679	36,124	
Investments	15	85,000	65,000	
Cash at bank and in hand		338,289	342,134	
		<u>452,968</u>	<u>448,355</u>	
CREDITORS: amounts falling due within one year	16	(112,899)	(88,712)	
NET CURRENT ASSETS			<u>340,069</u>	<u>359,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,867,595</u>	<u>3,954,834</u>
Defined benefit pension scheme liability	21	(572,000)		(641,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>3,295,595</u></u>	<u><u>3,313,834</u></u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted income fund	17	135,417	170,180	
Fixed asset fund	17	3,527,526	3,595,191	
Restricted funds excluding pension liability		<u>3,662,943</u>	<u>3,765,371</u>	
Pension reserve		<u>(572,000)</u>	<u>(641,000)</u>	
Total restricted funds			<u>3,090,943</u>	<u>3,124,371</u>
Unrestricted income funds	17		<u>204,652</u>	<u>189,463</u>
TOTAL FUNDS			<u><u>3,295,595</u></u>	<u><u>3,313,834</u></u>

The financial statements on pages 22 to 45 were approved by the Trustees, and authorised for issue, on 27 November 2018 and are signed on their behalf, by:



Mark Needham
Chair of Trustees

The notes on pages 25 to 45 form part of these financial statements.

HOLYWELL 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	19	<u>30,943</u>	<u>(55,511)</u>
Cash flows from investing activities:			
Interest received		1,367	1,252
Purchase of tangible fixed assets		(26,845)	(5,836)
Capital grants from DfE and other capital income		10,690	8,725
Cash held in investments		<u>(20,000)</u>	<u>(65,000)</u>
Net cash used in investing activities		<u>(34,788)</u>	<u>(60,859)</u>
Change in cash and cash equivalents in the year		(3,845)	(116,370)
Cash and cash equivalents at 1 September 2017		<u>342,134</u>	<u>458,504</u>
Cash and cash equivalents at 31 August 2018	20	<u><u>338,289</u></u>	<u><u>342,134</u></u>

The notes on pages 25 to 45 form part of these financial statements.

HOLYWELL 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 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 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 incorporating income and expenditure account 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 incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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.

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within income from donations and capital grants. The land and buildings are held on a 125 year lease with the Local Authority. The cost of the land and buildings was arrived at using the ESFA standard valuation on a depreciated replacement cost basis provided to the academy. This provided a value for the land and buildings as at the date of conversion.

HOLYWELL 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 EXPENDITURE

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

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

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.

All expenditure is inclusive of irrecoverable VAT.

1.5 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.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 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 incorporating income and expenditure account 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 incorporating income and expenditure account.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold land (125 year lease)	-	125 years straight line
Leasehold buildings	-	2% straight line
Furniture and fixtures	-	25% straight line
Computer equipment	-	25% straight line

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

1.7 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 STOCKS

Classroom consumables, unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

1.9 CASH AT BANK AND IN HAND

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

1.10 CURRENT ASSET INVESTMENTS

Current asset investments are cash or cash equivalents with a maturity date of less than one year valued at fair value.

1.11 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 recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.12 FINANCIAL INSTRUMENTS

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. 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 note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.13 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.

1.14 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a multi-employer 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 incorporating income and expenditure account 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.

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

1. ACCOUNTING POLICIES (continued)

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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.

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.

Defined benefit pension scheme

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

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

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	-	3,713	1,931	5,644	4,418
Capital grants	-	-	8,759	8,759	8,725
	-	3,713	10,690	14,403	13,143
Total 2017	579	3,839	8,725	13,143	

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,398,379	1,398,379	1,420,251
Other DfE Group grants	-	129,666	129,666	113,931
	<u>-</u>	<u>1,528,045</u>	<u>1,528,045</u>	<u>1,534,182</u>
Other government grants				
Local Authority grants	-	38,919	38,919	42,892
	<u>-</u>	<u>38,919</u>	<u>38,919</u>	<u>42,892</u>
	<u>-</u>	<u>1,566,964</u>	<u>1,566,964</u>	<u>1,577,074</u>
Total 2017	<u>-</u>	<u>1,577,074</u>	<u>1,577,074</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings income	9,061	-	9,061	13,569
Loughborough Primary Academy Partnership (LPAP) income	-	4,000	4,000	10,000
Other income	7,935	-	7,935	4,338
Clubs income	3,936	-	3,936	4,747
	<u>20,932</u>	<u>4,000</u>	<u>24,932</u>	<u>32,654</u>
Total 2017	<u>22,654</u>	<u>10,000</u>	<u>32,654</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	1,367	-	1,367	1,252
Total 2017	<u>1,252</u>	<u>-</u>	<u>1,252</u>	

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

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising funds					
Direct costs	-	-	-	-	-
Support costs	2,716	942	8,846	12,504	11,836
Educational Operations:					
Direct costs	1,157,984	70,657	106,358	1,334,999	1,302,853
Support costs	210,115	97,133	122,154	429,402	418,893
	<u>1,370,815</u>	<u>168,732</u>	<u>237,358</u>	<u>1,776,905</u>	<u>1,733,582</u>
Total 2017	<u>1,346,688</u>	<u>165,677</u>	<u>221,217</u>	<u>1,733,582</u>	

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

7. CHARITABLE ACTIVITIES

	Total funds 2018 £	Total funds 2017 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs - salaries	868,057	860,906
Teaching and educational support staff costs - NI	74,841	72,108
Teaching and educational support staff costs - pensions	215,086	203,366
LGPS pension interest cost (£43,000) less return on assets (£27,000)	16,000	14,000
Educational supplies	35,253	37,735
Staff development	5,484	8,717
Other direct costs	15,911	16,795
Depreciation	70,883	68,544
Technology costs	33,484	32,662
	<u>1,334,999</u>	<u>1,314,833</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs - salaries	167,682	168,278
Support staff costs - NI	9,249	9,195
Support staff costs - pensions	33,184	29,095
Maintenance of premises and equipment	21,210	17,386
Cleaning	8,818	8,736
Rates	13,953	10,573
Insurance	13,070	16,321
Depreciation	23,627	22,848
Catering	70,947	61,707
Other support costs	33,982	30,171
Technology costs	3,488	3,372
Energy costs	22,435	21,269
Governance	7,757	7,962
	<u>429,402</u>	<u>406,913</u>
	<u><u>1,764,401</u></u>	<u><u>1,721,746</u></u>

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- capitalised by the charity	94,510	91,392
Auditors' remuneration - audit	6,034	5,800
Auditors' remuneration - other services	780	765
Operating lease rentals	340	326
	<u><u>101,664</u></u>	<u><u>98,283</u></u>

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,038,376	1,032,924
Social security costs	84,169	81,303
Pension costs	248,270	232,461
	<u>1,370,815</u>	<u>1,346,688</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	20	21
Admin and support	45	43
Management	1	1
	<u>66</u>	<u>65</u>

c. 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

The above employee participated in the Teacher' Pension Scheme. During the year ended 31 August 2018 pension contributions for this staff member amounted to £10,360 (2017: £10,008).

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust £296,404 (2017: £310,053). These figures include salary costs of all Trustees employed by the academy, even where they have no management role within their employment.

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

10. TRUSTEES' AND HEADTEACHER'S REMUNERATION AND EXPENSES

One or more Trustees and the Headteacher has been paid remuneration from an employment with the academy trust. The staff Trustees only receive remuneration in respect of services they provide undertaking the roles of staff members under their contracts of employment, and not in respect of their role as Trustees.

The value of Headteacher and Trustees' remuneration was as follows:

M Ings (Headteacher)

Remuneration £60,000 - £65,000 (2017: £60,000 - £65,000)

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

R Coleman (Staff Trustee)

Remuneration £15,000 - £20,000 (2017: £20,000 - £25,000)

Employer's pension contributions £0 - £5,000 (2017: £0 - £5,000)

A Sinclair (Staff Trustee)

Remuneration £35,000 - £40,000 (2017: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2017: £5,000 - £10,000)

D Williams (Staff Trustee) - appointed 1 September 2017

Remuneration £45,000 - £50,000

Employer's pension contributions £5,000 - £10,000

A Rowlands (Staff Trustee) - appointed 1 April 2018

Remuneration £10,000 - £15,000

Employer's pension contributions £0 - £5,000

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

During the year ended 31 August 2018, expenses totalling £54 were reimbursed to 1 Trustee (2017 - £33 to 1 Trustee).

11. 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 £3 million on any one claim and the cost for the year ended 31 August 2018 was £358 (2017 - £538).

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

12. TANGIBLE FIXED ASSETS

	Leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
COST				
At 1 September 2017	3,839,771	44,446	64,306	3,948,523
Additions	-	15,791	11,054	26,845
At 31 August 2018	<u>3,839,771</u>	<u>60,237</u>	<u>75,360</u>	<u>3,975,368</u>
DEPRECIATION				
At 1 September 2017	281,575	26,629	45,128	353,332
Charge for the year	67,951	14,241	12,318	94,510
At 31 August 2018	<u>349,526</u>	<u>40,870</u>	<u>57,446</u>	<u>447,842</u>
NET BOOK VALUE				
At 31 August 2018	<u>3,490,245</u>	<u>19,367</u>	<u>17,914</u>	<u>3,527,526</u>
At 31 August 2017	<u>3,558,196</u>	<u>17,817</u>	<u>19,178</u>	<u>3,595,191</u>

See note 1.3 regarding assets transferred on conversion.

13. STOCKS

	2018 £	2017 £
Classroom and other materials	<u>-</u>	<u>5,097</u>

14. DEBTORS

	2018 £	2017 £
Trade debtors	791	2,387
VAT recoverable	14,306	7,178
Prepayments and accrued income	14,582	26,559
	<u>29,679</u>	<u>36,124</u>

15. CURRENT ASSET INVESTMENTS

	2018 £	2017 £
Unlisted investments	<u>85,000</u>	<u>65,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	16,576	-
Other taxation and social security	19,249	20,574
Other creditors	21,656	21,680
Accruals and deferred income	55,418	46,458
	<u>112,899</u>	<u>88,712</u>

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	41,934	48,034
Resources deferred during the year	41,679	41,934
Amounts released from previous years	(41,934)	(48,034)
Deferred income at 31 August 2018	<u>41,679</u>	<u>41,934</u>

The closing balance of deferred income relates to Universal Infant Free School Meals funding received in advance of the 2018/19 academic year.

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
General Funds	189,463	22,299	(7,110)	-	-	204,652
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	163,131	1,398,379	(1,424,185)	(6,451)	-	130,874
Pupil premium	-	38,586	(38,586)	-	-	-
Other DfE Group grants	1,408	91,080	(82,488)	(10,000)	-	-
Other government grants	-	38,919	(38,919)	-	-	-
Other trading activities	5,641	4,000	(5,394)	296	-	4,543
Donations	-	3,713	(3,713)	-	-	-
Pension reserve	(641,000)	-	(82,000)	-	151,000	(572,000)
	<u>(470,820)</u>	<u>1,574,677</u>	<u>(1,675,285)</u>	<u>(16,155)</u>	<u>151,000</u>	<u>(436,583)</u>

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

17. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

DfE Group capital grants	42,119	8,759	(14,259)	10,000	-	46,619
Transfer from local authority	3,140,693	-	(59,349)	-	-	3,081,344
Condition Improvement Fund	363,191	-	(7,437)	-	-	355,754
Donations	-	1,931	(483)	-	-	1,448
Capital expenditure from GAG	49,188	-	(12,982)	6,155	-	42,361
	<u>3,595,191</u>	<u>10,690</u>	<u>(94,510)</u>	<u>16,155</u>	<u>-</u>	<u>3,527,526</u>
Total restricted funds	<u>3,124,371</u>	<u>1,585,367</u>	<u>(1,769,795)</u>	<u>-</u>	<u>151,000</u>	<u>3,090,943</u>
Total of funds	<u>3,313,834</u>	<u>1,607,666</u>	<u>(1,776,905)</u>	<u>-</u>	<u>151,000</u>	<u>3,295,595</u>

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

Restricted funds

The General Annual Grant (GAG) relates to the school's development and operational activities. The transfer from GAG relates to funding towards fixed asset additions in the year.

Pupil premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to to close the gaps between them and their peers. All funds have been spent in full within the year.

The DfE Group restricted funds consists of Universal Infant Free School Meals and PE Sport Grant. The transfer from funds relates to funding towards fixed assets additions to improve the quality of PE and sports within the school. All funds have been spent in full within the year.

Other government grants consist of Special Educational Needs (SEN) income and Pupil Premium for Looked After Children. All funds have been spent in full within the year.

Other trading activities income relates to restricted income in respect of the Loughborough Primary Academy Partnership of which Holywell Primary School heads the collaboration. The carried forward balance consists of unspent income of £4,543.

Donations relates to income received from Holywell Primary School's Parent Staff Association (PSA) towards various educational costs incurred within the year. All funds have been spent in full in the year.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed assets

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned.

The transfer from Local Authority relates to the value of £3,259,472 (leasehold land and buildings plus moveable assets) transferred from the Local Authority to the academy on conversion. The closing balance relates to the net book value of the assets concerned.

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17. STATEMENT OF FUNDS (continued)

The Condition Improvement Fund (CIF) relates to funding received in relation to building of a new 4+ building. The closing balance relates to the net book value of the assets concerned.

Donations within fixed asset income relate to Parent Staff Association (PSA) donations from the Holywell Primary School PSA towards a rubber track purchased within the year. All funds have been spent in full.

The capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The income element is shown as a transfer from restricted funds, where the GAG is received, to the restricted fixed assets fund where it has been spent. The closing balance represents the net book value of the assets concerned.

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Funds	171,001	24,485	(6,023)	-	-	189,463
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	131,326	1,420,251	(1,390,085)	1,639	-	163,131
Pupil premium	-	32,244	(32,244)	-	-	-
Other DfE Group grants	5,607	89,187	(93,386)	-	-	1,408
Other government grants	-	35,392	(35,392)	-	-	-
Other trading activities	4,612	10,000	(10,221)	1,250	-	5,641
Donations	-	3,839	(3,839)	-	-	-
Pension reserve	(706,000)	-	(71,000)	-	136,000	(641,000)
	<u>(564,455)</u>	<u>1,590,913</u>	<u>(1,636,167)</u>	<u>2,889</u>	<u>136,000</u>	<u>(470,820)</u>
RESTRICTED FIXED ASSET FUNDS						
DfE Group capital grants	47,196	8,725	(13,802)	-	-	42,119
Transfer from local authority	3,200,096	-	(59,403)	-	-	3,140,693
Condition Improvement Fund	370,628	-	(7,437)	-	-	363,191
Capital Expenditure from GAG	62,827	-	(10,750)	(2,889)	-	49,188
	<u>3,680,747</u>	<u>8,725</u>	<u>(91,392)</u>	<u>(2,889)</u>	<u>-</u>	<u>3,595,191</u>
Total restricted funds	<u>3,116,292</u>	<u>1,599,638</u>	<u>(1,727,559)</u>	<u>-</u>	<u>136,000</u>	<u>3,124,371</u>
Total of funds	<u>3,287,293</u>	<u>1,624,123</u>	<u>(1,733,582)</u>	<u>-</u>	<u>136,000</u>	<u>3,313,834</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	3,527,526	3,527,526
Current assets	204,652	248,316	-	452,968
Current liabilities	-	(112,899)	-	(112,899)
Pension scheme liability	-	(572,000)	-	(572,000)
	<u>204,652</u>	<u>(436,583)</u>	<u>3,527,526</u>	<u>3,295,595</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	-	-	3,595,191	3,595,191
Current assets	189,463	258,892	-	448,355
Current liabilities	-	(88,712)	-	(88,712)
Pension scheme liability	-	(641,000)	-	(641,000)
	<u>189,463</u>	<u>(470,820)</u>	<u>3,595,191</u>	<u>3,313,834</u>

19. 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)	(169,239)	(109,459)
Adjustment for:		
Depreciation charges	94,510	91,392
Interest receivable	(1,367)	(1,252)
Decrease/(increase) in stocks	5,097	(3,614)
Decrease/(increase) in debtors	6,445	(12,824)
Increase/(decrease) in creditors	24,187	(82,029)
Capital grants from DfE and other capital income	(10,690)	(8,725)
Defined benefit pension scheme cost less contributions payable	66,000	57,000
Defined benefit pension scheme finance cost	16,000	14,000
Net cash provided by/(used in) operating activities	<u>30,943</u>	<u>(55,511)</u>

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

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	338,289	342,134
Total	<u>338,289</u>	<u>342,134</u>

21. 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 Leicestershire County Council. 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 £21,655 were payable to the schemes at 31 August 2018 (2017 - £21,680) 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 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

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.

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

21. PENSION COMMITMENTS (continued)

The employer's pension costs paid to TPS in the period amounted to £105,069 (2017 - £102,742).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 £95,000 (2017 - £90,000), of which employer's contributions totalled £76,000 (2017 - £71,000) and employees' contributions totalled £19,000 (2017 - £19,000). The agreed contribution rates for future years are 23.4 - 24.4% 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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.40 %	3.40 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %
Inflation assumption (CPI)	2.40 %	2.40 %
Commutation of pensions to lump sums	50.00 %	50.00 %

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	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	23.8	23.8
Females	26.2	26.2

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

21. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	718,000	687,000
Bonds	313,000	205,000
Property	104,000	82,000
Cash	23,000	51,000
	<hr/>	<hr/>
Total market value of assets	1,158,000	1,025,000
	<hr/>	<hr/>

The actual return on scheme assets was £50,000 (2017 - £294,000).

Expected returns on assets are calculated as follows:-

The figures shown in the standard FRS102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2017 for the year to 31 August 2018, or date of joining the fund if later).

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

21. PENSION COMMITMENTS (continued)

The amounts recognised in the statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(142,000)	(128,000)
Interest income	27,000	14,000
Interest cost	(43,000)	(28,000)
Total	(158,000)	(142,000)

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

	2018 £	2017 £
Opening defined benefit obligation	1,666,000	1,355,000
Current service cost	142,000	128,000
Interest cost	43,000	28,000
Employee contributions	19,000	19,000
Actuarial (gains)/losses	(128,000)	144,000
Benefits paid	(12,000)	(8,000)
Closing defined benefit obligation	1,730,000	1,666,000

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

	2018 £	2017 £
Opening fair value of scheme assets	1,025,000	649,000
Interest income	27,000	14,000
Actuarial gains	23,000	280,000
Employer contributions	76,000	71,000
Employee contributions	19,000	19,000
Benefits paid	(12,000)	(8,000)
Closing fair value of scheme assets	1,158,000	1,025,000

Sensitivity analysis

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

Change in assumptions as at 31 August 2018:	Approximate % increase to Employer Liability	Approximate monetary amount £
0.5% decrease in Real Discount Rate	12 %	213,000
0.5% increase in the Salary Increase Rate	2 %	42,000
0.5% increase in the Pension Increase Rate	10 %	167,000

HOLYWELL PRIMARY SCHOOL
(A company limited by guarantee)

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

22. 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	340	326
Between 1 and 5 years	-	340
Total	<u>340</u>	<u>666</u>

23. RELATED PARTY TRANSACTIONS

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

Expenditure Related Party Transaction

Mrs H Needham - wife of Mr M Needham (Chair of Trustees of the academy trust):

- The academy trust paid for pupils' music lessons from Mrs H Needham totalling £900 (2017: £930) during the period. There were no amounts outstanding at 31 August 2018 (2017: £nil)
- The academy trust made the purchase at arms' length following a value for money exercise in accordance with its financial regulations, which Mr Needham neither participated in, nor influenced
- In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

24. CONNECTED CHARITIES

Holywell Primary School Parent Staff Association raises money for the school and then, in line with its own board decisions, donates funds for particular projects, or assets for the benefit of the academy. The charity's net assets/reserves at 31 August 2018 were £11,536 (2017 - £11,445). The charity's gross income for the year to 31 August 2018 was £5,952 (2017 - £5,804), its expenditure was £5,861 (2017 - £3,839) and its surplus was £91 (2017 - £1,965).

25. MEMBERS' LIABILITY

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

Client: Holywell Primary School


Year End: 31 August 2018

Responsible Individual: Luke James Turner

I confirm that I have reviewed the audit file at the date of the audit report and I am satisfied that all work required to issue our opinion on the financial statements has been conducted and that there are no outstanding or unresolved issues which affect that opinion. It will be ensured that the audit file is updated for all work conducted within 60 days from the date of the audit report.

Post balance sheet events were discussed with the client by me on 6 Dec 18 and no post balance sheet events were noted.

The letter of representation dated 27 Nov 18 was discussed and confirmed that all points still stand as at the date of signing the audit report.


.....
Signed by RI

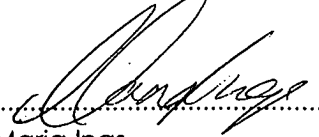
06/12/18.
.....
Date:

Holywell Primary School

Surplus Reconciliation for the year ended 31 August 2018

	In year deficit £
Balance per FMS/SIMS being in year surplus	(17,330)
Add / (Less):	
1 Depreciation charge	(94,510)
2 Capitalisation of items from Income & Expenditure	26,845
3 Deferred income adjustment	(2,244)
4 LGPS pension net interest cost	(16,000)
5 LGPS pension service cost less contributions payable	(66,000)
Net income/(expenditure) for the year	(169,239)
6 Actuarial loss	151,000
Net movement on funds for the year per Magma Statutory Accounts	<u>(18,239)</u>

Agreed by informed management on behalf of the board:


.....
Maria Ings
Accounting Officer

27/11/18
.....
Date

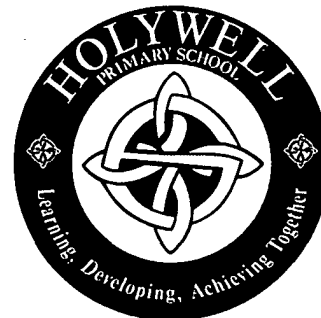
			Income & Expenditure	Balance Sheet
0AA0	Teachers Salaries	622,932.20	622,932.20	
0AA7	Teachers NI	61,048.05	61,048.05	
0AA9	Teachers Superannuation	105,068.93	105,068.93	
0AW0	Supply Teachers-Sickness Salary	3,450.01	3,450.01	
0AW7	Supply Teachers-Sickness NI	232.60	232.60	
0AW9	Supply Teachers-Sickness SA	501.92	501.92	
0AX0	Supply Teach - Sch Fund Salaries	4,516.12	4,516.12	
0AX7	Supply Teach - Sch Fund NI	326.69	326.69	
0AX9	Supply Teach - Sch Fund SA	810.90	810.90	
0HA0	Admin & Clerical - Salaries	71,831.82	71,831.82	
0HA7	Admin & Clerical - NI	5,728.57	5,728.57	
0HA8	Admin & Clerical - SA	17,640.93	17,640.93	
0HH0	Premises Officers - Salaries	28,688.97	28,688.97	
0HH2	Premises Officers - OT	394.56	394.56	
0HH4	Premises Officers - Lettings	1,571.06	1,571.06	
0HH7	Premises Officers - NI	2,978.59	2,978.59	
0HH8	Premises Officers - SA	6,532.40	6,532.40	
0HN0	Nursery Nurses(4+Units) - Salary	40,794.82	40,794.82	
0HN7	Nursery Nurses(4+Units) - NI	3,120.64	3,120.64	
0HN8	Nursery Nurses(4+Units) - SA	6,532.51	6,532.51	
0HS0	Swimming/Sports Staff - Salaries	10,712.54	10,712.54	
0HS2	Swimming/Sports Staff - OT	1,225.10	1,225.10	
0HS7	Swimming/Sports Staff - NI	1,704.23	1,704.23	
0HZ0	Other Staff - Spec Facil - Sal	14,220.35	14,220.35	
0HZ7	Other Staff - Spec Facil - NI	821.11	821.11	
0PB0	Cleaners - Salaries	28,092.28	28,092.28	
0PB7	Cleaners - NI	28.16	28.16	
0PB8	Cleaners - SA	3,434.69	3,434.69	
0PD0	Midday Supervisors - Salaries	32,360.44	32,360.44	
0PD2	Midday Supervisors - OT	1,011.73	1,011.73	
0PD7	Midday Supervisors - NI	512.52	512.52	
0PD8	Midday Supervisors - SA	5,575.73	5,575.73	
0PJ0	Learning Mentor - Salaries	13,458.97	13,458.97	
0PJ2	Learning Mentor - OT	710.61	710.61	
0PJ7	Learning Mentor - NI	997.65	997.65	
0PJ8	Learning Mentor - SA	3,536.61	3,536.61	
0PS0	Teach Ass/Ancillary - Salaries	102,962.82	102,962.82	
0PS2	Teach Ass/Ancillary - OT	1,860.81	1,860.81	
0PS7	Teach Ass/Ancillary - NI	5,867.74	5,867.74	
0PS8	Teach Ass/Ancillary - SA	31,290.01	31,290.01	
0PV0	Cover Supervisors - Salaries	5,860.02	5,860.02	
0PV2	Cover Supervisors - OT	26.60	26.60	
0PV7	Cover Supervisors - NI	799.87	799.87	
0PV8	Cover Supervisors - SA	1,343.74	1,343.74	
1300	INDIRECT EMP EXPENSES	13,858.58	13,858.58	

Holywell Primary School

Headteacher: Mia Ings
Berkeley Road
Loughborough
Leicestershire

LE11 3SJ
Tel: 01509 231347

www.holywell.leics.sch.uk



Company Registration No.8150822 Email office.admin@holywell.leics.sch.uk

November 2018

Magma Audit LLP
Chartered Accountants &
Registered Auditors
Unit 2
Charnwood Edge Business Park
Syston Road
Cossington
LE7 4UZ

Dear Sirs

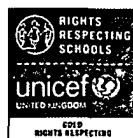
The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as I consider necessary in connection with your assurance report on regularity to Holywell Primary School and the Education and Skills Funding Agency (ESFA) for the year ended 31 August 2018. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of my knowledge and belief.

General

- 1 I have fulfilled my responsibilities as accounting officer under the requirements of the funding agreement between Holywell Primary School and the Secretary of State for Education and the Academies Financial Handbook (September 2017).
- 2 I acknowledge my personal responsibility to Parliament for the regularity and propriety of the public finances for which I am answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in my charge.
- 3 I acknowledge my responsibility to notify the governing body and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the academy trust's funding agreement and have had due regard to the requirements of the Academies Financial Handbook (September 2017) in performing this duty.
- 4 Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.
- 5 Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the academy trust's authorising framework.



Artsmark
Silver Award
Awarded by Arts
Council England



- 6 Full and free access has been granted to the all records, correspondence, information and explanations that you have considered necessary to enable you to perform your work.

Yours faithfully


.....
Maria Ings - Accounting Officer

Date.....27/11/18



Artsmark
Silver Award
Awarded by Arts
Council England

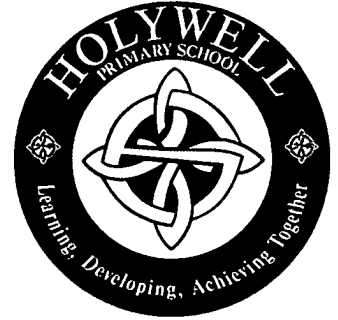


Holywell Primary School

Headteacher: Mia Ings
Berkeley Road
Loughborough
Leicestershire

LE11 3SJ
Tel: 01509 231347

www.holywell.leics.sch.uk



Company Registration No.8150822 Email office.admin@holywell.leics.sch.uk

November 2018

Magma Audit LLP
Chartered Accountants &
Registered Auditors
Unit 2
Charnwood Edge Business Park
Syston Road
Cossington
LE7 4UZ

Dear Sirs

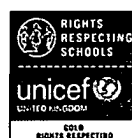
The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy's financial statements and as, relevant, your assurance engagement on regularity for the year ended 31 August 2018. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as trustees under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the Academies Accounts Direction 2017 to 2018, for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the academy have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement. We have provided you with unrestricted access to all appropriate persons within the academy, and with all other records and related information, including minutes of management meetings and correspondence with the Education and Skills Funding Agency and Department for Education.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 There were no uncorrected misstatements found above the level considered to be trivial during the course of our audit.



Artsmark
Silver Award
Awarded by Arts
Council England



Internal control and fraud

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error and which conform to the requirements both of propriety and good financial management. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 9 The academy has satisfactory title to all assets and there are no liens or encumbrances on the academy's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

- 12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

- 13 The academy has not granted any advances or credits to, or made guarantees on behalf of trustees other than those disclosed in the financial statements.

Legal claims

- 14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Law and regulations

- 15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

- 16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP and the Annual Accounts Direction issued by the Education and Skills Funding Agency.

Subsequent events

- 17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

- 18 We believe that the academy's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the academy's ability to continue as a going concern need to be made in the financial statements.



Grants and donations

- 19 Grants made by the Education and Skills Funding Agency have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government.
- 20 All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.
- 21 Restricted grants and donations closing balances are as disclosed in the statutory financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make him/herself aware of any relevant audit/other information and to establish that you are aware of that information.

Yours faithfully



Mark Needham - Signed on behalf of the board of trustees

Date.....27/11/18.....



			Income & Expenditure	Balance Sheet
1400	STAFF DEVELOPMENT	5,484.04	5,484.04	
1500	PREMISES MAINT & SERVICES	14,824.38	14,824.38	
1510	PREMISES	14,499.57	14,499.57	
1520	RATES.	7,487.20	7,487.20	
1540	ENERGY	22,434.68	22,434.68	
1550	OTHER PREMISES	9,206.29	9,206.29	
1580	OPERATING LEASES	405.95	405.95	
1600	EDUCATIONAL IT	41,637.81	41,637.81	
1620	EDUCATIONAL OTHER	33,202.02	33,202.02	
1631	PUPIL PREMIUM EXP	49,405.58	49,405.58	
1640	PARENTAL DONATIONS.	462.66	462.66	
1655	TRIPS EXPENDITURE	37,920.59	37,920.59	
1660	SPORTS FUNDING EXP	19,645.50	19,645.50	
1670	PSA CURRIC	5,644.34	5,644.34	
1680	PF EXP - ACHIEVE/PRIZES	833.53	833.53	
1681	PF EXP - CHARITY	443.74	443.74	
1682	PF EXP - CONCERTS	107.52	107.52	
1683	PF EXP - DONATIONS	130.50	130.50	
1684	PF EXP - ED MATERIALS	2,078.16	2,078.16	
1685	PF EXP - GIFTS	319.33	319.33	
1686	PF EXP - HOSPITALITY/REFRESH	409.41	409.41	
1688	PF EXP - PUPIL PARTIES	26.36	26.36	
1689	PF EXP - PHOTO COMMISION	30.00	30.00	
1693	PF EXP - SCHOOL MAGS	9.08	9.08	
1695	PF EXP - YR 6 BUSINESS	78.76	78.76	
1696	PF EXP MISCELLANEOUS	449.40	449.40	
1700	AUDIT COSTS	10,493.50	10,493.50	
1705	BANK CHARGES.	52.50	52.50	
1710	LEGAL & PROFESSIONS FEES	18,826.63	18,826.63	
1720	GOVERNORS EXPENSES	53.75	53.75	
1725	SCHOOL FOOD SUPPORT	4,975.79	4,975.79	
1730	OTHER NON ED SUPPORT COSTS (IT)	3,488.00	3,488.00	
1740	NON EDUCATIONAL EXP	9,068.86	9,068.86	
1741	LPAP EXP	5,394.28	5,394.28	
1745	UNIVERSAL FREE SCHOOL MEALS EXP	71,450.00	71,450.00	
1799	INPUT VAT ADJUSTMENTS	614.11	614.11	
2001	INSURANCE.	13,069.90	13,069.90	
3100	DEV CAP EXP	3,944.00	3,944.00	
8100	RATES RELIEF	(7,592.20)	(7,592.20)	
8101	SCHOOL BUDGET SHARE.	(1,372,619.41)	(1,372,619.41)	
8105	SPORTS FUNDING	(19,630.00)	(19,630.00)	
8108	ED SERVICES GRANT	(18,167.90)	(18,167.90)	
8109	UNIVERSAL FREE SCHOOL MEALS	(71,450.00)	(71,450.00)	
8131	PUPIL PREMIUM INC	(38,586.00)	(38,586.00)	
8150	SCHOOLS DIRECT GRANT	(2,123.00)	(2,123.00)	

		Income & Expenditure	Balance Sheet
8160	SEN SUPPORT	(33,196.00)	(33,196.00)
8162	PUPIL PREMIUM PLUS (LAC)	(5,722.86)	(5,722.86)
8250	DEV CAP GRANT	(8,758.75)	(8,758.75)
8300	PSA INC	(5,644.34)	(5,644.34)
8301	PARENTAL DONATIONS	(4,418.11)	(4,418.11)
8311	PF INC - CHARITY	(421.90)	(421.90)
8312	PF INC - PRODUCTIONS/CONCERTS	(1,980.46)	(1,980.46)
8313	PF INC - DONATIONS	(133.80)	(133.80)
8314	PF INC - ED MATERIALS	(1,198.58)	(1,198.58)
8319	PF INC - PHOTO COMMISSION	(1,083.21)	(1,083.21)
8321	PF INC - SALE OF BOOK BAGS	(520.00)	(520.00)
8322	PF INC - 2ND HAND UNIFORMS	(387.80)	(387.80)
8323	PF INC - SCHOOL MAG	(73.65)	(73.65)
8324	PF INC - SPORTS	(56.00)	(56.00)
8325	PF INC - YR 6 BUSINESS	(157.44)	(157.44)
8326	PF INC - MISC	(255.80)	(255.80)
8400	LETTINGS	(11,304.95)	(11,304.95)
8405	TRIPS - PARENTAL CONTRIBUTIONS	(34,268.95)	(34,268.95)
8500	BANK/INVESTMENT INTEREST	(1,366.61)	(1,366.61)
8600	STAFF SICKNESS INS	(7,164.00)	(7,164.00)
8601	OTHER INS CLAIMS	(322.33)	(322.33)
8602	LPAP	(4,000.00)	(4,000.00)
8603	OTHER NON GOV INCOME	(5,648.82)	(5,648.82)
9383	Debtor Control	3,035.48	3,035.48
9422	Hampshire Trust Investment A/C	85,000.00	85,000.00
9423	Lloyds Bank current account	280,808.12	280,808.12
9786	20% Input VAT	12,912.14	12,912.14
9788	5% Input VAT	1,393.92	1,393.92
ACCR	Accruals	(13,738.71)	(13,738.71)
AD001	Asset Depreciation - ICT	(45,128.00)	(45,128.00)
AD002	Asset Depreciation - Buildings	(281,575.00)	(281,575.00)
AD003	Asset Depreciation - Furn&Equip	(26,629.00)	(26,629.00)
AS001	Asset - ICT	64,306.00	64,306.00
AS002	Asset - Buildings	3,839,771.00	3,839,771.00
AS003	Asset - Furn & Equipment	44,446.00	44,446.00
PENS	FRS17 Liability	(641,000.00)	(641,000.00)
PREPAY	Prepayments	14,581.26	14,581.26
RE001	Brought Forward	(3,313,834.26)	(3,313,834.26)
RIA	Receipt in Advance	(41,679.00)	(41,679.00)
		17,330.05	(17,330.05)
Net cost per trial balance			17,330.05