



**Registrar's
Copy**

Dunsville Primary Academy Trust (A company limited by guarantee)

Financial Statements

31 August 2018



Dunsville Primary Academy Trust

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Dunsville Primary Academy Trust

Reference and Administrative Details

Members (Directors) K Hulks, Chair of Governors (i)(ii)(iii)(iv)
 J Stapleton, Vice Chair (i)(ii)(iii)(iv)
 P Hannam, (i)(iv)

Trustees (Directors) B Jaehrig, (ii)
 F Tomlinson, (ii)
 S Harrison (resigned 6 May 2018)
 K Flint, Executive Headteacher (i)(ii)(iii)
 V Wilson, Headteacher (ex-officio) (i)(ii)
 V Stapleton
 J Schofield
 A Eastwood

(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 K Flint, Executive Headteacher (2 days)
 V Wilson, Headteacher (3 days)
 R Belk, Deputy Headteacher (3 days)
 J Schofield, Deputy/Assistant Headteacher

Senior Management Team K Flint, Executive Headteacher (2 days)
 V Wilson, Headteacher (3 days)
 R Belk, Deputy Headteacher (3 days)
 J Schofield, Deputy/Assistant Headteacher
 S Gunther, SENCo
 C Eastwood, Transition Leader
 S Kerrigan, English Leader
 T Ladley, Business Manager
 S Harrison, Inclusion Leader
 B Jaehrig, Senior HLTA

Dunsville Primary Academy Trust

Reference and Administrative Details (continued)

Registered Office

Dunsville Primary School
Broadway
Dunsville
Doncaster
South Yorkshire
DN7 4HX

Company Registration Number

08237807

Auditor

Smailes Goldie
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA
18 November 2015

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

Trustees' Report for the Year Ended 31 August 2018

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

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 08237807.

The governors act as the trustees for the charitable activities of Dunsville Primary Academy Trust and are also the directors of the charitable company for the purposes of company law.

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

Members' liability

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

Trustees' indemnities

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

Method of recruitment and appointment or election 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.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Policies and procedures adopted for the induction and training of 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.

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.

Trade union facility time

There are no relevant union officials employed by the Academy Trust.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Connected organisations, including related party relationships

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.

Plans are currently underway to formalise the collaboration between some of the above organisations in the creation of a larger multi academy trust. The new trust will include Dunsville Primary School, Hungerhill School, Kirk Sandall Infant school, Kirk Sandall Junior School, Barnby Dun Primary Academy and West Road Primary School, and then in a later phase include Doncaster's first University Technical College. Once approved by the Department for Education the intention is that the academies will convert to the new trust on 1st September 2019.

Objectives and activities

Objects 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

Trustees' Report for the Year Ended 31 August 2018 (continued)

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

The Academy Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with their duty in to have due regard to the public benefit guidance provided by the Charity Commission.

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.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Achievements 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. A further Ofsted visit is expected early in 2019.

The academy continues its intervention work with focused groups of underperforming children in small groups. These groups include 'disadvantaged and vulnerable pupils' and in September 2017 a member of staff was 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.

Over the last 4 years the school has admitted 90 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.

Early Years Foundation Stage

67% of pupils in EYFS achieved GLD. This was an increase of 13% on the previous year.

81% of Girls achieved GLD which is above national whereas 57% of boys did. Whilst there is a gender gap nationally between boys and girls, the high achievements of the girls and below national achievements of the boys create a significant gender gap. Whilst the data for the prime areas of learning are high, the issue of attainment in the specific areas, particularly, reading, writing and number continues to be a focus for development as those areas affect the number of pupils who achieve GLD.

Year 1 Phonics

66% of the pupils past the Y1 phonics check with a couple of children narrowly missing out. This figure is below national and also shows a decline of 7% on the previous year. However, the number of pupils who pass their phonics by the end of Y2 is 93% which is above national.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Achievements and performance

End of Year 2

The results for Year 2 were disappointing for reading and writing but pleasing for maths which was just below the national figure. Reading results were lower than anticipated due to the attainment of a group of girls who did not follow their expected trajectory in the summer term. Equally the addition of nine pupils into the cohort during Key Stage 1 impacted on the results. Of those nine, one had never been to school before, one had no English on arrival to school, four were identified as SEND and one a cause for concern.

	Dunsville
Reading	60%
Writing	62%
Maths	71%
Science	78%
Reading, Writing & Maths	47%

End of Year 6

The Year 6 results show a decline in all areas from the results of the previous year. Writing results match the test results for GPS, indicating accurate moderation processes in place. However, the results for reading were disappointing as six children missed achieving the standard by one or two points. The result should have been 10% higher if that had not occurred which would have been more in line with teacher assessment judgements.

The maths results were also disappointing with a decrease of 27% on the previous year's results. It should be noted that there were forty children in this cohort at the end of Year 2 but fifty eight by the end of Year 6. A high proportion of those additional children came to us with high behavioural, pastoral or academic needs. They impacted significantly on the cohort as a whole and on the progress data for the cohort.

	Dunsville
Reading	62%
Writing (Teacher assessment only)	71%
Maths	53%
Grammar, Punctuation & Spelling	71%
Reading, Writing & Maths (R & Wr & M)	41%

Plans are in place to address the issues resulting from this data which we anticipate will look more favourable at the end of this academic year.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

School Development Plan

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

- 1) To develop further middle leadership through a programme of shadow and support with SLT and Deputy Head from Auckley School.
- 2) To raise attainment in maths at the end of KS2 in key identified strands.
- 3) To increase the number of pupils achieving GLD in EYFS by improving outcomes for boys and having a clear focus on the specific areas.
- 4) To diminish the difference between SEND pupils and comparable national groups.
- 5) To diminish the difference for boys in reading to national, in all phases.

Looked After Children (LAC) / Disadvantaged Pupils

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

Attendance

For the 2017-2018 academic year the whole school attendance was 94.32% which is slightly below the national average of 96.00%. The attendance of the children with Free School Meals was 90.98% and the Pupil Premium children's attendance was 91.76%.

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 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 2018 the Academy Trust achieved a school roll of 360 and at 31 August 2018 free reserves totalled £87,283 (2017 £71,200).

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

Trustees' Report for the Year Ended 31 August 2018 (continued)

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 £231,809 (2017: £375,340). The ESFA advanced £25,621 (2017: £25,492) in July to fund the Universal Infant Free School Meals programme from September 2018. The Academy Trust has unspent capital funding carried forward of £7,924 (2017: £3,228)

The restricted pension reserve fund shows a deficit of £661,000 at 31 August 2018 (2017 £795,000). As disclosed in note 23 to the financial statements, the Academy Trust 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.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

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 £87,283 (2017: £71,200). 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.

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 £661,000 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.

Dunsville Primary Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Plans for future periods

The Academy Trust plans to continue supporting families and improving outcomes for children and families in the local and wider community. Priorities for 2018/19 are:

- To develop further middle leadership through a programme of shadow and support with SLT and Deputy Head from Auckley School.
- To raise attainment in maths at the end of KS2 in key identified strands
- To increase the number of pupils achieving GLD in EYFS by improving outcomes for boys and having a clear focus on the specific areas;
- To diminish the difference between SEND pupils and comparable national groups
- To diminish the difference for boys in reading to national, in all phases

Auditor

In so far as the Trustees are aware:

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

The Trustees' Report was approved by the Board of Trustees on 5 December 2018 and signed on its behalf by:



K Hulks
Trustee

Dunsville Primary Academy Trust

Governance Statement

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 or loss.

The Board of Trustees has delegated the day-to-day responsibility to K Flint, 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 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
A Eastwood	2	3
K Flint	3	3
P Hannam	3	3
S Harrison	2	3
K Hulks	3	3
B Jaehrig	2	3
J Schofield	3	3
J Stapleton	2	3
V Stapleton	3	3
F Tomlinson	2	3
V Wilson	3	3
R Belk	3	3

The Finance Committee is a sub-committee of the main Board of Trustees. 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 during the year was as follows:

Dunsville Primary Academy Trust

Governance Statement (continued)

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

Review of value for money

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

The Accounting Officer considers how the 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.

Dunsville Primary Academy Trust

Governance Statement (continued)

- 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 ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Dunsville Primary Academy Trust for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. 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.

Dunsville Primary Academy Trust

Governance Statement (continued)

Review of effectiveness

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

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

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

Approved by the Board of Trustees on 5 December 2018 and signed on its behalf by:



K Hulks
Trustee



K Flint
Accounting officer
Trustee

Dunsville Primary Academy Trust

Statement on Regularity, Propriety and Compliance

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

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

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



K Flint
Accounting officer

5 December 2018

Dunsville Primary Academy Trust

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by the Board of Trustees on 5 December 2018 and signed on its behalf by:



K Hulks
Trustee

Dunsville Primary Academy Trust

Independent Auditor's Report on the Financial Statements 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 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Dunsville Primary Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Dunsville Primary Academy Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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 19], the Trustees 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.

Auditor's responsibilities for the audit of the financial statements

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

Dunsville Primary Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Dunsville Primary Academy Trust (continued)

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 auditor's report.

Use of our report

This report is made solely to the Academy Trust's Trustees, 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

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

5 December 2018

Note:

The maintenance and integrity of the Dunsville Academy Trust website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Dunsville Primary Academy Trust

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

In accordance with the terms of our engagement letter dated 18 November 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Dunsville Primary Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Dunsville Primary Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may 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 the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Dunsville Primary Academy Trust's funding agreement with the Secretary of State for Education dated 1 November 2012 and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by 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.

Dunsville Primary Academy Trust

Independent Reporting Accountant's Report on Regularity to Dunsville Primary Academy Trust and the Education & Skills Funding Agency (continued)

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.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

5 December 2018

Dunsville Primary Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £	2016/17 Total £
Income and endowments from:						
Donations and capital grants	2	2,377	-	31,511	33,888	442,696
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	1,573,599	-	1,573,599	1,535,257
Other trading activities	4	28,175	-	-	28,175	30,571
Investments	5	144	-	-	144	133
Total		30,696	1,573,599	31,511	1,635,806	2,008,657
Expenditure on:						
Raising funds	6	14,613	-	-	14,613	14,835
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	1,565,340	111,512	1,676,852	1,680,738
Total		14,613	1,565,340	111,512	1,691,465	1,695,573
Net income/(expenditure)		16,083	8,259	(80,001)	(55,659)	313,084
Transfers between funds		-	(3,850)	3,850	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	23	-	201,000	-	201,000	214,000
Net movement in funds/(deficit)		16,083	205,409	(76,151)	145,341	527,084
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2017		71,200	(711,731)	3,291,929	2,651,398	2,124,314
Total funds/(deficit) carried forward at 31 August 2018		87,283	(506,322)	3,215,778	2,796,739	2,651,398

Dunsville Primary Academy Trust

(Registration number: 08237807)

Balance Sheet as at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	3,207,854	3,288,701
Current assets			
Debtors	13	38,906	86,973
Cash at bank and in hand		231,809	375,340
		<u>270,715</u>	<u>462,313</u>
Creditors: Amounts falling due within one year	14	<u>(20,830)</u>	<u>(304,616)</u>
Net current assets		<u>249,885</u>	<u>157,697</u>
Total assets less current liabilities		<u>3,457,739</u>	<u>3,446,398</u>
Net assets excluding pension liability		3,457,739	3,446,398
Pension scheme liability	23	<u>(661,000)</u>	<u>(795,000)</u>
Net assets including pension liability		<u>2,796,739</u>	<u>2,651,398</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(506,322)	(711,731)
Restricted fixed asset fund		<u>3,215,778</u>	<u>3,291,929</u>
		<u>2,709,456</u>	<u>2,580,198</u>
Unrestricted funds			
Unrestricted general fund		<u>87,283</u>	<u>71,200</u>
Total funds		<u>2,796,739</u>	<u>2,651,398</u>

The financial statements on pages 24 to 49 were approved by the Board of Trustees, and authorised for issue on 5 December 2018 and signed on their behalf by:



K Hulks
Trustee

Dunsville Primary Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(144,521)	271,521
Cash inflows/(outflows) from investing activities	21	990	(40,860)
Change in cash and cash equivalents in the year		(143,531)	230,661
Cash and cash equivalents at 1 September		375,340	144,679
Cash and cash equivalents at 31 August	22	231,809	375,340

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018

1 Accounting policies

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

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by 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, when the receipt is probable and when the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

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 the receipt is probable and it can be measured reliably.

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the 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'.

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

Donated fixed assets

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

Asset class	Depreciation method and rate
Freehold buildings	2% on cost
Furniture and equipment	10% on cost
Computer equipment and software	33% on cost

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.

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

Rentals under operating leases are charged on a straight line basis over the 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 notes 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

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

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

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

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

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.

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the pension and similar obligations note, 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 31/08/2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Capital grants	-	31,511	31,511	441,855
Other donations	2,377	-	2,377	841
	<u>2,377</u>	<u>31,511</u>	<u>33,888</u>	<u>442,696</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,259,977	1,259,977	1,259,264
Other DfE/ ESFA grants	-	162,213	162,213	157,600
	-	<u>1,422,190</u>	<u>1,422,190</u>	<u>1,416,864</u>
Other government grants				
Local authority grants	-	100,359	100,359	80,151
Non-government grants and other income				
Other grants and income	-	51,050	51,050	38,242
Total grants	-	<u>1,573,599</u>	<u>1,573,599</u>	<u>1,535,257</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Hire of facilities	2,170	-	2,170	2,540
Other sales	26,005	-	26,005	28,031
	<u>28,175</u>	<u>-</u>	<u>28,175</u>	<u>30,571</u>

5 Investment income

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Short term deposits	144	-	144	133

6 Expenditure

	Non Pay Expenditure			2017/18 Total £	2016/17 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	11,867	-	-	11,867	9,458
Allocated support costs	-	-	2,746	2,746	5,377
Academy's educational operations					
Direct costs	661,651	70,834	95,798	828,283	861,741
Allocated support costs	522,704	121,834	204,031	848,569	818,997
	<u>1,196,222</u>	<u>192,668</u>	<u>302,575</u>	<u>1,691,465</u>	<u>1,695,573</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2017/18	2016/17
	£	£
Operating lease rentals	11,403	14,168
Depreciation	111,512	123,930
Fees payable to auditor - audit	4,000	4,000
Fees payable to auditor - other audit services	2,750	1,000

7 Charitable activities

	2017/18	2016/17
	£	£
Direct costs - educational operations	828,283	861,741
Support costs - educational operations	848,569	818,997
	<u>1,676,852</u>	<u>1,680,738</u>
	2017/18	2016/17
	Total	Total
	£	£

Analysis of support costs

Support staff costs	522,704	509,051
Depreciation	50,429	50,429
Technology costs	7,590	2,578
Premises costs	71,405	83,899
Other support costs	182,379	159,864
Governance costs	14,062	13,176
Total support costs	<u>848,569</u>	<u>818,997</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

8 Staff

Staff costs

	2017/18 £	2016/17 £
Staff costs during the year were:		
Wages and salaries	902,481	902,033
Social security costs	77,499	71,067
Operating costs of defined benefit pension schemes	210,742	204,867
	<u>1,190,722</u>	<u>1,177,967</u>
Supply staff costs	5,500	5,709
	<u>1,196,222</u>	<u>1,183,676</u>

Staff numbers

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

	2017/18 No	2016/17 No
Charitable Activities		
Teachers	14	16
Administration and support	29	31
Management	5	5
	<u>48</u>	<u>52</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No	2017 No
£80,001 - £90,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the senior leadership team and business manager as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £325,010 (2017: £315,629).

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

K Flint (Executive headteacher and trustee):

Remuneration: £85,000 - £90,000 (2017 - £80,000 - £85,000)

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

S Harrison (Staff trustee, resigned 6th May 2018):

Remuneration: £15,000 - £20,000 (2017 - £25,000 - £30,000)

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

B Jaehrig (Staff trustee):

Remuneration: £25,000 - £30,000 (2017 - £25,000 - £30,000)

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

V Wilson (Staff trustee):

Remuneration: £35,000 - £40,000 (2017 - £30,000 - £35,000)

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

J Schofield (Staff trustee, appointed 11th November 2016):

Remuneration: £45,000 - £50,000 (2017 - £35,000 - £40,000)

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

During the year ended 31 August 2018, travel and subsistence expenses totalling £69 (2017 - £Nil) were reimbursed or paid directly to 1 trustees (2017 - 0).

Other related party transactions involving the trustees are set out in note 24.

10 Trustees' and officers' insurance

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

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

11 Statement of financial activities for prior year

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2016/17 Total £
Income and endowments from:					
Donations and capital grants	2	841	-	441,855	442,696
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,535,257	-	1,535,257
Other trading activities	4	30,571	-	-	30,571
Investments	5	133	-	-	133
Total		31,545	1,535,257	441,855	2,008,657
Expenditure on:					
Raising funds	6	14,835	-	-	14,835
<i>Charitable activities:</i>					
Academy trust educational operations	7	9,328	1,547,480	123,930	1,680,738
Total		24,163	1,547,480	123,930	1,695,573
Net income/(expenditure)		7,382	(12,223)	317,925	313,084
Transfers between funds		(44,219)	-	44,219	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	214,000	-	214,000
Net movement in (deficit)/funds		(36,837)	201,777	362,144	527,084
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		108,037	(913,508)	2,929,785	2,124,314
Total funds/(deficit) carried forward at 31 August 2017		71,200	(711,731)	3,291,929	2,651,398

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

12 Tangible fixed assets

	Freehold land and buildings £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	3,434,711	244,538	138,063	3,817,312
Additions	27,583	1,510	1,572	30,665
At 31 August 2018	3,462,294	246,048	139,635	3,847,977
Depreciation				
At 1 September 2017	335,373	78,686	114,552	528,611
Charge for the year	77,056	24,605	9,851	111,512
At 31 August 2018	412,429	103,291	124,403	640,123
Net book value				
At 31 August 2018	3,049,865	142,757	15,232	3,207,854
At 31 August 2017	3,099,338	165,852	23,511	3,288,701

13 Debtors

	2018 £	2017 £
VAT recoverable	5,324	10,952
Other debtors	17,446	56,985
Prepayments	16,136	19,036
	<u>38,906</u>	<u>86,973</u>

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	9,243	280,884
Accruals and deferred income	11,587	23,732
	<u>20,830</u>	<u>304,616</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	58,032	1,259,977	(1,185,102)	(3,850)	129,057
Other DfE/ESFA grants	25,237	162,213	(161,829)	-	25,621
Other government grants	-	100,360	(100,360)	-	-
Other grants and income	-	51,050	(51,050)	-	-
Pension fund	(795,000)	-	(67,000)	201,000	(661,000)
	<u>(711,731)</u>	<u>1,573,600</u>	<u>(1,565,341)</u>	<u>197,150</u>	<u>(506,322)</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grant	3,228	31,511	-	(26,815)	7,924
Capital Expenditure from GAG	145,385	-	(7,318)	3,850	141,917
Donated land and buildings	2,235,260	-	(58,350)	-	2,176,910
Capital Expenditure from unrestricted funds	236,157	-	(11,581)	-	224,576
Other fixed assets	671,899	-	(34,263)	26,815	664,451
	<u>3,291,929</u>	<u>31,511</u>	<u>(111,512)</u>	<u>3,850</u>	<u>3,215,778</u>
Total restricted funds	2,580,198	1,605,111	(1,676,853)	201,000	2,709,456
Unrestricted funds					
Unrestricted general funds	71,200	30,696	(14,613)	-	87,283
Total funds	<u>2,651,398</u>	<u>1,635,807</u>	<u>(1,691,466)</u>	<u>201,000</u>	<u>2,796,739</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

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

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	-	1,259,264	(1,201,232)	-	58,032
Other DfE/ESFA grants	25,492	157,600	(157,855)	-	25,237
Other government grants	-	80,151	(80,151)	-	-
Other grants and income	-	38,242	(38,242)	-	-
Pension fund	(939,000)	-	(70,000)	214,000	(795,000)
	<u>(913,508)</u>	<u>1,535,257</u>	<u>(1,547,480)</u>	<u>214,000</u>	<u>(711,731)</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grant	-	441,855	-	(438,627)	3,228
Capital Expenditure from GAG	154,436	-	(9,051)	-	145,385
Donated land and buildings	2,293,610	-	(58,350)	-	2,235,260
Capital Expenditure from unrestricted funds	206,640	-	(14,702)	44,219	236,157
Other fixed assets	275,099	-	(41,827)	438,627	671,899
	<u>2,929,785</u>	<u>441,855</u>	<u>(123,930)</u>	<u>44,219</u>	<u>3,291,929</u>
Total restricted funds	2,016,277	1,977,112	(1,671,410)	258,219	2,580,198
Unrestricted funds					
Unrestricted general funds	108,037	31,545	(24,163)	(44,219)	71,200
Total funds	<u>2,124,314</u>	<u>2,008,657</u>	<u>(1,695,573)</u>	<u>214,000</u>	<u>2,651,398</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	2,519,241	(2,386,334)	(3,850)	129,057
Other DfE/ESFA grants	25,492	319,813	(319,684)	-	25,621
Other government grants	-	180,511	(180,511)	-	-
Other grants and income	-	89,292	(89,292)	-	-
Pension fund	(939,000)	-	(137,000)	415,000	(661,000)
	<u>(913,508)</u>	<u>3,108,857</u>	<u>(3,112,821)</u>	<u>411,150</u>	<u>(506,322)</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grant	-	473,366	-	(465,442)	7,924
Capital Expenditure from GAG	154,436	-	(16,369)	3,850	141,917
Donated land and buildings	2,293,610	-	(116,700)	-	2,176,910
Capital Expenditure from unrestricted funds	206,640	-	(26,283)	44,219	224,576
Other fixed assets	275,099	-	(76,090)	465,442	664,451
	<u>2,929,785</u>	<u>473,366</u>	<u>(235,442)</u>	<u>48,069</u>	<u>3,215,778</u>
Total restricted funds	2,016,277	3,582,223	(3,348,263)	459,219	2,709,456
Unrestricted funds					
Unrestricted general funds	108,037	62,241	(38,776)	(44,219)	87,283
Total funds	<u>2,124,314</u>	<u>3,644,464</u>	<u>(3,387,039)</u>	<u>415,000</u>	<u>2,796,739</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

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 2018.

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 2018. During the year the Academy Trust received capital grants from DfE/ESFA to the value of £31,511, 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.

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	3,207,854	3,207,854
Current assets	87,283	175,508	7,924	270,715
Current liabilities	-	(20,830)	-	(20,830)
Pension scheme liability	-	(661,000)	-	(661,000)
Total net assets	87,283	(506,322)	3,215,778	2,796,739

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Analysis of net assets between funds (continued)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	3,288,701	3,288,701
Current assets	71,200	91,192	299,921	462,313
Current liabilities	-	(7,923)	(296,693)	(304,616)
Pension scheme liability	-	(795,000)	-	(795,000)
Total net assets	71,200	(711,731)	3,291,929	2,651,398

17 Capital commitments

	2018 £	2017 £
Contracted for, but not provided in the financial statements	7,924	26,814

18 Commitments under operating leases

Operating leases

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

	2018 £	2017 £
Amounts due within one year	11,403	10,217
Amounts due between one and five years	3,754	8,900
	15,157	19,117

19 Members' liability

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

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

20 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

	2017/18 £	2016/17 £
Net (expenditure)/income	(55,659)	313,084
Depreciation	111,512	123,930
Capital grants from DfE and other capital income	(31,511)	(441,855)
Interest receivable	(144)	(133)
Defined benefit pension scheme cost less contributions payable	48,000	49,000
Defined benefit pension scheme finance cost	19,000	21,000
Decrease/(increase) in debtors	48,067	(36,704)
(Decrease)/increase in creditors	(283,786)	243,199
Net cash (used in)/provided by Operating Activities	(144,521)	271,521

21 Cash flows from investing activities

	2017/18 £	2016/17 £
Purchase of tangible fixed assets	(30,665)	(482,848)
Capital funding received from sponsors and others	31,511	441,855
Interest received	144	133
Net cash provided by/(used in) investing activities	990	(40,860)

22 Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	231,809	375,340
Total cash and cash equivalents	231,809	375,340

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Pension and similar obligations

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 South Yorkshire Pension Fund. 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 outstanding or prepaid contributions at either the beginning or the end of the financial year.

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

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

The key elements of the valuation and subsequent consultation are:

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

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £99,606 (2017: £95,140). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is an unfunded 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 above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £99,000 (2017 - £96,000), of which employer's contributions totalled £76,000 (2017 - £73,000) and employees' contributions totalled £23,000 (2017 - £23,000). The agreed contribution rates for future years are 13.8 per cent for employers and between 5.5 per cent and 12.5 percent 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 £24,400 in 2017/18 and has agreed to make additional annual contributions totalling £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

	2018	2017
	%	%
Rate of increase in salaries	3.35	3.45
Rate of increase for pensions in payment/inflation	2.20	2.20
Discount rate for scheme liabilities	2.80	2.50
Inflation assumptions (CPI)	2.10	2.20

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

	2018	2017
Retiring today		
Males retiring today	23.00	22.90
Females retiring today	25.80	25.70
Retiring in 20 years		
Males retiring in 20 years	25.20	25.10
Females retiring in 20 years	28.10	28.00

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Pension and similar obligations (continued)

Sensitivity analysis

	2018 £'000	2017 £'000
0.1% decrease in Real Discount Rate	(48.00)	(47.00)
1 year increase in member life expectancy	33.00	33.00
0.1% increase in Salary Increase Rate	13.00	15.00
0.1% increase in inflation Rate	49.00	49.00

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

	2018 £	2017 £
Equities	661,000	667,000
Government bonds	178,000	151,000
Other bonds	91,000	75,000
Property	121,000	100,000
Cash and other liquid assets	57,000	22,000
Other	136,000	82,000
Total market value of assets	1,244,000	1,097,000

The actual return on scheme assets was £55,000 (2017 - £115,000).

Amounts recognised in the statement of financial activities

	2017/18 £	2016/17 £
Current service cost	122,000	121,000
Interest income	(29,000)	(20,000)
Interest cost	48,000	41,000
Admin expenses	2,000	1,000
Total amount recognised in the SOFA	143,000	143,000

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

	2017/18 £	2016/17 £
At start of period	(1,892,000)	(1,811,000)
Current service cost	(122,000)	(121,000)
Interest cost	(48,000)	(41,000)
Employee contributions	(23,000)	(23,000)
Actuarial (gain)/loss	174,000	103,000
Benefits paid	6,000	1,000
At 31 August	(1,905,000)	(1,892,000)

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Pension and similar obligations (continued)

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

	2017/18	2016/17
	£	£
At start of period	1,097,000	872,000
Interest income	29,000	20,000
Actuarial gain/(loss)	27,000	111,000
Employer contributions	76,000	73,000
Employee contributions	23,000	23,000
Benefits paid	(6,000)	(1,000)
Admin expenses	(2,000)	(1,000)
At 31 August	<u>1,244,000</u>	<u>1,097,000</u>

Dunsville Primary Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

24 Related party transactions

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

Expenditure related party transactions

During the year the Academy Trust made the following related party transactions:

S Schofield

S Schofield, spouse of J Schofield, a trustee, is employed by the academy trust as a class teacher. S Schofield's appointment was made in open competition and J Schofield was not involved in the decision making process regarding appointment. S Schofield is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

C Eastwood

C Eastwood, spouse of A Eastwood, a trustee, is employed by the academy trust as a class teacher. C Eastwood's appointment was made in open competition and A Eastwood was not involved in the decision making process regarding appointment. C Eastwood is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

C Flint

C Flint, spouse of K Flint, a trustee, is employed by the academy trust as a member of admin support staff. C Flint's appointment was made in open competition and K Flint was not involved in the decision making process regarding appointment. C Flint is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

Income related party transactions

During the year the Academy Trust made the following related party transactions:

Auckley school

During the year ended 31st August 2018 Kevin Flint, the Executive Headteacher and trustee at the Academy Trust, was also Executive Head Teacher and ex-officio trustee at Auckley School. The Academy Trust recharged Kevin Flint's salary to Auckley school to the value of £67,175 (2017 - £64,559). The total amount due to the Academy Trust at 31 August 2018 was £nil (2017 - £10,766).

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.