



Smailes Goldie
Chartered Accountants

**Registrar's
Copy**

Dunsville Primary Academy Trust

Financial Statements

31st August 2017



Dunsville Primary Academy Trust

**Contents of the Financial Statements
for the year ended 31st August 2017**

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 11
Governance Statement	12 to 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees Responsibilities	16
Report of the Independent Auditors	17 to 18
Independent Accountant's Report on Regularity	19 to 20
Statement of Financial Activities	21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Financial Statements	24 to 40

Dunsville Primary Academy Trust

Reference and Administrative Details for the Year ended 31st August 2017

Members

K Hulks (i)(ii)(iii)(iv)
J Stapleton (i)(ii)(iii)(iv)
P Hannam (i)(iv)

Trustees

B Jaehrig (ii)
F Tomlinson (ii)
S Harrison (Associate Member) (ii)
R Hodson (resigned 04/09/2017)
K Flint - Executive Headteacher (i)(ii)(iii)
J Wheatley (i) (resigned 14/11/2016)
J Chadwick (ii)
V Wilson - Headteacher (i)(ii)
P Knight – (resigned 16/10/2017)
M Keegan (i) (resigned 31/03/2017)
A Eastwood (appointed 15/11/2016)
V Stapleton (appointed 07/11/2016)
J Schofield (appointed 11/11/2016)
R Belk - Deputy Headteacher (Associate Member) (i)

- (i) member of the Finance committee
- (ii) member of the Teaching, Learning and Performance committee
- (iii) member of the Human Resources committee
- (iv) member of the Headteacher's Performance Review committee

Company Secretary

T Ladley

Accounting Officer

K Flint

Senior Leadership Team

Executive Headteacher	K Flint
Headteacher (3 days)	V Wilson
Deputy Headteacher (3 days)	R Belk
Deputy/Assistant Headteacher	J Schofield

Senior Management Team

Executive Headteacher	K Flint
Headteacher (3 days)	V Wilson
Deputy Headteacher (3 days)	R Belk
Deputy/Assistant Headteacher	J Schofield
SENCo	S Gunther
Transition Leader	C Eastwood
English Leader	S Kerrigan
Business Manager	T Ladley
Inclusion Leader	S Harrison
Senior HLTA	B Jaehrig

Registered Office

Dunsville Primary School
Broadway
Dunsville
Doncaster
South Yorkshire
DN7 4HX

Registered Company Number

08237807 (England and Wales)

Dunsville Primary Academy Trust

**Reference and Administrative Details
for the Year ended 31st August 2017**

Auditors

Smailes Goldie
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Solicitors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

Bankers

Barclays Bank PLC
St Paul's Place
121 Norfolk Street
Sheffield
S1 2WJ

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

The trustees who are also directors of the Academy Trust for the purposes of the Companies Act 2006, present their report with the financial statements of the Academy Trust for the year ended 31st August 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

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 is known as Dunsville Primary Academy Trust operating as Dunsville Primary School.

Details of the trustees who served through the period 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.

Method of recruitment and appointment or elections of trustees

In accordance with the articles of association the trustees are appointed as follows:

- a. The members may appoint up to 15 trustees
- b. Staff trustees (up to a maximum of 3) are appointed through any process they may determine, including by a suitable election process. The total number of governors (including the Head) who are employees of the academy trust shall not exceed one third of the total number of trustees.
- c. The Head shall be treated for all purposes as being an ex officio trustee.
- d. Parent trustees shall be elected in a secret ballot by parents of registered pupils at the Academy Trust. Where a vacancy for a parent governor is to be filled by election, the Trust Board takes such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil is informed of the vacancy and that he is entitled to stand as a candidate, and vote at the election, and be given an opportunity to do so. If it is not practical to fill the vacancy by a parent of a registered pupil at the academy trust, the members may appoint a person who is the parent of a child of compulsory school age.

Policies and procedures adopted for the induction and training of new trustees

All trustees, on appointment, receive a 'Trustee's Induction Pack' which outlines the role of a governor; the structure of the governing body; the composition and remit of each committee. Each new governor then meets with the Chair and Headteacher, is given a tour of the Academy Trust and an outline of the work of the Trust Board. In addition induction training is offered by the local authority and each new governor is strongly advised to attend.

Training for existing governors is provided on a 'bespoke' basis. Some meetings of the full board are preceded by training sessions on topics identified by the governors themselves. Trustees have also attended child protection training and other staff training activities. The local authority also provides Governor Forums - termly update sessions which are well attended by the trustees of the Academy Trust.

Organisational structure

The trustees are responsible for establishing the strategic direction; setting general policy; approving and adopting a three year and annual development plan; setting and monitoring the budget; approving capital expenditure and staff appointments above a defined level.

The Senior Leadership Team (SLT) consists of the Executive Headteacher, Headteacher, Deputy Headteachers and Assistant Headteacher. The SLT communicate daily and meet weekly to focus upon strategic issues and the other operational issues. Each member of the SLT has direct line management and project management responsibilities, linked to curriculum areas, pupil support areas, administrative and support staff.

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Executive Headteacher and Headteacher meets with the Chair and Vice Chair of trustees at least monthly.

The Executive Headteacher and Headteacher attends all governor committee meetings and the Business Manager attends all Finance and other committee meetings deemed necessary as Company Secretary. Full board meetings are clerked by a member appointed by the local authority governors support section which the academy trust buys in.

Day-to-day management is delegated to the Headteacher. All strategic decisions are delegated to the SLT and all staff appointments are ratified by the Trustees. The Executive Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Teaching staff of the Academy Trust are paid in line with the nationally agreed Teachers Pay and Conditions. Uplifts to pay are based on annual performance appraisals and are approved through a staff pay subcommittee who also approve the academy staffing structure and any new posts or changes to existing posts. Non-teaching staff are paid in line with the National Joint Council terms and conditions. Progression from the lower to upper scale point within the staff grade is not performance related and any incremental increases (where due) take effect from 1st April each year. Significant changes to job descriptions are referred to HR for re-evaluation to ensure that the correct salary is being paid.

Related Parties and other Connected Charities and Organisations

Dunsville Primary Academy Trust is an Associate Member of the Brighter Futures Learning Partnership Trust which is an educational charitable trust established on 4 February 2010 consisting of: Hungerhill Academy Trust; Barnby Dun Primary Academy; Canon Popham (Voluntary Aided) Church of England School; Kirk Sandall Infant Academy Trust; Kirk Sandall Junior School; Edenthorpe Hall Primary School; the 'BEAK' Sure Start Children's Centre; John Leggott College; Doncaster Rovers Football Club and RDASH.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Academy Trust, as set out in the articles of association, are:

1. To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an Academy Trust offering a broad and balanced curriculum ("the Academy Trust").
2. Promoting for the benefit of the inhabitants of Dunsville and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of life of the said inhabitants.

The core purpose of the Academy Trust is to help young people to cope with the difficult task of growing up in today's society and to prepare themselves for adult life in a rapidly changing world. It is important to the school that all of our pupils are valued as unique individuals and are given every opportunity to fulfil their potential. Every person has talents and it is the job of the school to help youngsters to discover and nurture these talents.

The pursuit of excellence is important for everyone at the Academy Trust and it is totally committed to achieving the highest quality in all areas. High expectations lead to high standards, not only in academic performance but in all other areas of Academy Trust life.

The success of Dunsville Primary School has been based on pupils, parents, governors and staff working together in partnership. In summary, it is a learning partnership dedicated to achieving the best education possible.

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

OBJECTIVES AND ACTIVITIES

Objectives, strategies and activities

The academy motto is: 'Working as one to achieve excellence through enjoyment'.

The academy's aims are:

- To provide a welcoming and secure environment for all that celebrates success.
- To challenge all children to achieve their full potential.
- To promote self-esteem, mutual respect and responsibility.
- To provide quality, inclusive education (meaning access to all areas of education, for all pupils, regardless of ability, race or gender) with regular communication and consultation with parents, Trustees, children and staff.
- To create lifelong learners who are positive role models for our ever changing society.
- To promote an effective home school partnership.

Public benefit

In setting objectives and planning activities the Trust Board has given careful consideration to the Charity Commission's guidance on exercising its powers and duties. The achievement and performance of the Academy Trust in the period provides clear evidence that it is meeting its obligations as a charity to deliver public benefit.

The admissions policy ensures that members of the surrounding community benefit from Academy Trust activities as children residing in the catchment area are given highest priority, followed by siblings of those currently at the Academy Trust and then those out of catchment. Children with statements of special educational needs and those who are in care are always admitted, as required by law.

In addition the facilities of the Academy Trust are made available for community and public use outside school hours, at weekends and in school holidays.

STRATEGIC REPORT

Achievement and performance

Charitable activities

The last Ofsted inspection of the Academy Trust took place in January 2015 when it was judged to be good in every area and good overall. The Academy Trust was then categorised as 'Aspiring to Excellence' by the Local Authority. Regular monitoring visits ensure that standards are improved or maintained.

The academy continues its intervention work with focused groups of underperforming children in small groups. These groups include 'disadvantaged and vulnerable pupils' and from September 2017 a member of staff has been recruited specifically to work with these pupils. Also continuing is the increased number of support staff to meet the needs of some of children with complex needs and who were below expectation.

Links with Doncaster Rovers continue and 'Real PE' is now well embedded resulting in a positive impact on attitude to sport and development of skills. The Academy Trust continues its involvement in all pyramid sports tournaments across the age range from Yr 2 to Yr 6. Attendance at after school clubs continues to be high and outside specialists are employed to manage some of these clubs.

Dunsville has continued to admit new pupils and an additional 12 children came to the Academy Trust during the 2016/17 academic year. Over the last 4 years the school has admitted 82 additional pupils (excluding new reception and nursery pupils) reflecting the ethos and popularity of the Academy Trust. An effective induction process is in place and any pupils admitted mid-year settle really well and thrive within the school setting.

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

STRATEGIC REPORT Achievement and performance

Early Years Foundation Stage

Outcomes are still below the local authority average of 70.1%. The Good Level of Development (GLD) improved to 57% in 2015 and 65% in 2016 however, this year saw a decrease of 12% to 53.5%. This is based on a cohort of 43 children, 1 for who an EHCP is in place – overall 3 less children achieved GLD compared with last year's cohort of 40.

Direct teaching in Early Years is always undertaken in small groups so that it can be personalised to children's needs. The very close monitoring of children's progress supports staff to identify where additional support is needed to help children accelerate their progress. Speaking and listening is an area that the Academy Trust continues to target through specific strategies e.g Dough Disco, Squiggle and Giggles, Talking Time etc.

The Academy Trust has taken on board many of the Early Excellence ideas and regular staff sessions support staff training and development. To help children be 'Year 1 ready' transition days take place. The Academy Trust is now asking for parent involvement regarding transitions and expectations in Year 1 so that parents can contribute more to their children's learning to enhance Academy Trust processes here.

a) FS2- Good Level of Development Cohort of 43

Good Level of Development	Dunsville	LA
	53.5%	70.1%

b) FS2- End of Year Results

		Prime Areas							Specific Areas				
		Communication and Language			Physical Development		Personal, Social Emotional Development			Literacy		Mathematics	
		LA	U	Spe	M&H	HSC	SC/S A	MFB	MR	R	W	Num	SSM
Dunsville 2015-2016 (40)	Eme	0%	0%	2%	15%	0%	0%	0%	0%	25%	35%	30%	2%
	Exp	60%	70%	78%	73%	47%	57%	72%	60%	70%	60%	60%	65%
	Exc	40%	30%	20%	12%	53%	43%	28%	40%	5%	5%	5%	33%
Exp & Exc		100%	100%	98%	85%	100%	100%	100%	100%	75%	65%	65%	98%
Dunsville 2016-2017 (43)	Eme	9%	9%	7%	12%	12%	7%	12%	5%	35%	46%	33%	19%
	Exp	77%	77%	84%	65%	65%	74%	81%	79%	56%	49%	60%	74%
	Exc	14%	14%	9%	23%	23%	19%	7%	16%	9%	5%	7%	7%
Exp & Exc		91%	91%	93%	55%	88%	93%	88%	95%	65%	53%	67%	81%

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

STRATEGIC REPORT Achievement and performance

c) Expected or Exceeding (Dunsville compared with LA)

Area of Learning	Dunsville Expected or Exceeding (%)	LA Expected or Exceeding (%)	Difference to LA	National Expected or Exceeding (%)	Difference to National
Communication and Language	88%	83%	+5%	82%	+6%
Physical Development	86%	85%	+1%	87%	-1%
Personal, Social and Emotional Development	88%	84%	+4%	85%	+3%
Literacy	53.5%	71%	-17.5%	72.8%	-19.3%
Mathematics	67.4%	75%	-7.6%	77.9%	-10.5%
Understanding the World	72.1%	81%	-8.9%	83.5%	-11.4%
Expressive Arts and Design	81.4%	83.5%	-2.1%	86.7%	-5.3%

Key Stage 1

The Academy Trust knows it needs to do more to ensure an increased number of children are progressing to age related expectations. The use of O track together with further training and moderation regarding new curriculum expectations is supporting work. The embedded whole school working and the ethos of team work will continue to help the Academy Trust in securing good achievement across the board. Regular reports on pupils' attainment and progress are shared with Trustees. Speaking and listening will continue to be promoted in this Key Stage also, through Talk Books and Time to Listen. Senior leaders are confident that this key stage is being well led and managed with key leaders keen to drive improvements.

The Academy Trust has worked hard to develop the quality of teaching and learning in KS1 to good and beyond, and as a result, there have been staffing changes and reorganisation. In order to continue to build upon improvements in English, the Academy Trust is now focusing on reading across all key stages. Senior Leaders have upped their expectations and will be checking to ensure that guided reading is taking place every day. Drop-ins will also continue to be used to monitor progress in this area.

Year 1 Phonics Screening Results Cohort of 41

Phonics	Dunsville	LA	National
Working toward expected standard	27%		
Working at the expected standard	73%	78%	81%

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

STRATEGIC REPORT Achievement and performance

Year 2 Phonics Rescreening Results Cohort of 12

Phonics	Dunsville	LA	National
Working toward expected standard	33%		
Working at the expected standard	67%	60%	67%

Year 2 Teacher Assessment Results Cohort of 34

Reading	Dunsville		
At expected standard	56%		
Above expected standard	18%	LA	National
At and Above expected standard	74%	72%	76%

Writing	Dunsville		
At expected standard	56%		
Above expected standard	12%	LA	National
At and Above expected standard	68%	66%	68%

Maths	Dunsville		
At the expected standard	50%		
Above the expected standard	21%	LA	National
At and Above expected standard	71%	74%	75%

Key Stage 2

Following a dip in performance in this key stage in reading in 2015-2016 the academy acted rapidly to ensure better outcomes for 2016-17. Staff have been re-organised, middle leadership of subjects strengthened and a thorough gap analysis was undertaken. Reading was made a priority for all staffs professional development (teaching and associate) with particular focus given to guided reading and embedding whole school approaches to the teaching of reading. The results show that this approach has been successful in improving pupil outcomes.

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

STRATEGIC REPORT Achievement and performance

Key Stage 2

Senior Leaders are confident with the quality of teaching and regular drop-ins, learning walks and formal observations support this view. They continue to further develop their recording of the quality of teaching and learning across the Academy Trust and observations and drop-ins are recorded

KS2 Test Results Cohort of 51

At "expected standard"

	Dunsville	LA	National
Reading	73%	63%	71%
Writing (Teacher assessment only)	75%	73%	76%
Maths	80%	69%	75%
Grammar, Punctuation & Spelling	82%	71%	77%
Reading, Writing & Maths (R & Wr & M)	67%	53%	61%

School Development Plan

The School Development Plan has been updated; evaluated from last year and new priorities identified. The four main development points are:

- 1) To improve attainment in EYFS;
- 2) To close the gender gap in reading, writing and maths;
- 3) To diminish the difference between pupil premium and non-pupil premium pupils;
- 4) To support the Health & Wellbeing of children

Looked After Children (LAC) / Disadvantaged Pupils

The Academy Trust did not have any Looked After Children this year.

Attendance

For the 2016-2017 academic year the whole school attendance was 95.41% which is below the national average of 96.6%. The attendance of the children with Free School Meals was 94.35% and the Pupil Premium children's attendance was 93.73%.

The Academy Trust closely monitor attendance with the Deputy Headteacher regularly meeting with parents whose children are in danger of falling below the required percentage. We work closely with the Education Welfare Officer to support and challenge families where attendance is an issue.

Within school good attendance is promoted with a display in the hall showing each class' attendance and rewards for those children who have achieved 100% attendance over the half term

Key financial performance indicators

The Academy Trust aims to ensure that pupil numbers on school roll remain above 320 while also maximising the efficiency of classroom usage. In addition the Academy Trust seeks to maintain reserves suitable to fund any major school building project.

For the period to 31 August 2017 the Academy Trust achieved a school roll of 361 and at 31 August 2017 free reserves totalled £71,200 (2016 £108,037).

Going concern

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

Dunsville Primary Academy Trust

Report of the Trustees for the Year ended 31st August 2017

STRATEGIC REPORT

Financial review

The Academy Trust's cash at bank and in hand at the end of the financial year includes capital and other committed funds and amounted to £375,340 (2016: £144,679). The ESFA advanced £25,237 in July to fund the Universal Infant Free School Meals programme from September 2017. The Academy Trust has unspent capital funding carried forward of £3,228 (2016: £Nil)

The restricted pension reserve fund shows a deficit of £795,000 at 31 August 2017 (2016 £939,000). As disclosed in note 19 to the financial statements, the Academy Trusts has agreed to make additional contributions to service this debt.

Risk management

The trustees have a duty to identify and review the risks to which the Academy Trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Financial and risk management objectives and policies

The Trustees have introduced systems and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the following statement:

The members and governors have reviewed current examples of best practice and have:

- set policies on internal controls which cover the following:
 - the type of risk the academy trust faces
 - the level of risks which they regard as acceptable
 - the likelihood of the risks materialising
 - the academy trust's ability to reduce the incidence and impact on the Academy Trust's operations of risks that do materialise
 - the costs of operating particular controls relative to the benefits obtained
- clarified the responsibility of the senior leadership team to implement the governors' policies and to identify and evaluate risks for the governors' consideration;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the control system in the Academy Trust's operations so that it becomes part of the culture of the Academy Trust;
- developed systems to respond quickly to evolving risks arising from factors within the Academy Trust and to changes in the external environments; and
- included procedures for reporting failing immediately to appropriate levels of management and the governors together with details of corrective action being taken.

Reserves policy

The trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The educational obligations that the Academy Trust has on a day-to-day basis are funded from its restricted reserves that were provided for this purpose. The Trustees need to ensure that the Academy Trust has sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £71,200 (2016: £108,037). Taking into account the nature of the Academy Trust's income streams, the trustees are of the view that reserves at this level are sufficient to cover its working capital needs.

Investment policy

The Academy Trust regularly reviews the level of funds which are not immediately required as working capital and would only invest this on the UK money market in a treasury deposit account with a high street institution to maximise interest. The Academy Trust will not invest funds with overseas financial institutions.

Dunsville Primary Academy Trust

Report of the Trustees For the year ended 31st August 2017

STRATEGIC REPORT

Principal risks and uncertainties

The principal risks and uncertainties affecting the Academy Trust include the following:

Income risk: The Academy Trust is currently close to the maximum pupils the school buildings can accommodate. It is important that the Academy Trust maintains the current number of pupils to sustain the level of expenditure the Academy Trust is committed to.

Pension funding risk: The Local Government Pension Scheme is currently £795,000 in deficit and changes each year, although the deficit will only crystallise if the Academy Trust became unable to service its commitments.

Major disruption/disaster: the Academy Trust has contingency plans which it reviews regularly.

Legislation: the Academy Trust monitors current and forthcoming legislation regularly. The Academy Trust not only seeks to ensure ongoing compliance but strives to ensure that it incorporates best practice.

Litigation: the Academy Trust may be subject to litigation from time to time. The outcome of legal action is always uncertain and there is always the risk that it may prove more costly and time consuming than expected. There is a risk that litigation could be instigated in the future which could materially impact the Academy Trust. The Academy Trust endeavours to maintain adequate insurance levels for all appropriate insurable risks.

Future plans

The Academy Trust plans to continue supporting families and improving outcomes for children and families in the local and wider community. Priorities for 2017/18 are:

- Raise attainment in all core subjects, particularly at KS2, also focusing on mathematics achievement, improvement of English, Grammar, Punctuation and Spelling (EGPS), especially spelling and increased progress of more able children.
- Continue to develop assessment for learning and the monitoring and tracking of pupils' attainment and progress in this new era of assessment without levels.

Auditors

In so far as the trustees are aware:

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

The auditors, Smailes Goldie, are willing to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12th December 2017 and signed on the board's behalf by:



K Hulks - Trustee

Dunsville Primary Academy Trust

Governance Statement for the Year ended 31st August 2017

Scope of Responsibility

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

The board of the 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 Dunsville Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees' and in the Statement of Trustees Responsibilities. The board of trustees has formally met three 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
J Chadwick	0	3
A Eastwood	3	3
K Flint (Headteacher/ Accounting Officer)	3	3
P Hannam	2	3
S Harrison (associate member)	2	3
R Hodson	1	3
K Hulks (chair)	3	3
B Jaehrig (staff trustee)	2	3
P Knight	0	3
J Schofield	3	3
J Stapleton (Vice chair)	2	3
V Stapleton	3	3
F Tomlinson	2	3
J Wheatley	0	3
V Wilson (staff trustee)	3	3
M Keegan	0	3
R Belk (associate member)	3	3

The finance committee is a sub-committee of the main trust board. Its purpose is to monitor the areas of budget management, site and premises, health and safety, staff pay and relevant policies. This committee also undertakes the role of the audit committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K Flint	2	3
K Hulks	2	3
J Stapleton	2	3
J Wheatley	0	3
P Hannam	3	3
M Keegan	0	3
V Wilson	3	3
R Belk	2	3

Review of Value for Money

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

Dunsville Primary Academy Trust

Governance Statement for the year ended 31st August 2017

Review of Value for Money

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

- Effective use of teaching and support staff resource which is monitored to ensure targets are met.
- Review of staff focus regularly to ensure that appropriate support is given to pupils' ever changing needs.
- Continuous review of both teaching and classroom support staff to support curriculum need.
- Rigorous tracking of pupil attainment and resource deployed accordingly.
- Collaboration with other schools -outsourcing 60% of our Business Manager's time to another academy in the locality to oversee the academies finance functions. This arrangement reduces staff costs for both establishments. Similarly so, outsourcing 60% of the Executive Headteacher to another academy which again benefits both establishments financially.
- Economies of scale realised in shared Business Manager as goods and services procured across 2 establishments.
- School to school support / BSQM assessor/ moderator services provided by the academy which raises additional funding.
- Strong focus on staff CPD which has a direct impact on pupil outcomes.
- Further extension of the premises to enhance the learning environment.
- Encourage an inclusive environment where all pupils are given the opportunity to access the curriculum.
- Robust financial procedures has led to cost savings and reductions in wasted time and resource.
- Staff are asked to 'bid' for funding and asked to demonstrate how any proposed spend will support the school improvement plan and positively impact pupil outcomes.
- Evaluation of new resources to determine whether desired impact has been realised and also whether the learning experience of pupils has been enhanced as a result.
- Collaboration with other establishments regarding resources/practices to determine whether proposals represent best value.
- Positive engagement with Doncaster Teaching School 'Partners in Learning'. Support and opportunities can be accessed which represent excellent value for money.
- Traded services offered from the local authority and others are benchmarked on an annual basis before agreements are entered into.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Dunsville Primary Academy Trust for the period 1st September 2016 to 31st August 2017 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2016 to 31st August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Dunsville Primary Academy Trust

Governance Statement for the year ended 31st August 2017

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust Board;
- regular reviews by the Finance 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 Trust Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. With effect from 1st September 2015 the trust appointed Ian Hitchman as Independent Reviewer.

The IR's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The IR reports to the Trust Board on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities.

No material control issues were highlighted to the board.

Review of Effectiveness

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

- the work of the responsible officer;
- the work of the external auditors;
- the financial management and governance self assessment process;
- the work of the existing managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 12th December 2017 and signed on its behalf by:



K Hulks - Trustee



K Flint - Accounting Officer

Dunsville Primary Academy Trust

Statement on Regularity, Propriety and Compliance for the Year ended 31st August 2017

As accounting officer of Dunsville Primary Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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 2016.

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.



K Flint - Accounting Officer

12th December 2017

Dunsville Primary Academy Trust

Statement of Trustees Responsibilities for the Year ended 31st August 2017

The trustees (who act as governors of Dunsville Primary Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, 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 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 Academy Trust and of the incoming resources and application of resources, including the income and expenditure, of the Academy Trust for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Academy Trust 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 Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 Academy Trust'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 board of trustees on 12th December 2017 and signed on it's behalf by:



K Hulks - Trustee

Report of the Independent Auditors to the Members of Dunsville Primary Academy Trust

Opinion

We have audited the financial statements of Dunsville Primary Academy Trust (the 'Academy Trust') for the year ended 31st August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency (ESFA).

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31st August 2017 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

Report of the Independent Auditors to the Members of Dunsville Primary Academy Trust

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

Peter Duffield LLB FCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

12th December 2017

Independent Reporting Accountant's Assurance Report on Regularity to Dunsville Primary Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18th November 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Dunsville Primary Academy Trust during the period 1st September 2016 to 31st August 2017 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 Dunsville Primary Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Dunsville Primary Academy Trust 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 Dunsville Primary Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Dunsville Primary Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Dunsville Primary Academy Trust's funding agreement with the Secretary of State for Education dated 1st November 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2016 to 31st August 2017 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 2016 to 2017 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Ensuring value for money is sought for all goods/services procured by the Academy Trust, including those procured from related parties of the Academy Trust.
- Ensuring that fixed asset additions are made in line with the terms of the funding received and that fixed asset disposals are properly authorised by the DfE.
- Ensuring that expenditure incurred through the Academy Trust's bank account and debit card is appropriate for the purposes of the Academy Trust and that there has been no personal expenditure from the Academy Trust's funds.
- Ensuring pension contributions are paid to the respective schemes in a timely manner.
- Ensuring returns required by regulatory or funding authorities are completed on a timely basis.

**Independent Reporting Accountant's Assurance Report on Regularity to
Dunsville Primary Academy Trust and the Education and Skills Funding Agency**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2016 to 31st August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

12th December 2017

Dunsville Primary Academy Trust

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31st August 2017

				2017	2016	
	Notes	Unrestricted funds £	Restricted fixed asset funds £	Restricted general funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	841	441,855	-	442,696	17,508
Charitable activities						
Funding for the academy's educational operations	3	-	-	1,535,257	1,535,257	1,464,741
Other trading activities	4	30,571	-	-	30,571	55,092
Investment income	5	133	-	-	133	213
Total		31,545	441,855	1,535,257	2,008,657	1,537,554
EXPENDITURE ON						
Raising funds		14,835	-	-	14,835	17,889
Charitable activities						
Academy's educational operations		9,328	123,930	1,547,480	1,680,738	1,533,740
Total	6	24,163	123,930	1,547,480	1,695,573	1,551,629
NET INCOME/(EXPENDITURE)						
		7,382	317,925	(12,223)	313,084	(14,075)
Transfers between funds	18	(44,219)	44,219	-	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	-	214,000	214,000	(519,000)
Net movement in funds		(36,837)	362,144	201,777	527,084	(533,075)
RECONCILIATION OF FUNDS						
Total funds brought forward		108,037	2,929,785	(913,508)	2,124,314	2,657,389
TOTAL FUNDS CARRIED FORWARD		71,200	3,291,929	(711,731)	2,651,398	2,124,314

The notes form part of these financial statements

Dunsville Primary Academy Trust (Registered company number: 08237807)

**Balance Sheet
At 31st August 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	12	3,288,702	2,929,783
CURRENT ASSETS			
Debtors	13	86,973	50,269
Cash at bank and in hand		<u>375,339</u>	<u>144,679</u>
		462,312	194,948
CREDITORS			
Amounts falling due within one year	14	<u>(304,616)</u>	<u>(61,417)</u>
NET CURRENT ASSETS		<u>157,696</u>	<u>133,531</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,446,398	3,063,314
PENSION LIABILITY	19	<u>(795,000)</u>	<u>(939,000)</u>
NET ASSETS		<u><u>2,651,398</u></u>	<u><u>2,124,314</u></u>
FUNDS	18		
Unrestricted funds		71,200	108,037
Restricted funds		<u>2,580,198</u>	<u>2,016,277</u>
TOTAL FUNDS		<u><u>2,651,398</u></u>	<u><u>2,124,314</u></u>

The financial statements were approved by the Board of Trustees on 12th December 2017 and were signed on its behalf by:


K Hulks -Trustee

The notes form part of these financial statements

Dunsville Primary Academy Trust

**Cash Flow Statement
for the year ended 31st August 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	22	<u>271,521</u>	<u>109,726</u>
Net cash provided by (used in) operating activities		<u>271,521</u>	<u>109,726</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(482,849)	(206,912)
Capital grants from DfE/ESFA		441,855	16,823
Interest received		<u>133</u>	<u>213</u>
Net cash provided by (used in) investing activities		<u>(40,861)</u>	<u>(189,876)</u>
Change in cash and cash equivalents in the reporting period		230,660	(80,150)
Cash and cash equivalents at the beginning of the reporting period	22	<u>144,679</u>	<u>224,829</u>
Cash and cash equivalents at the end of the reporting period	22	<u><u>375,339</u></u>	<u><u>144,679</u></u>

The notes form part of these financial statements

Dunsville Primary Academy Trust

Notes to the Financial Statements for the year ended 31st August 2017

1. ACCOUNTING POLICIES

Statement of accounting policies

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

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public 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 Academy Trust's preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The Dunsville Primary Academy Trust meets the definition of a public benefit entity under FRS 102.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation, is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

1. ACCOUNTING POLICIES - continued

Other income

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

Donated goods, facilities and services

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

Expenditure

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

Raising funds

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

Charitable activities

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

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets costing greater than £500 and 'attractive' items below that value are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from 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 requirement the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, on a straight line basis on the cost or open market valuation of the assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for items acquired at cost are as follows:

-	Freehold buildings	2%	on cost
-	Furniture and equipment	10%	on cost
-	Computer equipment and software	33%	on cost

Assets acquired on conversion are being depreciated on a straight line basis over their remaining useful economic lives. A full year's depreciation is charged in the year of addition and no depreciation is charged in the year of disposal.

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

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

Liabilities

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

Leased assets

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

1. ACCOUNTING POLICIES - continued

Taxation

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

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a perspective unit credit mode. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on 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 the scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/ asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

1. ACCOUNTING POLICIES - continued

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Donations	841	-	841	9,784
Capital grants	-	441,855	441,855	7,724
	<u>841</u>	<u>441,855</u>	<u>442,696</u>	<u>17,508</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
General Annual Grant (GAG)	-	1,259,264	1,259,264	1,141,493
Other DfE/ESFA grants	-	157,600	157,600	184,085
Local authority grants	-	80,151	80,151	93,352
Other grants and income	-	38,242	38,242	45,811
	<u>-</u>	<u>1,535,257</u>	<u>1,535,257</u>	<u>1,464,741</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Other income	26,808	-	26,808	49,588
Uniform sales	1,223	-	1,223	2,884
Hire of facilities	2,540	-	2,540	2,620
	<u>30,571</u>	<u>-</u>	<u>30,571</u>	<u>55,092</u>

Dunsville Primary Academy Trust

**Notes to the Financial Statements - continued
for the year ended 31st August 2017**

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Deposit account interest	<u>133</u>	<u>-</u>	<u>133</u>	<u>213</u>

6. EXPENDITURE

	Staff costs	Non-pay expenditure		2017	2016
	£	Premises	Other costs	Total	Total
	£	£	£	£	£
Raising funds					
Costs of fundraising	9,458	-	5,377	14,835	17,889
Charitable activities					
Academies educational operations					
Direct costs	665,168	26,075	170,499	861,742	777,567
Allocated support costs	<u>509,051</u>	<u>134,328</u>	<u>175,617</u>	<u>818,996</u>	<u>756,173</u>
	<u>1,183,677</u>	<u>160,403</u>	<u>351,493</u>	<u>1,695,573</u>	<u>1,551,629</u>

Net income/(expenditure) for the period includes:

	2017	2016
	£	£
Fees payable to auditor for audit	4,000	5,000
Fees payable to auditor for other services	1,000	2,100
Operating lease rentals	14,168	6,062
Depreciation	<u>123,930</u>	<u>112,857</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Direct costs	-	861,742	861,742	777,567
Support costs	<u>9,328</u>	<u>809,668</u>	<u>818,996</u>	<u>756,173</u>
	<u>9,328</u>	<u>1,671,410</u>	<u>1,680,738</u>	<u>1,533,740</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2017 Total £	2016 Total £
Analysis of support costs		
Support staff costs	509,051	472,657
Depreciation	50,429	50,429
Technology costs	2,578	3,329
Premises costs	83,899	75,829
Other support costs	159,863	136,309
Governance costs	13,176	17,620
Total support costs	818,996	756,173

8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

	2017	2016
K Flint (principal and trustee)		
Remuneration	£80,000 - £85,000	£80,000 - £85,000
Employer's pension contributions paid	£10,000 - £15,000	£10,000 - £15,000
S Harrison (staff trustee)		
Remuneration	£25,000 - £30,000	£20,000 - £25,000
Employer's pension contributions paid	£1 - £5,000	£1 - £5,000
B Jaehrig (staff trustee)		
Remuneration	£25,000 - £30,000	£20,000 - £25,000
Employer's pension contributions paid	£1 - £5,000	£1 - £5,000
V Wilson (staff trustee)		
Remuneration	£30,000 - £35,000	£30,000 - £35,000
Employer's pension contributions paid	£5,000 - £10,000	£1 - £5,000
J Schofield (staff trustee, appointed 11th November 2016)		
Remuneration	£35,000 - £40,000	
Employer's pension contributions paid	£5,000 - £10,000	

Trustees' expenses

During the period ended 31 August 2017 and 31 August 2016 no travel and subsistence expenses were reimbursed to trustees and there were no other related party transactions involving the trustees.

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

9. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	902,034	829,989
Social security costs	71,067	55,477
Operating costs of defined benefit pension schemes	204,867	163,951
	<u>1,177,968</u>	<u>1,049,417</u>
Supply teacher costs	5,709	17,936
	<u>1,183,677</u>	<u>1,067,353</u>

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

	2017	2016
Teachers	16	14
Administration and support	31	29
Management	5	5
	<u>52</u>	<u>48</u>

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

	2017	2016
£80,001 - £90,000	<u>1</u>	<u>1</u>

Key Management Personnel

The key management personnel of the Academy Trust comprise the trustees, the senior leadership team and business manager as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by the senior leadership team and business manager for their services to the Academy Trust was £315,629 (2016: £282,166).

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2017 was £327 (2016: £327). The cost of this insurance is included in the total insurance cost.

Dunsville Primary Academy Trust

**Notes to the Financial Statements - continued
for the year ended 31st August 2017**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fixed asset funds £	Restricted general funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	684	16,824	-	17,508
Charitable activities				
Funding for the academy's educational operations	-	-	1,464,741	1,464,741
Other trading activities	55,092	-	-	55,092
Investment income	213	-	-	213
Total	55,989	16,824	1,464,741	1,537,554
EXPENDITURE ON				
Raising funds	17,889	-	-	17,889
Charitable activities				
Academy's educational operations	-	112,856	1,420,884	1,533,740
Total	17,889	112,856	1,420,884	1,551,629
NET INCOME/(EXPENDITURE)	38,100	(96,032)	43,857	(14,075)
Transfers between funds	(100,361)	190,089	(89,728)	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	-	(519,000)	(519,000)
Net movement in funds	(62,261)	94,057	(564,871)	(533,075)
RECONCILIATION OF FUNDS				
Total funds brought forward	170,298	2,835,728	(348,637)	2,657,389
TOTAL FUNDS CARRIED FORWARD	108,037	2,929,785	(913,508)	2,124,314

Dunsville Primary Academy Trust

**Notes to the Financial Statements - continued
for the year ended 31st August 2017**

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st September 2016	2,974,496	237,636	122,332	3,334,464
Additions	<u>460,216</u>	<u>6,902</u>	<u>15,731</u>	<u>482,849</u>
At 31st August 2017	<u>3,434,712</u>	<u>244,538</u>	<u>138,063</u>	<u>3,817,313</u>
DEPRECIATION				
At 1st September 2016	258,869	54,232	91,580	404,681
Charge for year	<u>76,504</u>	<u>24,454</u>	<u>22,972</u>	<u>123,930</u>
At 31st August 2017	<u>335,373</u>	<u>78,686</u>	<u>114,552</u>	<u>528,611</u>
NET BOOK VALUE				
At 31st August 2017	<u>3,099,339</u>	<u>165,852</u>	<u>23,511</u>	<u>3,288,702</u>
At 31st August 2016	<u>2,715,627</u>	<u>183,404</u>	<u>30,752</u>	<u>2,929,783</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other debtors	56,985	15,907
VAT	10,952	21,306
Prepayments	<u>19,036</u>	<u>13,056</u>
	<u>86,973</u>	<u>50,269</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	280,885	1,794
Accrued expenses	<u>23,731</u>	<u>59,623</u>
	<u>304,616</u>	<u>61,417</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £	2016 £
Within one year	10,217	14,209
Between one and five years	<u>8,900</u>	<u>20,515</u>
	<u>19,117</u>	<u>34,724</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

16. 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 debts and liabilities contracted before he/she ceased to be a member.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				2017	2016
	Unrestricted funds	Restricted fixed asset funds	Restricted general funds	Total funds	Total funds
	£	£	£	£	£
Fixed assets	-	3,288,702	-	3,288,702	2,929,783
Current assets	71,200	299,920	91,192	462,312	194,948
Current liabilities	-	(296,693)	(7,923)	(304,616)	(61,417)
Pension liability	-	-	(795,000)	(795,000)	(939,000)
	<u>71,200</u>	<u>3,291,929</u>	<u>(711,731)</u>	<u>2,651,398</u>	<u>2,124,314</u>

18. MOVEMENT IN FUNDS

	At 1.9.16	Net movement in funds	Transfers between funds	At 31.8.17
	£	£	£	£
Unrestricted funds				
General fund	108,037	7,382	(44,219)	71,200
Restricted funds				
General Annual Grant (GAG)	-	58,032	-	58,032
DfE capital grants	-	441,855	(438,627)	3,228
Other DfE/ESFA grants	25,492	(255)	-	25,237
Pension reserve	(939,000)	144,000	-	(795,000)
Capital expenditure from GAG	154,436	(9,051)	-	145,385
Capital expenditure from unrestricted funds	206,640	(14,702)	44,219	236,157
Donated land and buildings	2,293,610	(58,350)	-	2,235,260
Other fixed assets	275,099	(41,827)	438,627	671,899
	<u>2,016,277</u>	<u>519,702</u>	<u>44,219</u>	<u>2,580,198</u>
TOTAL FUNDS	<u>2,124,314</u>	<u>527,084</u>	<u>-</u>	<u>2,651,398</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above-are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	31,545	(24,163)	-	7,382
Restricted funds				
General Annual Grant (GAG)	1,259,264	(1,201,232)	-	58,032
DfE capital grants	441,855	-	-	441,855
Other DfE/ESFA grants	157,600	(157,855)	-	(255)
Other government grants	80,151	(80,151)	-	-
Other grants and income	38,242	(38,242)	-	-
Pension reserve	-	(70,000)	214,000	144,000
Capital expenditure from GAG	-	(9,051)	-	(9,051)
Capital expenditure from unrestricted funds	-	(14,702)	-	(14,702)
Donated land and buildings	-	(58,350)	-	(58,350)
Other fixed assets	-	(41,827)	-	(41,827)
	<u>1,977,112</u>	<u>(1,671,410)</u>	<u>214,000</u>	<u>519,702</u>
TOTAL FUNDS	<u>2,008,657</u>	<u>(1,695,573)</u>	<u>214,000</u>	<u>527,084</u>

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

General Annual Grant (GAG)

The GAG consists of:

- School Budget Share
- LA Central Spend Equivalent Grant (LACSEG)

The general annual grant represents funds received from the ESFA towards the operation of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Other DfE/ESFA grants, other government grants and other grants and income

The other DfE/ESFA grants, other government grants and other grants and income must be used for the specific purposes for which they are given. Such grants and income enable the Academy Trust to fulfil its charitable objects.

Restricted fixed asset fund

The restricted fixed asset fund represents fixed assets which are held for specific purposes within the charitable objects of the Academy Trust, together with unspent capital funding carried forward at 31st August 2017. During the year the Academy Trust received capital grants from DfE/ESFA to the value of £441,855, amounts spent during the year have been transferred to other fixed assets leaving any unspent DfE/ESFA capital funding carried forward within the fund. The transfer between unrestricted general funds and other fixed assets represents the amount of capital expenditure incurred from unrestricted funds during the year.

**Notes to the Financial Statements - continued
for the year ended 31st August 2017**

19. PENSION COMMITMENTS

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

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

There were no contributions outstanding at 31st August 2017.

Teachers' pension scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pensions costs paid to TPS in the period amounted to £95,140 (2016: £87,846).

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

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out the above information available on the scheme.

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

19. PENSION COMMITMENTS - continued

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £96,000 (2016: £94,000) of which employer's contributions totalled £73,000 (2016: £72,000) and employees' contributions totalled £23,000 (2016: £22,000). The agreed contribution rates for future years are 13.8 per cent for employers and between 5.5 per cent and 12.5 per cent for employees.

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

The Academy Trust made an additional contribution of £23,900 in 2016/17 and has agreed to make additional annual contributions totalling £24,400 in 2017/18, £24,900 in 2018/19 and £25,400 in 2019/20, in respect of past service debt. It is anticipated that the deficit to be recovered over the next 18-19 years will be £278,000.

Principal actuarial assumptions

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	3.45%	3.65%
Rate of increase for pensions in payment/inflation	2.20%	2.00%
Discount rate for scheme liabilities	2.50%	2.20%
Inflation Assumption (CPI)	2.20%	1.90%

Sensitivity analysis

Changes in assumptions at 31 August 2017	Approximate % increase/ (decrease) to employer liability	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	(2.48%)	(47)
1 year increase in member life expectancy	2.59%	33
0.1% increase in Salary Increase Rate	0.79%	15
0.1% increase in inflation Rate	1.74%	49

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

	At 31 August 2017	At 31 August 2016
Retiring Today		
Males	22.9	23.0
Females	25.7	25.7
Retiring in 20 years		
Males	25.1	25.4
Females	28.0	28.5

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

19. PENSION COMMITMENTS - continued

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equity Instruments	667,000	509,000
Government Bonds	151,000	131,000
Other Bonds	75,000	54,000
Property	100,000	96,000
Cash	22,000	15,000
Other	82,000	67,000
Total market value of assets	1,097,000	872,000

The actual return on the scheme assets was £115,000 (2016: £137,000).

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost (net of employee contributions)	(48,000)	(1,000)
Net interest cost	(21,000)	(14,000)
Administrative Expenses	(1,000)	(1,000)
Total operating charge	(70,000)	(16,000)

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

	2017 £	2016 £
At 1 September	(1,811,000)	(1,047,000)
Current Service Cost	(121,000)	(73,000)
Interest Cost	(41,000)	(42,000)
Employee Contributions	(23,000)	(22,000)
Actuarial (gain)/loss	103,000	(627,000)
Charges, settlements or curtailments	1,000	-
At 31 August	(1,892,000)	(1,811,000)

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

	2017 £	2016 £
At 1 September	872,000	643,000
Interest income	20,000	28,000
Actuarial gain/(loss)	111,000	108,000
Administrative Expenses	(1,000)	(1,000)
Employer contributions	73,000	72,000
Employee contributions	23,000	22,000
Charges, settlements or curtailments	(1,000)	-
At 31 August	1,097,000	872,000

Dunsville Primary Academy Trust

Notes to the Financial Statements - continued for the year ended 31st August 2017

20. CAPITAL COMMITMENTS

	2017 £	2016 £
Contracted but not provided for in the financial statements	<u>26,814</u>	<u>10,795</u>

21. RELATED PARTY DISCLOSURES

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

S Schofield - the wife of J Schofield (Trustee).

- From the date of J Schofield's appointment as a Trustee, the Academy Trust remunerated S Schofield as a member of teaching staff £25,732, gross, including pensions contributions. There were no amounts outstanding at 31 August 2017.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2016/17.

C Eastwood - the wife of A Eastwood (Trustee).

- From the date of A Eastwood's appointment as a Trustee, the Academy Trust remunerated C Eastwood as a member of teaching staff £31,753, gross, including pensions contributions. There were no amounts outstanding at 31 August 2017.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2016/17.

C Flint - the wife of K Flint (Trustee).

- The Academy Trust remunerated C Flint as a member of admin support staff £10,366 (2016 - £2,299), gross, including pensions contributions. There were no amounts outstanding at 31 August 2017.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2016/17.

During the year ended 31st August 2017 Kevin Flint, the Executive Head teacher at the Academy Trust, was also Executive Head Teacher at Auckley School. The Academy Trust recharged Kevin Flint's salary to Auckley school to the value of £64,599 (2016 - 61,980). Amounts totalling £10,766 were due to the Academy Trust at 31 August 2017 (2016 - £Nil).

Dunsville Primary Academy Trust

**Notes to the Financial Statements - continued
for the year ended 31st August 2017**

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	313,084	(14,075)
Adjustments for:		
Depreciation	123,930	112,857
Capital grants from DfE/ESFA	(441,855)	(16,823)
Interest received	(133)	(213)
LGPS service cost less contribution paid	49,000	2,000
LGPS net finance cost	21,000	14,000
Increase in debtors	(36,704)	(5,882)
Increase in creditors	<u>243,199</u>	<u>17,862</u>
Net cash provided by (used in) operating activities	<u>271,521</u>	<u>109,726</u>

CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	500	150
Cash at bank	<u>374,840</u>	<u>144,529</u>
Total cash and cash equivalents	<u>375,340</u>	<u>144,679</u>