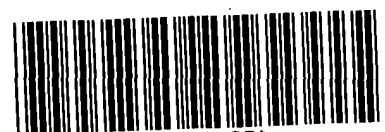


Company No. 08638398

**Darrington Church of England Primary School**  
**Annual Report and Financial Statements**  
**For the year ended 31 August 2017**

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COMPANIES HOUSE

**Darrington Church of England Primary School**

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**Darrington Church of England Primary School**

**Reference and Administrative Details**

**Members**

Mr. J.D. Nelson (resigned 26 February 2017)  
Mrs. T.M. Wraith  
Mrs. G. Fletcher

**Governors (Trustees)**

Mrs. T.M. Wraith	Governor (Co-opted)
Mr. L. Dale	Parent Governor
Mrs. G. Fletcher	Foundation Governor (Chair)
Mr. B. Penrose	Parent Governor
Father E. Woodcock	Foundation Governor (resigned 6 September 2017)
Mrs. S. Leach	Governor
Mr. P. Batty	Governor
Mrs. L. Ranby	Headteacher
Mr. A. Birden	Parent Governor
Mrs. E. Wilton	Staff Governor
Mr. A. Tagger	Governor (Co-opted) (appointed 10 May 2017)
Mrs. P. Quinn	Parent Governor (appointed 16 October 2017)

**Senior Leadership Team**

Headteacher	Mrs. L. Ranby
Deputy Headteacher	Mrs. E. Wilton
Business Manager	Mrs. S. Scargill

**Company Name**

Darrington Church of England Primary School

**Principal Office**

Denby Crest  
Darrington  
Pontefract  
WF8 3SB

**Registered Office**

C/o Schofield Sweeney  
Church Bank House  
Church Bank  
Bradford  
West Yorkshire  
BD1 4DY

**Company Number**

08638398 (England & Wales)

**Darrington Church of England Primary School****Reference and Administrative Details****Independent Auditors**

Paylings  
7 The Office Campus  
Paragon Business Village  
Red Hall Court  
Wakefield  
West Yorkshire WF1 2UY

**Bankers**

Lloyds Bank plc  
17 Westgate  
Wakefield  
WF1 1JZ

**Solicitors**

Schofield and Sweeney LLP  
Church Bank House  
Church Bank  
Bradford  
BD1 4DY

## Darrington Church of England Primary School

### Governors' Report

#### For the year ended 31 August 2017

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a governors' report and a director's report under company law.

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Darrington and Pontefract South. It has a pupil capacity of 105 and had a roll of 118 with nursery in the school census in October 2017, numbers are increasing and we have pupils currently on waiting lists to transfer to our school.

### **Structure, Governance and Management**

#### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Governors act as the trustees for the charitable activities of Darrington Church of England Primary School and are also the directors of the Charitable Company for the purposes of company law.

Details of the governors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

#### Members Liability

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

#### Governors' Indemnities

Governors benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or a breach of duty or which was committed by the Governors 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 criminal prosecution brought against the governors in their capacity as directors of the Academy. The limit of this indemnity is £2,000,000.

#### Method of Recruitment and Appointment or Election of governors

The number of Governors shall not be less than 3 and no more than 14.

The Academy shall have the following Governors:

- a) Up to 4 Governors, appointed under Article 50 (i.e. appointed by the members);
- b) Foundation Governors, appointed and/or holding office further to Article 51 (i.e. including the incumbent(s) as ex officio Foundation Governor(s) and any other persons appointed by the Foundation Governors, providing that the Foundation Governors do not exceed 25% of all Governors);
- c) Staff governors appointed under Article 50A (i.e. The Members may appoint Staff Governors through such process as they may determine, providing that the total number of Governors (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the total number of Governors);
- d) A minimum of 2 Parent Governors (see below process of election);
- e) The Headteacher;
- f) The Governors may appoint up to 2 Co-opted Governors (The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Headteacher) and any co-options that would breach the 25%/75% balance must be followed by one or more appointments under Articles 51 to restore the correct proportion).

## Darrington Church of England Primary School

### Governors' Report (continued)

#### For the year ended 31 August 2017

#### Election of Parent Governors Articles 53-58

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

#### Term of Office

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher, the incumbent(s) or to the first term of office of any Governor who, immediately prior to incorporation of the Academy Trust, was a governor on the governing body of Darrington C of E (VC) Junior and Infants School. The first term of office of any such Governor shall be a period equal to that which would have been the remainder of their term of office as a governor of Darrington C of E (VC) Junior and Infants School. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

#### Chairman and Vice-Chairman of the Governors

The Governors shall each school year, at their first meeting in that year, elect a chairman and a vice-chairman from among their number. A Governor who is employed by the Academy shall not be eligible for election as chairman or vice-chairman.

#### Policies and Procedures Adopted for the Induction and Training of Governors

Anyone expressing an interest in becoming a Trustee of the Academy will be invited to visit the school and an option to attend a Governing Body meeting prior to making their decision. If they choose this option, they may be asked to leave the meeting when confidential matters are being discussed, but the school will provide as much information as deemed appropriate.

All Trustees are encouraged to attend relevant training courses, either in-house or provided externally. A record of such attendance is kept and this can be used to determine where existing skills can be extended and is of paramount use when allocating specific Trustee responsibility.

Each Trustee is given a copy of our Code of Conduct, which is based on the NGA model, and asked to confirm in writing they have read the document and agreed to its' content. Copies of all policies are available either in hard-copy or electronic format for all Trustees to access.

#### Organisational Structure

The management structure consists of three levels; The Trustees, the Board of Governors and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by the use of results and budgets and making major decisions about the direction of the academy, capital expenditure and staff appointments.

The senior leaders are the Headteacher, Deputy Headteacher and Business Manager. These managers control the academy at an executive level, implementing the policies laid down by the Governors and reporting back to them. As a group, the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards always contain a Governor.

## Darrington Church of England Primary School

### Governors' Report (continued)

#### For the year ended 31 August 2017

#### Arrangements for setting pay and remuneration of key management personnel

The governors adopt the Teacher's pay and conditions document for Teachers pay, which is also agreed at each Resources meeting in autumn term.

#### Related parties and other Connected Charities and Organisations

As a church school, Darrington Church of England Primary School Trust work very closely with the Diocese of Leeds.

#### **Risk Management**

The Trustees have assessed the majority of risks to which the Academy is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the Academy and its finances. The Key risks have been determined as:-

- Compliance risk – need to ensure the school complies with current legislation.
- Financial risk- uncertainty regarding future government funding streams and also legislative requirements such as records in accordance with external agencies timescales.
- Charities risk – trustees to ensure the Annual Return is submitted in accordance with their requirements.
- Tax legislation risk – trustees to seek confirmation from the external contractors that the relevant PAYE/NI has been paid.
- Health & safety issues – if a person, pupil, employee, volunteer or visitor is injured whilst on the school premises.

The Trustees have implemented a number of systems to assess the risks that the Academy faces, especially in operational areas (e.g. in relation to teaching, health & safety, bullying and educational visits) and in relation to the control of finance. There are systems in place to minimise risks including operation procedures (e.g. issuing all visitors of the school with a school badge; ensuring that the premises are secure once the school is in session) and internal financial controls. Where significant risk still remains the Trustees have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls.

#### **Objectives and Activities**

##### Objectives and Aims

The principal objective and activity of the charitable company is to advance education in the UK for the public benefit, in particular by maintaining and carrying on the academy, offering a broad and creative curriculum with a focus on high standards of basic skills combined within the development of the whole child. In setting the schools objectives and planning the school's activities the Governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

The main objectives of the academy during the year ended August 2017 are summarised below:

- To ensure that every child enjoys the same high quality in terms of resourcing, teaching and care.
- To raise the standard of educational achievement of all pupils.
- To improve the effectiveness of the academy by keeping the curriculum and organisational structure under continual review.
- To provide value for money for the funds expended.
- To comply with all appropriate statutory and curriculum requirements.
- To maintain close links with other primary schools, and
- To conduct the academy business in accordance with the highest standards of integrity, probity and openness.

**Darrington Church of England Primary School**

**Governors' Report (continued)**

**For the year ended 31 August 2017**

**Objectives and Activities (continued)**

**Objectives, Strategies and Activities**

The vision for Darrington Church of England Primary School Trust is to provide an outstanding education for all children in its care; achieving high standards and developing the whole child, within a supportive family ethos. This applies to all aspects of the organisation at every level. The academy places the pupils at the centre of everything it does, with a focus on maintaining a culture of success, a positive climate for learning and pupil attainment, achievement and spiritual, moral, social and cultural development. In raising standards for its own pupils the academy contributes to the raising of educational standards and achievements.

The whole purpose of schools is that the children are absolute priority. That every pupil irrespective of their starting point, succeeds and achieves. In order to do this, a high quality educational experience is an entitlement for every pupil at Darrington Church of England Primary School Trust, with all parties – pupils, staff, parents/carers, governors, Darrington Church community and the wider community working together to achieve these goals. Pupils with special needs are fully included and benefit from the focus on personalised learning and individual plans.

The Governors whole purpose is to raise standards for all pupils by sustaining and enhancing performance and to develop the whole child, whilst at the same time engaging and collaborating with other schools to help improve the life changes of other children locally and nationally.

**Public Benefit**

The Trust considered the Charity Commission's guidance on Public Benefit. The main public benefit delivered by the Trust is the provision of a high quality of education to its pupils. This has been evidenced through the results achieved and feedback from external assessments.

The School was judged as 'good' when inspected in June 2015 and 'outstanding' in the Statutory Inspection of Anglican and Methodist Schools (SIAMS) inspection in January 2016.

**Strategic Report**

**Achievements and Performance**

The total number of pupils in the year ended 31 August 2017 were as follows:

<b>Pupils on Roll 31.08.2017</b>	<b>118</b>
<b>Pupils on Roll 31.08.2016</b>	<b>122</b>



**Darrington Church of England Primary School**

**Governors' Report (continued)**

**For the year ended 31 August 2017**

**Key Performance Indicators**

The Key Stage results for the academic year are summarised as follows:-

**End of Key Stage One**

	<b>At or above</b>	<b>At greater depth</b>
Reading	100%	40%
Writing	67%	27%
Maths	80%	20%
R/W/M	67%	13%

**End of Key Stage Two**

Reading	87%	40%
Writing	73%	13%
Maths	73%	13%
GPS	80%	33%
R/W/M	60%	33%

**Attendance**

Darrington Church of England Primary School Trust achieved an attendance level of 96% for the year to 31 August 2017. The attendance Target for 2017/2018 is 96%.

**Going Concern**

After making appropriate enquiries, the Governing Body 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.

**Financial Review**

**Financial report for the year**

These financial statements reflect a 12 month accounting period of operation. The majority of income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent General Annual Grant (GAG) funding, the use of which are restricted for the day to day running of the Academy. Total grants received from the ESFA and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period the Academy received £531,999 of restricted income (excluding fixed assets and pension liability), of which £457,046 was GAG funding. Other grants and income amounted to £74,953. Expenditure for the period totalled £618,548 (excluding depreciation), including £432,430 of staff related costs supporting the day to day running of the Academy Trust.

The excess total income over total expenditure during the period was £3,876 (excluding restricted fixed asset funds and pension deficit).

**Darrington Church of England Primary School**

**Governors' Report (continued)**

**For the year ended 31 August 2017**

**Financial report for the year (continued)**

The Academy Trust also inherited the Local Government Pension Scheme (LGPS) liability. The LGPS liability decreased from £244,000 to £138,000 during the year ended 31<sup>st</sup> August 2017. This is detailed in the notes to the financial statements.

As at 31<sup>st</sup> August 2017 the net book value of fixed assets is £1,280,893. The assets were used exclusively for providing education and the associated support services to pupils of the Academy Trust.

**Reserves policy**

The Governors will 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. Reserves are held to ensure that the Academy has sufficient resources to continue to advance the education of pupils.

**Investment policy**

There are no material investments held by the Academy, funds are currently held in a current account. The Academy aims to manage the cash balances to provide the day to day working capital requirements of its operations. During the year, considerations will be given to investing free reserves to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

**Key Financial Performance Indicators**

The main financial performance indicator in reporting to the Governing Body has been monthly revenue against monthly expenditure for key budget headings/items (for example, salaries, building costs, maintenance).

**Financial and Risk Management Objectives and Policies**

The Governors have implemented a number of systems to assess and minimise risks, described elsewhere in this report. Adequate insurance is in place where appropriate.

The Governors examine the financial health every term, reviewing performance against budget and overall expenditure.

At the year end, the Academy has no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from the liability is minimised.

**Principal Risks and Uncertainties**

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

- Financial – The Academy has considerable reliance on continued Government funding through the ESFA, whilst levels are 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 level or on the same terms.
- Financial – The Academy has to ensure that admission numbers are maintained.
- Failures in governance and/or management to effectively manage the Academy's finances internal controls, compliance with regulations and legislation, statutory returns.
- Fraud and mismanagement of funds – the Academy appointed Paylings to carry out checks on financial systems and records.
- Safeguarding and Child protection – the Governors continue to ensure the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, together with health and safety and discipline.

**Darrington Church of England Primary School**

**Governors' Report (continued)**

**For the year ended 31 August 2017**

**Plans for Future Periods**

The school aims to provide the highest educational opportunities for all children as well as providing professional development for all teaching and support staff so that the Academy continues to be self-developing and self supporting in the future.

**Funds held as Custodian Trustee on behalf of others**

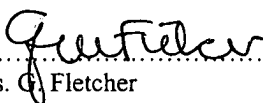
The Academy and its Governors do not act as the Custodian Trustees of any other Charity.

**Auditor**

In so far as the Governors are aware

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The governors' 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.

Governors' report, incorporating a strategic report, was approved by order of the members of governing body, as the company directors, on 20 December 2017 and signed on their behalf by:

  
.....  
Mrs. G. Fletcher  
Chair

**Darrington Church of England Primary School**

**Governance Statement**

**For the year ended 31 August 2017**

**Scope of Responsibility**

As governors, we acknowledge we have overall responsibility for ensuring that Darrington Church of England Primary School 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 governing body has delegated the day to day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Darrington Church of England Primary School Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the governors' report and in the Statement of Governors' Responsibilities. Attendance during the year at meetings of the governing body was as follows:

	<b>Attended</b>	<b>Possible</b>
Mr. J.D. Nelson (resigned 26 February 2017)	1	2
Mrs. T.M. Wraith	4	4
Mr. L. Dale	3	4
Mrs. G. Fletcher	4	4
Father E. Woodcock	2	4
Mrs. S. Leach	3	4
Mrs. L. Ranby	4	4
Mr. P. Batty	3	4
Mrs. H. Baxter (resigned 10 May 2017)	2	3
Mr. A. Birden	3	4
Mr. B.J. Penrose	4	4
Mrs. E. Wilton	4	4
Mr. A. Tagger (appointed 10 May 2017)	1	1

The Resources and Personnel Committee is a sub-committee of the main governing body. Its purpose is to manage the Academy's resources and finances efficiently and effectively.

Attendance at meetings in the year was as follows:

	<b>Attended</b>	<b>Possible</b>
Mr. L. Dale	1	3
Mrs. L. Ranby	3	3
Father E. Woodcock	1	3
Mr. P. Batty	3	3
Mr. B.J. Penrose (Chair)	3	3
Mrs. G. Fletcher	2	3
Mr. A. Tagger	1	1
Mrs. E. Wilton	3	3

**Darrington Church of England Primary School**

**Governance Statement continued**

**For the year ended 31 August 2017**

**Review of Value For Money**

As accounting officer the principal 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 governors 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:

**Improving Educational Outcomes**

Targets and priorities were identified in the school improvement plan for 2016/2017 to improve educational outcomes for all pupils. These targets were continually monitored through Governing Body committees and through regular governor visits. The impact of the activities detailed in the targets were:

- Standards in maths have improved in some year groups by building enthusiasm and encouraging pupils to take more responsibility for their own learning by drawing upon their preferred learning styles.
- All children make very good progress in all areas of the curriculum by meeting their learning needs through a challenge for all approach, raising standards, expectations and challenge for all groups.
- Individual needs of all children are met through timely, accurate and effective feedback, assessment, recording and reporting.
- Our core Christian values are firmly embedded in all aspects of school life to ensure that all members of our school community can live and work happily together.
- Collective Worship reflects the Christian nature of the school and reference was made in our very successful SIAMS Inspection, January, 2016, our school was judged to be 'An Outstanding Church school.'
- All employees have the benefit of a working environment that creates a sense of well-being and security.

**Target Improvement**

Performance management is at the heart of improving staff performance. The performance management process was clearly linked to the school improvement plan targets for all members of staff. The school ensured that all staff had access to appropriate and timely CPD activities to improve the quality of teaching and learning and enhance curriculum provision. For example investment in planning the new curriculum was planned for prior to its implementation. Funding was allocated to CPD which directly relates to priorities on the School Development Plan.

**Focus on Individual Pupils**

The Senior Leadership Team track attainment and progress through detailed analysis of individual pupils. Targeted interventions are provided for children who are shown to be potentially underachieving or not making expected progress. The class teachers with the support of the SENCo provide detailed information on intervention maps to show how the needs of individual children are being met. Pupil Progress meetings take place with teachers termly and any underperformance is addressed. Pupil Premium funding is allocated according to the needs of the children. The school targets the pupil premium funding at the most disadvantaged pupils to ensure their attainment and progress is in line with the rest of the cohort.

**Collaboration**

The school works informally with other schools, including neighbouring church schools within Pontefract and have plans to do this more regularly this year. The school takes opportunities to work collaboratively with other schools and academies to reduce and share administration and procurement costs and the costs of staff training. We have the Table Tennis coach from the Quaker school attending weekly to provide coaching for the pupils at no cost to school. We are also working with the local Co-operative to provide an enterprise challenge to Key Stage 2.

**Darrington Church of England Primary School**

**Governance Statement continued**

**For the year ended 31 August 2017**

**New Initiatives**

During the budget setting process we ensure funds are targeted specifically at school improvement priorities in order to implement new initiatives. This year, we are implementing White Rose Maths Hub as a structure to teach maths, to further develop outcomes for maths.

**Quantifying Improvements**

At the end of the Early Years Foundation Stage (EYFS), attainment has increased over time and 73% of pupils achieved a Good Level of Development, (the slight change was due to an SEND pupil not achieving the expected standard of development.)

Phonics data in Y1 has shown an increase over time in the number of pupils achieving WA and in 2017, 93% of pupils achieved the required standard which exceeded the national expectation.

Attainment at the end of Key Stage 1 is significantly above or in line with national average, however Key Stage 2 results were slightly reduced in Maths.

Behaviour is shown to be outstanding as evidenced by OFSTED 2015 and SIAMS 2016.

All teaching is at least good or outstanding as evidenced through a rigorous programme of monitoring teaching and learning. This will continue to impact on progress and attainment.

**EYFS**

**% of pupils achieving a GLD:**

<b>All Pupils - %</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
School	87	84	93	73
National	60	66	69	71
Local Authority	60	65	65	68
Gap Between School and National	+27	+18	+24	+2

**Year 1**

**Phonics Screening Test Results**

<b>All Pupils - %</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
School	80	80	93	93
National	74	77	81	81
Local Authority	70	70	77	TBC
Gap Between School and National	+6	+3	+12	+12

**Darrington Church of England Primary School****Governance Statement continued****For the year ended 31 August 2017****Quantifying Improvements (continue)****Year 2: KS1 % of pupils achieving the expected standard or above in reading, writing and mathematics**  
(Pre-2016: % pupils achieving L2B+; 2016 onwards: % achieving 'the expected standard'):

	<b>All Pupils - %</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Reading</b>	School	100	93	100	87
	National	81	82	74	76
	Local Authority	78	81	72	72
	Gap Between School and National	+19	+11	+26	+11
<b>Writing</b>	School	64	86	67	73
	National	70	72	65	68
	Local Authority	67	71	62	65
	Gap Between School and National	-6	+14	+2	+5
<b>Maths</b>	School	86	93	80	80
	National	80	82	73	75
	Local Authority	78	80	71	73
	Gap Between School and National	+6	+11	+7	+5
<b>Reading, Writing &amp; Maths Combined</b>	School			67	64
	National			60	64
	Local Authority			58	61
	Gap Between School and National			+7	0

**Year 6: KS2 % of pupils achieving the expected standard in reading, writing, GPS and mathematics** (Pre-2016: % achieving L4B+; 2016 onwards: % achieving scaled score 100+):

	<b>All Pupils - %</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Reading</b>	School	87	88	87	81
	National	78	80	66	71
	Local Authority	73	75	61	65
	Gap Between School and National	+9	+8	+21	+10
<b>Writing</b>	School	100	100	73	81
	National	85	87	74	76
	Local Authority	83	85	74	74
	Gap Between School and National	+15	+13	-1	+5
<b>Grammar, Punctuation &amp; Spelling</b>	School	67	88	80	81
	National	68	73	72	77
	Local Authority	63	67	69	71
	Gap Between School and National	-1	+15	+8	-4
<b>Maths</b>	School	73	76	73	63
	National	76	77	70	75
	Local Authority	72	74	67	71
	Gap Between School and National	-3	-1	+3	-12
<b>Reading, Writing &amp; Maths Combined</b>	School		82	60	50
	National	67	69	53	61
	Local Authority	63	65	50	56
	Gap Between School and National		+13	+7	-11

## Darrington Church of England Primary School

### Governance Statement continued

For the year ended 31 August 2017

#### **Financial Governance and Oversight**

Our governance arrangements include regular monitoring by the Resources and Personnel Committee and full Governing Body. The governors receive regular financial reports and ask relevant questions as evidenced in the minutes.

#### **Better Purchasing**

Prior to conversion all contracts and service level agreements were appraised and renegotiated in a timely manner. New contracts (three yearly or annual) have been entered into to ensure reduced costs where it was felt beneficial. Expiring contracts are appraised and where possible are re-negotiated to ensure the school achieves best quality, effectiveness and the best value for money. Alternative purchasing options are explored both online and direct through suppliers to find the best value. We implement a 3 quote process for significant purchases and/or contracts eg new telephone system and photocopier replacement. The SBM has been influential in driving down costs through better procurement, thorough financial monitoring and negotiation. Some of these this year include, moving the broadband supply, reducing the on-site technician support to a remote service, and reducing the Insurance costs to ensure we are only paying for what is required such as UK Travel only rather than abroad.

#### **Maximising Income Generation:**

We were fortunate to have received a Capital Funding Grant Summer 2017, to replace the school roof on the Hall, and upper part of school.

We have also secured a grant to extend the Nursery which will double the FTE places from the existing 13 to 26. One of the conditions of the grant was that providers would offer the extended entitlement of up to 30 hours childcare funding. In addition to offering this, we have taken the decision to allow parents the flexibility of choosing how they use their funding per week to allow us to be more competitive amongst private childcare providers. The increase in Nursery numbers will generate additional income for the school. We have also set up a Facebook page to promote the Nursery.

#### **Future developments**

Whilst we have made great headway in developing relationships with other academies and local schools, we continue to seek new partnerships and joint working in order to benefit from economies of scale in procuring products and services, developing staff and sharing knowledge, skills and expertise. The trustees have an aspirational vision for the school to continue to improve through better systems that lead to better outcomes for pupils. Value for money is a key part of ensuring we are able to do this.

#### **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 the 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 at Darrington Church of England Primary School Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

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

The governing body 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 governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.



**Darrington Church of England Primary School**

**Governance Statement continued**

**For the year ended 31 August 2017**

**The Risk and Control Framework**

The academy trust's system of internal 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 governing body;
- regular reviews by the resources and personnel committee of reports which indicate financial performance against forecasts and of any 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 governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Paylings, the external auditor, to perform additional checks.

The internal auditors role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included, but not limited to:

- testing of payroll systems
- testing of purchase systems
- testing of income
- testing of control accounts

The internal audit was carried out over 2 visits during the academic year, the planned visits were 4. A report was produced on each visit setting out the work that had been completed. There were no material issues found during the internal audits.

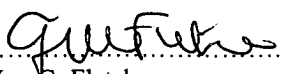
**Review of Effectiveness**

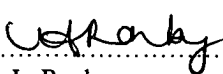
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor;
- the work of 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 Resources and Personal Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on 20 December 2017 and signed on its behalf by:

  
 .....  
 Mrs. G. Fletcher  
 (Chair)

  
 .....  
 Mrs. L. Ranby  
 (Accounting Officer)

**Darrington Church of England Primary School****Statement of Regularity, Propriety and Compliance****For the year ended 31 August 2017**

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

I confirm that I and the academy trust governing body 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 with the Academies Financial Handbook 2016.

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



.....  
Mrs. L. Ranby  
(Accounting Officer)

20 December 2017

**Darrington Church of England Primary School**

**Statement of Governors' Responsibilities**

**For the year ended 31 August 2017**

The governors (who act as trustees for Darrington Church of England Primary School Trust and are also directors of the charitable company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable laws and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

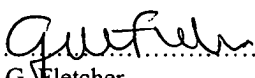
- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; 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 governors 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 governors 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 governors are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the governing body on 20 December 2017 and signed on its behalf by:

.....  
  
 Mrs. G. Fletcher  
 (Chair)

**Darrington Church of England Primary School**

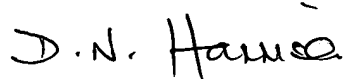
**Independent Auditor's Report on the Financial Statements to the  
Governing Body of Darrington Church of England Primary School Trust**

**For the year ended 31 August 2017**

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

Our objectives are to obtain reasonable assurance about whether the financial statements 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 it 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/auditorresponsibilities](http://www.frc.org.uk/auditorresponsibilities). This description forms part of our Report of Independent Auditors.



D.N. Harrison FCCA  
For and on behalf of  
Paylings  
Accountants and Registered Auditors  
7 The Office Campus  
Paragon Business Village  
Red Hall Court  
Wakefield  
West Yorkshire  
WF1 2UY

Dated: 20 December 2017

**Darrington Church of England Primary School**

**Independent Reporting Accountant's Assurance Report on Regularity  
to Darrington Church of England Primary School Trust  
and the Education and Skills Funding Agency**

**For the year ended 31 August 2017**

In accordance with the terms of our engagement letter dated 21 November 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Darrington Church of England Primary School Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the governing body and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Darrington Church of England Primary School 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 Darrington Church of England Primary School Trust and the ESFA for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Darrington Church of England Primary School Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Darrington Church of England Primary School Trust's funding agreement with the Secretary of State for Education dated 1 June 2013 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Darrington Church of England Primary School**

**Independent Reporting Accountant's Assurance Report on Regularity  
to Darrington Church of England Primary School Trust  
and the Education and Skills Funding Agency**

**For the year ended 31 August 2017**

The work undertaken to draw to our conclusion includes:

- Confirmation that there are no new activities within the academy trust
- Analytical review of the activities of the academy trust
- Consideration of the evidence supporting the accounting officers statement
- Evaluation of the general control environment
- Assessment and testing of a sample of the specific control activities over regularity
- Confirmation that each item tested has been appropriately authorised in accordance with the academy trusts delegated authorities
- Formal representations obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations, access to accounting records and provisions of information and explanations
- A review of credit card expenses
- Consideration of related party transactions

**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 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Paylings  
Accountants and Registered Auditors  
7 The Office Campus  
Paragon Business Village  
Red Hall Court  
Wakefield  
West Yorkshire  
WF1 2UY

Dated: 20 December 2017

**Darrington Church of England Primary School****Statement of Financial Activities for the year ended 31 August 2017****(including Income and Expenditure Account)**

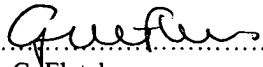
		<b>Unrestricted Funds</b>	<b>Restricted General Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>NOTES</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from endowments from:</b>						
Donations and capital grants	<b>2</b>	-	5,226	130,441	135,667	99,995
Charitable activities: Funding for the Academy trust's educational operations	<b>3</b>	39,961	524,044	-	564,005	556,184
Other trading activities	<b>4</b>	22,533	2,729	-	25,262	35,818
Investments	<b>5</b>	136	-	-	136	173
<b>Total</b>		<b>62,630</b>	<b>531,999</b>	<b>130,441</b>	<b>725,070</b>	<b>692,170</b>
<b>Expenditure on:</b>						
Raising funds		-	-	-	-	-
Charitable activities: Academy trust educational operations	<b>6</b>	33,222	585,326	28,513	647,061	582,426
<b>Total</b>	<b>7</b>	<b>33,222</b>	<b>585,326</b>	<b>28,513</b>	<b>647,061</b>	<b>582,426</b>
<b>Net income/expenditure</b>		<b>29,408</b>	<b>(53,327)</b>	<b>101,928</b>	<b>78,009</b>	<b>109,744</b>
<b>Transfers between funds</b>	<b>14</b>	-	(205)	205	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (losses)/gains on defined benefit pension schemes	<b>14, 20</b>	-	134,000	-	134,000	(153,000)
<b>Net movement in funds</b>		<b>29,408</b>	<b>80,468</b>	<b>102,133</b>	<b>212,009</b>	<b>(43,256)</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	<b>14</b>	<b>73,683</b>	<b>(178,721)</b>	<b>1,285,567</b>	<b>1,180,529</b>	<b>1,223,785</b>
<b>Total funds carried forward</b>	<b>14</b>	<b>103,091</b>	<b>(98,253)</b>	<b>1,387,700</b>	<b>1,392,538</b>	<b>1,180,529</b>

**Darrington Church of England Primary School**  
**(Company Number 07966187)**

**Balance Sheet as at 31 August 2017**

	NOTES	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	11		1,280,893		1,285,567
<b>Current assets</b>					
Stock			-		-
Debtors	12	58,475		42,409	
Cash at bank and in hand		273,521		237,481	
			331,996		279,890
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13	82,351		140,928	
<b>Net current assets</b>			249,645		138,962
<b>Total assets less current liabilities</b>			1,530,538		1,424,529
Creditors : Amounts falling due after more than one year					
<b>Net assets excluding pension liability</b>					
Defined benefit pension scheme liability	20		(138,000)		(244,000)
<b>Total net assets</b>			1,392,538		1,180,529
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	14		1,387,700		1,285,567
Restricted income fund	14		39,747		65,279
Pension reserve	14		(138,000)		(244,000)
			1,289,447		1,106,846
<b>Unrestricted income funds</b>	14		103,091		73,683
<b>Total funds</b>			1,392,538		1,180,529

The financial statements on pages 26 to 40 were approved by the Governors, and authorised for issue on 20 December 2017 and are signed on their behalf by

.....  
  
 Mrs. G. Fletcher  
 (Chair)



**Darrington Church of England Primary School****Statement of Cash Flows for the year ended 31 August 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Net cash provided (used in) operating activities	1	7,206	117,789
<b>Cash flows from investing activities</b>	2	28,834	7,215
<b>Cash flows from financing activities</b>	3	-	-
		<hr/>	<hr/>
<b>Changes in cash and cash equivalents in the reporting period</b>	4	36,040	125,004
<b>Cash and cash equivalents at 1<sup>st</sup> September 2016</b>		237,481	112,477
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31<sup>st</sup> August 2017</b>		273,521	237,481
		<hr/> <hr/>	<hr/> <hr/>

**Notes to the Statement of Cash Flows**

	2017 £	2016 £
<b>1. Reconciliation of net income/(expenditure) to net cash flow from operating activities:</b>		
Net income/(expenditure) for the reporting period	78,009	109,744
Depreciation charges	28,513	27,243
Capital grants from DFE and other capital income	(106,807)	(95,255)
Interest receivable	(136)	(173)
Defined benefit pension scheme cost less contribution payable	(23,000)	7,000
Defined benefit pension scheme finance income	(5,000)	3,000
Other adjustments	3,463	-
(Increase)/Decrease in debtors	(16,066)	(17,997)
Increase/(Decrease) in creditors	48,230	84,227
(Increase)/(Decrease) in stocks	-	-
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operating activities</b>	7,206	117,789
	<hr/> <hr/>	<hr/> <hr/>
<b>2. Cash flows from investing activities</b>		
Dividends, interest and rents from investments	136	173
Proceeds from sale of tangible fixed assets	-	-
Purchase of tangible fixed assets	(205)	(88,213)
Capital grants from DfE/ESFA	28,903	95,255
	<hr/>	<hr/>
<b>Net cash provided by/(used in) investing activities</b>	28,834	7,215
	<hr/> <hr/>	<hr/> <hr/>
<b>3. Cash flows from financing activities</b>		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
	<hr/>	<hr/>
<b>Net cash flows provided by/(used in) financing activities</b>	-	-
	<hr/> <hr/>	<hr/> <hr/>

**Darrington Church of England Primary School**

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

## **1. STATEMENT OF ACCOUNTING POLICIES**

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

### **Basis of Preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)) the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

Darrington Church of England Primary School meets the definition of public benefit under FRS102.

### **Going Concern**

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

### **Income**

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and 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.

The General Annual Grant (GAG) 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 assets fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Sponsorship Income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, (where there are no performance-related conditions), where 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.

**Darrington Church of England Primary School**

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

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

• **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 recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

• **Donated fixed assets (excluding Transfers on conversion/into trust)**

Where the donated asset 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 will 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 on conversion**

The opening of the academy trust involved the donation of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method. The assets and liabilities donated to the academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies of the academy trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. The value of assets donated on conversion was as follows:

Assets – Land and Buildings	£1,117,000
Other Fixed Assets	£ 36,931
Current Assets	£ 48,660
Liabilities – Pension deficit	£ 50,000

**Expenditure**

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

• **Expenditure on raising funds**

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.

All resources expended are inclusive of irrecoverable VAT.

**Darrington Church of England Primary School**

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

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

**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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold and long leasehold buildings	over 125 years
Building improvements	between 5-20 years
Plant and Machinery	over 5 years
Fixtures, fitting and equipment	over 5 years
Computer equipment	over 5 years

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

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

**Liabilities**

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

**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 FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

**Darrington Church of England Primary School**

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

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

**Financial Instruments (continued)**

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

**Stock**

Stock is valued at the lower of cost or net realisable value.

**Taxation**

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

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

**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. As stated in note 20, 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 and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administrated 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.

**Darrington Church of England Primary School**

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

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

**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 governors.

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

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

**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.

*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 pension include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

*Critical areas of judgement*

There are no critical areas of judgement throughout the year.

**2. DONATIONS AND CAPITAL GRANTS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Capital grants	-	135,667	135,667	95,255
Other donations	-	-	-	4,740
	<hr/>	<hr/>	<hr/>	<hr/>
	-	135,667	135,667	99,995
	<hr/>	<hr/>	<hr/>	<hr/>

**Darrington Church of England Primary School****Notes to the Financial Statements for the year ended 31 August 2017****3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	457,046	457,046	465,452
Other ESFA grants	-	55,545	55,545	63,732
	<hr/>	<hr/>	<hr/>	<hr/>
	-	512,591	512,591	529,184
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other government grants</b>				
Local authority grants	39,961	11,453	51,414	27,000
Other income from the academy trusts educational operations	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	39,961	11,453	51,414	27,000
	<hr/>	<hr/>	<hr/>	<hr/>
	39,961	524,004	564,005	556,184
	<hr/>	<hr/>	<hr/>	<hr/>

**4. OTHER TRADING ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Catering income	10,246	-	10,246	5,602
Trips	-	1,999	1,999	12,409
Lettings income	585	-	585	735
Music services income	-	730	730	4,790
Other income	11,702	-	11,702	12,282
	<hr/>	<hr/>	<hr/>	<hr/>
	22,533	2,729	25,262	35,818
	<hr/>	<hr/>	<hr/>	<hr/>

**5. INVESTMENT INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Short term deposits	136	-	136	173
	<hr/>	<hr/>	<hr/>	<hr/>

**Darrington Church of England Primary School**

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

<b>8. STAFF</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
<b>a) Staff costs</b>		
Staff costs during the period were		
Wages and salaries	310,523	288,108
Social Security costs	24,546	16,705
Operating costs of defined benefit pension schemes	47,933	43,192
Apprenticeship levy		
	<hr/> 383,002	<hr/> 348,005
 Supply teacher costs	 12,991	 44,548
Staff restructuring costs	36,437	14,483
	<hr/> 432,430	<hr/> 407,036

Staff restructuring costs comprise:

Redundancy payments	-	14,483
Severance payments	-	-
Other restructuring costs	36,437	-

**b) Non statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2016: £nil).

**c) Staff numbers**

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

	<b>2017</b>	<b>2016</b>
<b>Charitable Activities</b>		
Teachers	4	4
Administration and support	11	11
Management	2	2
	<hr/> 17	<hr/> 17

**d) Higher paid staff**

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

-	-
<hr/>	<hr/>

**e) Key management personnel**

The key management personnel of the academy trust comprises the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £138,755 (2016: £133,856)



**Darrington Church of England Primary School**

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

**9. RELATED PARTY TRANSACTIONS – GOVERNORS’ REMUNERATION AND EXPENSES**

Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff and not in respect of their services as trustees. Michelle Wraith received payments of £12,991 (2016:£3,680) from the academy for supply teaching services. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of the trustee’s remuneration was as follows;

Mrs. L. Ranby (Headteacher)

Remuneration £40,000 - £45,000 (2016 £30,000 - £35,000)

Employers Pension Contributions £5,000 - £10,000 (2016 £5,000 - £10,000)

Mrs. E. Wilton (Deputy Headteacher)

Remuneration £40,000 - £45,000 (2016 £25,000 - £30,000)

Employers Pension Contributions £5,000 - £10,000 (2016 £0 - £5,000)

Mrs Wilton became a governor on 20 January 2016, the 2016 figures reflect the remuneration and pension costs from the 1 February 2016 to 31 August 2016.

During the year ended 31 August 2017, travel and subsistence expenses totalling £325 were reimbursed or paid directly to two trustees (2015: £429 to two trustees).

**10. GOVERNORS’ AND OFFICERS’ INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim, and the cost for the year ended 31 August 2017 and 31 August 2016 is included in the total insurance cost.

**11. TANGIBLE FIXED ASSETS**

	<b>Leasehold Land and Buildings £</b>	<b>Fixtures and Fittings £</b>	<b>Computer Equipment £</b>	<b>Plant and Equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 <sup>st</sup> September 2016	1,304,589	46,942	-	-	1,351,531
Additions	23,839	-	-	-	23,839
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	1,328,428	46,942	-	-	1,375,370
<b>Depreciation</b>					
At 1 <sup>st</sup> September 2016	40,835	25,129	-	-	65,964
Charge for the year	19,125	9,388	-	-	28,513
Eliminated on disposal	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	59,960	34,517	-	-	94,477
<b>Net Book Values</b>					
At 31 August 2017	1,268,468	12,425	-	-	1,280,893
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> August 2016	1,263,754	21,813	-	-	1,285,567
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Darrington Church of England Primary School****Notes to the Financial Statements for the year ended 31 August 2017****12. DEBTORS**

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Trade Debtors	462	1,275
Prepayments and accrued income	17,132	20,829
Other debtors	445	-
VAT recoverable	40,436	20,305
	<hr/>	<hr/>
	58,475	42,409
	<hr/>	<hr/>

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

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Trade creditors	33,759	73,206
Other taxes and social security	5,609	-
Other creditors	11,388	4,789
Accruals and deferred income	31,595	62,933
	<hr/>	<hr/>
	82,351	140,928
	<hr/>	<hr/>
Deferred income		
Deferred income at 1 September 2016	47,691	24,450
Released from previous years	(40,077)	(24,450)
Resources deferred in the year	23,845	47,691
	<hr/>	<hr/>
Deferred income at 31 August 2017	23,845	47,691
	<hr/>	<hr/>

**Darrington Church of England Primary School**

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

**14. FUNDS**

	<b>Balance 01/09/16 £</b>	<b>Incoming Resources £</b>	<b>Resources Expenses £</b>	<b>Gains, Losses &amp; Transfers £</b>	<b>Balance 31/08/17 £</b>
<b>Restricted general funds</b>					
General annual grant (GAG)	65,279	457,046	(482,373)	(205)	39,747
Other DfE/ESFA grants	-	60,771	(60,771)	-	-
Other grants	-	11,453	(11,453)	-	-
Other income	-	2,729	(2,729)	-	-
Pension reserve	(244,000)	-	(28,000)	134,000	(138,000)
	<u>(178,721)</u>	<u>531,999</u>	<u>(585,326)</u>	<u>133,795</u>	<u>(98,253)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants and	173,097	130,441	(10,653)	-	292,885
Capital expenditure from GAG	7,042	-	(2,002)	205	5,245
Donations from ERYC	1,105,428	-	(15,858)	-	1,089,570
	<u>1,285,567</u>	<u>130,441</u>	<u>(28,513)</u>	<u>205</u>	<u>1,387,700</u>
<b>Total restricted funds</b>	<u>1,106,846</u>	<u>662,440</u>	<u>(613,839)</u>	<u>134,000</u>	<u>1,289,447</u>
<b>Unrestricted funds</b>	<u>73,683</u>	<u>62,630</u>	<u>(33,222)</u>	<u>-</u>	<u>103,091</u>
<b>Total funds</b>	<u>1,180,529</u>	<u>725,070</u>	<u>(647,061)</u>	<u>134,000</u>	<u>1,392,538</u>

The GAG may only be spent in compliance with the academy's funding agreement.

Other grants include:

Early Years Funding – the government provides funding for all 3 to 4 year old children, starting from the funding period after their third birthday until they start school, to attend an Ofsted registered early years childcare setting.

The trust is carrying a net surplus of £39,747 on restricted general funds (excluding pension reserve) (2016: £65,279) plus unrestricted funds of £103,091 (2016: £73,683).

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 August 2017 are represented by:

	<b>Unrestricted Funds £</b>	<b>Restricted General Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Tangible fixed assets	-	-	1,280,893	1,280,893	1,285,567
Current assets	103,091	122,098	106,807	331,996	279,890
Current liabilities	-	(82,351)	-	(82,351)	(140,928)
Pension scheme liability	-	(138,000)	-	(138,000)	(244,000)
<b>Total net assets</b>	<u>103,091</u>	<u>(98,253)</u>	<u>1,387,700</u>	<u>1,392,538</u>	<u>1,180,529</u>

**Darrington Church of England Primary School**

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

**16. CAPITAL COMMITMENTS**

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Contracted for, but not provided in the financial statements	45,000	-
	<hr/>	<hr/>

**17. COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Amounts due within one year	2,830	7,700
Amounts due between one and five years	1,415	4,245
Amounts due after five years	-	-
	<hr/>	<hr/>
	4,245	11,945
	<hr/>	<hr/>

**18. CONTINGENT LIABILITIES**

There are no contingent liabilities.

**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 member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**20. 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 West Yorkshire Pensions Authority. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £6,152 (2016 £4,762) were payable to the schemes at 31 August 2017 and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

**Darrington Church of England Primary School**

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

**20. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)**

**Teachers' Pension Scheme (continued)**

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (prior year 16.4%)).
- 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 notional rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £29,450 (2016:£27,140).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension website](#).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contributions for the period ended 31 August 2017 was £61,463 (2016: £22,043), of which employers contributions totalled £54,912 (2016: £16,052) and employees contributions totalled £6,551 (2016: £5,991). The agreed contribution rates for future years is 15.6% for employers and 5.50% to 7.50% for employees dependent on their earnings.

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.

**Darrington Church of England Primary School****Notes to the Financial Statements for the year ended 31 August 2017****20. PENSION AND SIMILAR OBLIGATIONS (continued)**

<b>Principal actuarial assumptions</b>	<b>At 31 August 2017</b>	<b>At 31 August 2016</b>
Rate of increase in salaries	3.25%	3.40%
Rate of increase for pensions in payment/inflation	2.00%	1.90%
Discount rate for scheme liabilities	2.50%	2.00%
Inflation assumption (CPI)	2.00%	1.90%
Commutation of pensions to lump sums	75.00%	75.00%

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

	<b>At 31 August 2017</b>	<b>At 31 August 2016</b>
Retiring today		
Males	22.1	22.7
Females	25.2	25.6
Retiring in 20 years		
Males	23.0	24.9
Females	27.0	28.0

The academy trusts share of the assets in the scheme were:

	<b>Fair value as at 31 August 2017 £</b>	<b>Fair value as at 31 August 2016 £</b>
Equity instruments	345,220	260,148
Debt instruments	56,835	50,204
Property	18,945	15,648
<b>Total market value of assets</b>	<b>421,000</b>	<b>326,000</b>

The actual return on the scheme assets was £29,000 (2016: £50,000).

<b>Amounts recognised in the statement of financial activities</b>	<b>2017 £</b>	<b>2016 £</b>
Current service cost (net of employee contributions)	41,000	23,000
Past service costs	37,000	-
Net interest cost	5,000	3,000
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
<b>Total operating charge</b>	<b>83,000</b>	<b>26,000</b>

**Darrington Church of England Primary School**

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

**20. PENSION AND SIMILAR OBLIGATIONS (continued)**

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
At 1 September 2016	570,000	336,000
Current service cost	41,000	23,000
Interest cost	12,000	13,000
Employee contributions	7,000	6,000
Actuarial (gain)/loss	(112,000)	193,000
Past service costs	37,000	-
Benefits paid	4,000	(1,000)
Plan introductions, benefit changes, curtailments and settlements	-	-
	<hr/>	<hr/>
At 31 August 2017	559,000	570,000
	<hr/>	<hr/>

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
At 1 September 2016	326,000	255,000
Interest income	7,000	10,000
Return on plan assets (excluding net interest on the net defined Pension liability)	-	-
Actuarial (loss)/gain	22,000	40,000
Employer contributions	55,000	16,000
Employee contributions	7,000	6,000
Benefits paid	4,000	(1,000)
Plan introductions, benefit changes, curtailments and settlements	-	-
	<hr/>	<hr/>
At 31 August 2017	421,000	326,000
	<hr/>	<hr/>

**21. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

**22. EVENTS AFTER THE END OF THE REPORTING PERIOD**

There are no events to report since the end of the reporting date to the date of approval of the financial statements.