

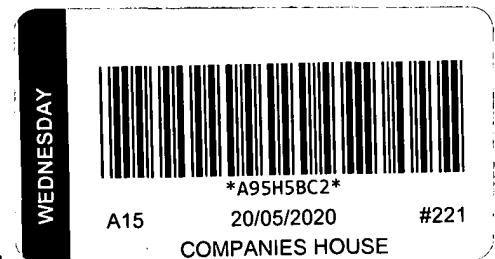
REGISTERED COMPANY NUMBER: 08637890 (England and Wales)

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2019  
FOR**

**ASTWOOD BANK PRIMARY SCHOOL**

M.T.Manley & Co Limited  
696 Yardley Wood Road  
Billesley  
Birmingham  
West Midlands

B13 0HY



## **ASTWOOD BANK PRIMARY SCHOOL**

### **REPORT OF THE TRUSTEES**

**for the Year Ended 31st August 2019**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period from 1<sup>st</sup> September 2018 to 31<sup>st</sup> August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Astwood Bank, Redditch, Worcestershire. It has a pupil capacity of 420 and had a roll of 405 in the school census on September 2019.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Academy Trust (*was incorporated on 5<sup>th</sup> August 2013 and opened as an Academy on 1<sup>st</sup> October 2013*) is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Astwood Bank Primary School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Astwood Bank Primary School.

Details of the Trustees who served throughout the period from 1<sup>st</sup> September 2018 to 31<sup>st</sup> August 2019, except as noted, are included in the Reference and Administration Details on page 11.

#### **Members' liability**

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

#### **Trustees' indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £3,000,000.

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

On 1<sup>st</sup> October 2013 three Trustees were appointed that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a new term of office to start on 1<sup>st</sup> October 2013.

Trustees are appointed for a four-year period. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

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

#### **Policies and Procedures adopted for the Induction and Training of Trustees**

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

## **ASTWOOD BANK PRIMARY SCHOOL**

### **REPORT OF THE TRUSTEES for the Year Ended 31st August 2019**

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

#### **Organisational Structure**

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 3 committees as follows;

- Finance and personnel Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Curriculum Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Buildings and Health and Safety Committee – this meets three times a year.

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

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Head teacher and Senior Management Team (SMT). The SMT comprises the Head teacher, Deputy Head teacher, 3 Senior leaders. The SMT implement the policies laid down by the Trustees and report back to them on performance. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Head teacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Governor.

The Head Teacher is the Accounting Officer.

#### **Connected Organisations, Including Related Party Relationships**

The Academy has strong collaborative links with other schools which form part of the Redditch pyramid of schools.

~~There are no related parties which either control or significantly influence the decisions and operations of Astwood Bank Primary School.~~

There are no sponsors.

There is a Parent Teacher Association associated with the Academy.

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## **ASTWOOD BANK PRIMARY SCHOOL**

### **REPORT OF THE TRUSTEES**

**for the Year Ended 31st August 2019**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objects and Aims**

Astwood Bank Primary School aims:

- To provide a happy secure environment and foster attitudes which will instil self-confidence and create a sense of personal worth.
- To provide a broad and balanced curriculum that stimulates and challenges pupils to enable them to acquire knowledge, skills and understanding relevant to life in the 21<sup>st</sup> Century.
- To provide a learning environment with a range of sensory opportunities in which pupils can access and organise resources/aspects of their work and become independent learners.
- To provide a curriculum that takes account of individual learning styles as well as promoting physical, social, emotional, creative and spiritual development.
- To promote an atmosphere fostering a sense of caring, tolerance and support alongside an appreciation of different viewpoints which enables each to achieve their own potential.
- To communicate effectively with parents and community and to develop shared goals and values that will support and challenge the pupils.

##### **Objectives, Strategies and Activities**

Key priorities for the year are contained in our School Development Plan which is available from the Office.

##### **Public Benefit**

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

#### **STRATEGIC REPORT**

##### **Achievements and Performance**

The academy was inspected in March 2010 and was judged to be outstanding. A quote from the OFSTED report. 'Perhaps the most outstanding feature in a long list is the richness and variety of the curriculum. The school has tapped into an exceptionally wide range of opportunities, many involving outside agencies such as Young Enterprise personnel and modern dance teachers, to ensure that learning is relevant, interesting and exciting. The enthusiasm generated spills over into all aspects of school life and pupils show excitement and keenness in lessons and around school.

Standards are above National Standards at the end of the Foundation Stage, Key Stage 1 and when pupils leave us in Year 6.

These standards are continually assessed through a programme of lesson observations and work trawls, effective CPD opportunities that link to the School Development Plan and internal pupil tracking.

Some of the priorities achieved from last year's school development plan were:

- Improve standards overall by increasing independence through revisiting learning drivers and behaviours
- Develop the use of the Nurture Room / nurture groups
- Mindfulness and Philosophy for children's training
- Improve standards achieved at greater depth through training in the mastery curriculum

## ASTWOOD BANK PRIMARY SCHOOL

### REPORT OF THE TRUSTEES for the Year Ended 31st August 2019

#### Key Performance Indicators

The following Key Financial Performance Indicators' were set at the start of the year

	Target	Actual
Pupil to teacher ratio	1:30	1:30
Teaching to non-teaching staff ratio	1:30	1:30

#### 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.

#### Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year ended 31 August 2019, total expenditure of £1,516,937 was covered by recurrent grant funding from the DfE, together with other incoming resources of £1,352,982. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £163,955.

At 31 August 2019 the net book value of fixed assets was £3,548,226 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31<sup>st</sup> March 2014 at £2,300,000. Other assets have been included in the financial statements at a best estimate, considering purchase price and remaining useful lives.

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

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

#### Reserves Policy

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

## **ASTWOOD BANK PRIMARY SCHOOL**

### **REPORT OF THE TRUSTEES**

**for the Year Ended 31st August 2019**

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#### **Investment Policy**

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

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

#### **Principal Risks and Uncertainties**

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 98% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Academy is dependent on continuing to attract applicants in enough numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing** - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

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

#### **PLANS FOR FUTURE PERIODS**

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

Full details of our plans are given in our Academy Development Plan, which is available on our website or from the Clerk to the Trustees.

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**ASTWOOD BANK PRIMARY SCHOOL**

**REPORT OF THE TRUSTEES  
for the Year Ended 31st August 2019**

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**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

**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 auditors, M.T.Manley & Co Ltd, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 9.12.19..... and signed on the board's behalf by:



**Mr Kevin David Sherrington-Lodge  
Chair of Trustees**

## ASTWOOD BANK PRIMARY SCHOOL

### GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31ST AUGUST 2019

#### Scope of Responsibility

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

The board of the trustees has delegated the day-to-day responsibility to the Principal, 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 Astwood Bank Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met [x] 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
Ms Alison Fiona Flower	5	7
Mr Neil James Grant	4	7
Ms Alison Mary Gregory	5	7
Ms Alison Margaret Horner	2	7
Mr Robert Lomas	4	7
Mr Rob Poyner	4	7
Mr Kevin David Sherrington-Lodge	7	7
Ms Michelle Stack	7	7
Ms Deborah Ann Yarnold, Headteacher	7	7
Ms Yvonne Elizabeth Bruton	7	7
Ms Charlotte Louise Hall - (Maternity leave during the period)	1	7
Mr Samuel Bettridge	6	7
Mr Martin Harrison	6	7

#### Review of Value for Money

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

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

#### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Astwood Bank Primary School for the period 1st September 2018 to 31st August 2019 and up to the date of approval of the annual report and financial statements.

## **ASTWOOD BANK PRIMARY SCHOOL**

### **GOVERNANCE STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2019**

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#### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1st September 2018 to 31st August 2019 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 considered the need for a specific internal audit function and decided not to appoint an internal auditor. However, the Directors/Trustees have appointed M.T.Manley & Co Limited, the external auditor, to perform additional checks

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

- Testing of payroll systems,
- Testing of purchase systems,
- Testing of control account/bank account reconciliations,
- Review of the trust risk register,
- Testing of the trust's websites regarding legal compliance.

On a termly basis, the reviewer reports to the Board of Trustees through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Internal Auditors have both undertaken their roles diligently and reported as expected to the appropriate bodies.

#### **Review of Effectiveness**

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

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

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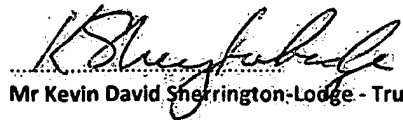
**ASTWOOD BANK PRIMARY SCHOOL**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31ST AUGUST 2019**

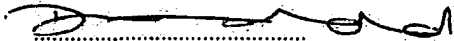
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The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is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

Approved by order of the members of the board of trustees on ..... and signed on its behalf by:



Mr Kevin David Sherrington-Lodge - Trustee



Ms Deborah Ann Yarnold - Accounting Officer

**ASTWOOD BANK PRIMARY SCHOOL**

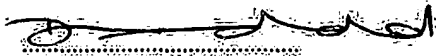
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
for the Year Ended 31st August 2019**

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As accounting officer of Astwood Bank Primary School I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company 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 2018.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2018.

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



**Ms Deborah Ann Yarnold - Accounting Officer**

Date: .....18.12.2019.....

**ASTWOOD BANK PRIMARY SCHOOL**

**STATEMENT OF TRUSTEES RESPONSIBILITIES  
for the Year Ended 31st August 2019**

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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.

In so far as the trustees are aware:

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

Approved by order of the board of trustees on 9/12/19 and signed on its behalf by:

  
Mr Kevin David Sherfington-Lodge - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASTWOOD BANK PRIMARY SCHOOL**

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### **Opinion**

We have audited the financial statements of Astwood Bank Primary School (the 'charitable company') for the year ended 31st August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASTWOOD BANK PRIMARY SCHOOL**

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### **Opinions on other matters prescribed by the Companies Act 2006**

- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

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

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

### **Use of our report**

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ASTWOOD BANK PRIMARY SCHOOL**

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Christopher Windsor (Senior Statutory Auditor)  
for and on behalf of M.T.Manley & Co Limited  
696 Yardley Wood Road  
Billesley  
Birmingham  
West Midlands  
B13 0HY

Date: 20<sup>th</sup> December 2019

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

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In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Astwood Bank Primary School during the period 1st September 2018 to 31st August 2019 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 Astwood Bank Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Astwood Bank Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Astwood Bank Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Astwood Bank Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Astwood Bank Primary School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2018 to 31st August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

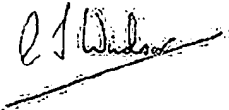
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

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

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2018 to 31st August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



M.T. Manley & Co Limited  
696 Yardley Wood Road  
Billesley  
Birmingham  
West Midlands  
B13 0HY

Date: 20<sup>th</sup> December 2019

**ASTWOOD BANK PRIMARY SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES**  
for the Year Ended 31st August 2019

				2019	2018
		Unrestricted funds	Restricted Fixed Asset Funds	Total funds	Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and capital grants	2	49,477	-	49,477	52,267
Charitable activities					
Funding for the academy's educational operations	3	-	20,408	1,267,376	1,227,355
Other trading activities	4	31,196	-	36,075	26,496
Investment income	5	54	-	54	58
<b>Total</b>		<b>80,727</b>	<b>20,408</b>	<b>1,352,982</b>	<b>1,306,176</b>
<b>EXPENDITURE ON</b>					
Charitable activities					
Academy's educational operations		29,812	88,713	1,516,937	1,562,344
<b>NET INCOME/(EXPENDITURE)</b>		<b>50,915</b>	<b>(68,305)</b>	<b>(163,955)</b>	<b>(256,168)</b>
<b>Other recognised gains/(losses)</b>					
Actuarial gains/losses on defined benefit schemes		-	-	(223,000)	97,000
<b>Net movement in funds</b>		<b>50,915</b>	<b>(68,305)</b>	<b>(386,955)</b>	<b>(159,168)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>(11,786)</b>	<b>3,616,530</b>	<b>3,169,744</b>	<b>3,328,912</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>39,129</b>	<b>3,548,225</b>	<b>2,782,789</b>	<b>3,169,744</b>

The notes form part of these financial statements

**ASTWOOD BANK PRIMARY SCHOOL**

**BALANCE SHEET**  
**At 31st August 2019**

				2019	2018
		Unrestricted funds	Restricted Fixed Asset Funds	Total funds	Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	13		3,548,226	3,548,226	3,606,590
<b>CURRENT ASSETS</b>					
Debtors	14			27,225	31,109
Cash at bank and in hand		<u>39,129</u>		<u>49,979</u>	<u>45,073</u>
		39,129		38,075	76,182
<b>CREDITORS</b>					
Amounts falling due within one year	15			(128,640)	(78,028)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>39,129</u>		<u>(51,437)</u>	<u>(1,846)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		39,129	3,548,226	3,496,789	3,604,744
<b>PENSION LIABILITY</b>	18			(714,000)	(435,000)
<b>NET ASSETS</b>		<u>39,129</u>	<u>3,548,226</u>	<u>2,782,789</u>	<u>3,169,744</u>
<b>FUNDS</b>	17				
Unrestricted funds				39,129	(11,786)
Restricted funds				<u>2,743,660</u>	<u>3,181,530</u>
<b>TOTAL FUNDS</b>				<u>2,782,789</u>	<u>3,169,744</u>

The notes form part of these financial statements

ASTWOOD BANK PRIMARY SCHOOL

BALANCE SHEET - CONTINUED  
At 31st August 2019

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These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 9/12/19 and were signed on its behalf by:

  
Trustee

MR KEVIN DAVID SHERRINGTON - LODGE

The notes form part of these financial statements

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**ASTWOOD BANK PRIMARY SCHOOL**

**CASH FLOW STATEMENT  
for the Year Ended 31st August 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	20,085	(114,371)
Tax paid		<u>1,128</u>	<u>36,831</u>
<b>Net cash provided by (used in) operating activities</b>		<u>21,213</u>	<u>(77,540)</u>
 <b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(16,362)	(7,214)
Interest received		<u>54</u>	<u>58</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(16,308)</u>	<u>(7,156)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		<u>4,905</u>	<u>(84,696)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<u>45,073</u>	<u>129,769</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<u>49,978</u>	<u>45,073</u>

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The notes form part of these financial statements

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE CASH FLOW STATEMENT**

**for the Year Ended 31st August 2019**

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

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(163,955)	(256,168)
Adjustments for:		
Depreciation	74,726	74,872
Interest received	(54)	(58)
Defined benefit pension scheme past cost	20,000	35,000
Defined benefit pension scheme cost	23,000	11,000
Defined benefit pension scheme interest	13,000	
Decrease in debtors	2,756	54,517
Increase/(decrease) in creditors	<u>50,612</u>	<u>(33,534)</u>
Net cash provided by (used in) operating activities	<u>20,085</u>	<u>(114,371)</u>

**2. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2019	2018
	£	£
Cash in hand	500	
Notice deposits (less than 3 months)	1,027,314	1,067,286
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(977,836)</u>	<u>(1,022,213)</u>
Total cash and cash equivalents	<u>49,978</u>	<u>45,073</u>

## ASTWOOD BANK PRIMARY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31st August 2019

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#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Astwood Bank Primary School meets the definition of a public benefit entity under FRS 102.

##### **Going concern**

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

##### **Critical accounting judgements and key sources of estimation uncertainty**

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.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31st August 2019**

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**1. ACCOUNTING POLICIES - continued**

**Income**

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purpose but not expended during the period is shown in the relevant funds on the Balanced Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income.

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

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

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

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

**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 use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All expenditure is inclusive of irrecoverable VAT.

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31st August 2019**

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**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 50 years and 125 years straight line
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

All assets costing more than £1,000 are capitalised and 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.

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

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

**Taxation**

The Academy is a charitable company for UK corporation tax purposes.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives 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 assets 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31st August 2019

## 1. ACCOUNTING POLICIES - continued

**Pension costs and other post-retirement benefits**

Retirement benefits to employees of the academy trust are provided by 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 the pensions over employee's lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit control method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognized in the period to which they relate.

The LP'S is a funded scheme and the assets are held from those of the academy 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 current service costs and costs of the scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the defined benefit liability/assets 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 gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses in the Statement of financial activities.

## 2. DONATIONS AND CAPITAL GRANTS

	2019	2018
	£	£
Donations	<u>49,477</u>	<u>52,267</u>

## 3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
General Annual Grant	-	1,105,111	1,105,111	1,049,047
Other DfE/EFSA Grants	-	134,317	134,317	160,998
High Needs	-	7,540	7,540	9,924
Capital Grants	-	20,408	20,408	7,386
	<u>-</u>	<u>1,267,376</u>	<u>1,267,376</u>	<u>1,227,355</u>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31st August 2019

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued**

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>DfE/ESFA revenue grant</b>				
General Annual Grant(GAG)	<u>          </u>	<u>1,105,111</u>	<u>1,105,111</u>	<u>1,049,047</u>

**4. OTHER TRADING ACTIVITIES**

	2019 £	2018 £
Sales to Students		200
Other	16,341	9,272
Lettings	<u>19,734</u>	<u>17,024</u>
	<u>36,075</u>	<u>26,496</u>

**5. INVESTMENT INCOME**

	2019 £	2018 £
Deposit account interest	<u>54</u>	<u>58</u>

**6. EXPENDITURE**

	Staff costs £	Non-pay expenditure		2019 Total £	2018 Total £
		Premises £	Other costs £		
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	999,178	109,310	41,350	1,149,838	1,176,509
Allocated support costs	<u>191,524</u>	<u>54,749</u>	<u>120,826</u>	<u>367,099</u>	<u>385,835</u>
	<u>1,190,702</u>	<u>164,059</u>	<u>162,176</u>	<u>1,516,937</u>	<u>1,562,344</u>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**for the Year Ended 31st August 2019**

**6. EXPENDITURE - continued**

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	74,726	74,872
Auditors remuneration- audit	6,050	7,000
Auditors remuneration- other services	<u>1,950</u>	<u>3,790</u>

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

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
Direct costs	29,813	1,120,025	1,149,838	1,176,509
Support costs	<u>29,813</u>	<u>367,099</u>	<u>367,099</u>	<u>385,835</u>
	<u>29,813</u>	<u>1,487,124</u>	<u>1,516,937</u>	<u>1,562,344</u>

	2019 Total £	2018 Total £
<b>Analysis of support costs</b>		
Support staff costs	191,524	175,554
Premises costs	54,749	91,837
Other support costs	<u>120,826</u>	<u>118,444</u>
<b>Total support costs</b>	<u>367,099</u>	<u>385,835</u>

**ASTWOOD BANK PRIMARY SCHOOL****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31st August 2019****9. STAFF COSTS**

	2019	2018
	£	£
Wages and salaries	931,464	934,905
Social security costs	65,550	65,916
Operating costs of defined benefit pension schemes	<u>187,324</u>	<u>196,849</u>
	1,184,338	1,197,670
Supply teacher costs	<u>6,364</u>	<u>(1,244)</u>
	<u>1,190,702</u>	<u>1,196,426</u>

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

	2019	2018
Management	4	5
Teachers	15	14
Support	<u>42</u>	<u>42</u>
	<u>61</u>	<u>61</u>

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

	2019	2018
£60,001 - £70,000	<u>1</u>	<u>1</u>

**Key Management Personnel**

The key management personnel of the academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £234,409 (2018: £146,382).

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31st August 2019

## 10. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other trustees did not receive any payments from the Academy in respect of their role as trustees. The value of Trustees' remuneration, including pension contributions in the year, was as follows;

D Yarnold Remuneration £60,000 - £65,000 (2018: £60,000 - £65,000), Employer's Pension Contributions £10,000 - 15,000 (2018: £10,000 - £15,000).

M Stack Remuneration £30,000 - £35,000 (2018: £30,000 - £35,000), Employer's Pension Contributions £5,000 - 10,000 (2018: £5,000 - £10,000).

C Hall Remuneration £10,000 - £15,000 (2018: £20,000 - £25,000), Employer's Pension Contributions £0 - £5,000 (2018: £0 - £5,000).

During the year ended 31 August 2019, no trustees received any reimbursement of expenses (2018: £NIL).

## 11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2019 was £1,654 (2018: £1,654).

## 12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted Fixed Asset Funds £	Restricted Funds £	Total funds £
<b>INCOME AND ENDOWMENTS</b>				
<b>FROM</b>				
Donations and capital grants	52,267	-	-	52,267
<b>Charitable activities</b>				
Funding for the academy's educational operations	(24,896)	7,386	1,244,865	1,227,355
Other trading activities	22,325	-	4,171	26,496
Investment income	58	-	-	58
<b>Total</b>	<b>49,754</b>	<b>7,386</b>	<b>1,249,036</b>	<b>1,306,176</b>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	127,835	74,872	1,359,637	1,562,344
<b>NET INCOME/(EXPENDITURE)</b>	<b>(78,081)</b>	<b>(67,486)</b>	<b>(110,601)</b>	<b>(256,168)</b>
<b>Transfers between funds</b>	<b>-</b>	<b>(64,601)</b>	<b>64,601</b>	<b>-</b>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31st August 2019

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted Fixed Asset Funds £	Restricted Funds £	Total funds £
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	-	-	97,000	97,000
<b>Net movement in funds</b>	(78,081)	(132,087)	51,000	(159,168)
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	66,295	3,748,617	(486,000)	3,328,912
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>(11,786)</u>	<u>3,616,530</u>	<u>(435,000)</u>	<u>3,169,744</u>

**13. TANGIBLE FIXED ASSETS**

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1st September 2018	3,868,354	5,880	39,933	3,914,167
Additions	<u>14,802</u>	<u>1,560</u>	-	<u>16,362</u>
At 31st August 2019	<u>3,883,156</u>	<u>7,440</u>	<u>39,933</u>	<u>3,930,529</u>
<b>DEPRECIATION</b>				
At 1st September 2018	272,484	3,128	31,965	307,577
Charge for year	<u>69,181</u>	<u>1,352</u>	<u>4,193</u>	<u>74,726</u>
At 31st August 2019	<u>341,665</u>	<u>4,480</u>	<u>36,158</u>	<u>382,303</u>
<b>NET BOOK VALUE</b>				
At 31st August 2019	<u>3,541,491</u>	<u>2,960</u>	<u>3,775</u>	<u>3,548,226</u>
At 31st August 2018	<u>3,595,870</u>	<u>2,752</u>	<u>7,968</u>	<u>3,606,590</u>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**for the Year Ended 31st August 2019**

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	60	-
Vat	16,320	17,448
Prepayments	<u>10,845</u>	<u>13,661</u>
	<u>27,225</u>	<u>31,109</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade creditors	22,120	6,176
Social security and other taxes	35,658	32,302
Accrued expenses	<u>70,862</u>	<u>39,550</u>
	<u>128,640</u>	<u>78,028</u>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31st August 2019

**17. MOVEMENT IN FUNDS**

	At 1/9/18 £	Net movement in funds £	Transfers between funds £	At 31/8/19 £
<b>Unrestricted funds</b>				
General fund	(11,786)	50,915		39,129
<b>Restricted funds</b>				
General Annual Grant (GAG)		(90,565)		(90,565)
Pension reserve	(435,000)	(279,000)		(714,000)
Capital Grants	1,013,810	(35,975)		977,835
Fixed assets transferred on conversion	2,584,377	(13,987)		2,570,390
Devolved Formula Capital	18,343	(18,343)		
	3,181,530	(437,870)		2,743,660
<b>TOTAL FUNDS</b>	<b>3,169,744</b>	<b>(386,955)</b>		<b>2,782,789</b>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	50,915			50,915
Donations	29,812	(29,812)		
	80,727	(29,812)		50,915
<b>Restricted funds</b>				
General Annual Grant (GAG)	1,082,443	(1,173,008)		(90,565)
Higher Needs Funding	7,540	(7,540)		
Pupil Premium (PP)	36,265	(36,265)		
Universal Infant Free School Meals (UFSM)	77,147	(77,147)		
Educational Trips	22,668	(22,668)		
Other Government Grants	20,905	(20,905)		
Staff Insurance Income	4,879	(4,879)		
Capital Grants	20,408	(56,383)		(35,975)
Devolved Formula Capital		(18,343)		(18,343)
Pension reserve		(56,000)	(223,000)	(279,000)
Fixed assets transferred on conversion		(13,987)		(13,987)
	1,272,255	(1,487,125)	(223,000)	(437,870)
<b>TOTAL FUNDS</b>	<b>1,352,982</b>	<b>(1,516,937)</b>	<b>(223,000)</b>	<b>(386,955)</b>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**for the Year Ended 31st August 2019**

**17. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1/9/17 £	Net movement in funds £	Transfers between funds £	At 31/8/18 £
<b>Unrestricted Funds</b>				
General fund	42,552	(54,338)		(11,786)
Donations	<u>23,743</u>	<u>(23,743)</u>		
	66,295	(78,081)		(11,786)
<b>Restricted Funds</b>				
Other Government Grants		(64,601)	64,601	
Pension reserve	(486,000)	51,000		(435,000)
Capital Grants	1,130,480	(52,069)	(64,601)	1,013,810
Fixed assets transferred on conversion	2,606,957	(22,580)		2,584,377
Devolved Formula Capital	<u>11,180</u>	<u>7,163</u>		<u>18,343</u>
	3,262,617	(81,087)		3,181,530
<b>TOTAL FUNDS</b>	<u>3,328,912</u>	<u>(159,168)</u>		<u>3,169,744</u>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31st August 2019

**17. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	22,419	(76,757)		(54,338)
Donations	<u>27,335</u>	<u>(51,078)</u>		<u>(23,743)</u>
	49,754	(127,835)		(78,081)
<b>Restricted funds</b>				
General Annual Grant (GAG)	1,049,047	(1,049,047)		
Higher Needs Funding	9,924	(9,924)		
Pupil Premium (PP)	35,558	(35,558)		
Universal Infant Free School Meals (UIFSM)	89,094	(89,094)		
Educational Trips	24,896	(24,896)		
Other Government Grants	36,346	(100,947)		(64,601)
Staff Insurance Income	4,171	(4,171)		
Capital Grants		(52,069)		(52,069)
Devolved Formula Capital	7,386	(223)		7,163
Pension reserve		(46,000)	97,000	51,000
Fixed assets transferred on conversion		<u>(22,580)</u>		<u>(22,580)</u>
	1,256,422	(1,434,509)	97,000	(81,087)
<b>TOTAL FUNDS</b>	<u>1,306,176</u>	<u>(1,562,344)</u>	<u>97,000</u>	<u>(159,168)</u>

**18. PENSION AND SIMILAR OBLIGATIONS**

**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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31st August 2019

**18. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

*Valuation of the Teachers' Pension Scheme*

The Government Actuary, using nominal 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 consultations are:

- employer contributions rates set at 16.48% of pensionable pay, including a 0.08% employer charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £11,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based April 2016 date, 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 £192,281 (2017: £189,460)

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pensions scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was (£174,000 (2018: 154,000)), of which employer's contributions totalled £136,000 (2018: £121,000) and employees' contributions totalled £38,000 (2018: £33,000). The agreed contribution rates for the future years are 13.8% for employers and 5.7% 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.

**Local government pension scheme**

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31st August 2019**

**18. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fair value of plan assets	<u>544,000</u>	<u>440,000</u>
	<u>544,000</u>	<u>440,000</u>
Surplus	<u>544,000</u>	<u>440,000</u>
Net asset	<u>544,000</u>	<u>440,000</u>

The amounts recognised in the statement of financial activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current service cost	92,000	108,000
Net interest from net defined benefit asset/liability	25,000	19,000
Past service cost	<u>20,000</u>	<u>-</u>
	<u>137,000</u>	<u>127,000</u>
Actual return on plan assets	<u>21,000</u>	<u>24,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	875,000	813,000
Current service cost	92,000	108,000
Past service cost	20,000	-
Contributions by scheme participants	16,000	17,000
Interest cost	25,000	19,000
Actuarial losses/(gains)	<u>230,000</u>	<u>(82,000)</u>
	<u>1,258,000</u>	<u>875,000</u>

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**for the Year Ended 31st August 2019**

**18. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Fair value of scheme assets	440,000	327,000
Interest	13,000	9,000
Contributions by employer	69,000	73,000
Contributions by scheme participants	16,000	17,000
Administration costs	(1,000)	(1,000)
Actuarial gains/(losses)	7,000	15,000
	<u>544,000</u>	<u>440,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Actuarial gains/(losses)	(223,000)	97,000
	<u>(223,000)</u>	<u>97,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
Equities	70.9%	77%
Government bonds	7.5%	8%
Other bonds	5%	4.6%
Property	6%	4.7%
Cash/Liquidity	2.9%	2.1%
Other	7.7%	3.6%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2019	2018
Discount rate	1.8%	2.8%
Future salary increases	3.6%	3.6%
Future pension increases	2.2%	2.2%
Inflation assumption (CPI)	2.1%	2.1%

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

Retiring today: Males 22.8 days (2018 22.7) and females 25.8 days (2018 25.8)

Retiring in 20 years: Males 25.1 days (2018 24.9) and females 28.2 (2018 28).

**ASTWOOD BANK PRIMARY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31st August 2019**

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**19. RELATED PARTY DISCLOSURES**

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

No related transactions took place in the year ended 31 August 2019 (2018: Nil), other than certain trustees' remuneration already disclosed in note 10.

**20. FINANCIAL INSTRUMENTS**

Carrying amount of financial assets

Debt instruments measured at amortised cost 2019 £1,265,902 (2018 £1,413,601)

Carrying amount of financial liabilities

Measured at amortised cost 2019 £235,748 (2018 £395,838)

**21. 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 the liabilities contracted before he/she ceases to be a member.

**22. GENERAL INFORMATION**

Astwood Bank First School is a private company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Church Road, Astwood Bank, Redditch, Worcestershire, B96 6EH.

**ASTWOOD BANK PRIMARY SCHOOL**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**for the Year Ended 31st August 2019**

	2019 £	2018 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and capital grants</b>		
Donations	49,477	52,267
<b>Other trading activities</b>		
Sales to Students	-	200
Other	16,341	9,272
Lettings	<u>19,734</u>	<u>17,024</u>
	36,075	26,496
<b>Investment income</b>		
Deposit account interest	54	58
<b>Charitable activities</b>		
General Annual Grant	1,105,111	1,049,047
Other DfE/EFSA Grants	134,317	160,998
High Needs	7,540	9,924
Capital Grants	<u>20,408</u>	<u>7,386</u>
	<u>1,267,376</u>	<u>1,227,355</u>
<b>Total incoming resources</b>	<b>1,352,982</b>	<b>1,306,176</b>

**EXPENDITURE**

<b>Charitable activities</b>		
Wages	780,591	790,904
Social security	58,090	59,293
Pensions	154,133	171,919
Supply teacher costs	6,364	(1,244)
Educational supplies	26,951	25,228
Staff Development	1,599	3,799
Other costs	11,579	22,213
Pension finance costs	9,100	8,030
Educational Trips	22,668	24,861
Insurance	9,582	2,621
Depreciation	<u>69,181</u>	<u>68,885</u>
	<b>1,149,838</b>	<b>1,176,509</b>

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**ASTWOOD BANK PRIMARY SCHOOL****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
for the Year Ended 31st August 2019**

	2019 £	2018 £
<b>Management</b>		
Wages	150,873	144,001
Social security	7,460	6,623
Pensions	33,191	24,930
Maintenance of premises and equipment	11,823	38,731
Rent and rates	8,118	8,216
Energy costs	16,948	10,823
Office overheads	12,315	28,080
Legal and professional		955
Catering	62,986	69,370
Cleaning	10,497	7,747
Insurance	6,700	18,296
Technology Costs	19,483	4,498
Governance	16,798	14,305
Pension Finance Costs	3,900	2,970
Charitable Donations	368	132
Bank Charges	94	171
Depreciation	5,545	5,987
	<u>367,099</u>	<u>385,835</u>
<b>Total resources expended</b>	<b>1,516,937</b>	<b>1,562,344</b>
<b>Net expenditure</b>	<b><u>(163,955)</u></b>	<b><u>(256,168)</u></b>

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