Company Registration No. 08920008 (England and Wales)

GIFFARDS PRIMARY SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

GIFFARDS PRIMARY SCHOOL

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GIFFARDS PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Taylor D Stubbings M Bentley (resigned 15 November 2019) S Rhodes (appointed 5 December 2019)	
Trustees	M Bentley (Resigned 15 November 2019) J Cecil N Haslam-Davis (Accounting Officer) D Stubbings (Chair of Governors) J Taylor T Willats J Vickers S Rhodes R Partridge K Bonning D Martin R Betts (Appointed 27 September 2018) G Cecil (Appointed 27 September 2018) R Fly (Appointed 18 October 2018)	
Senior management team	N Haslam - Davis S Feather N James V Teager S Bryant	- Headteacher - Deputy Headteacher - Assistant Headteacher - Assistant Headteacher - Finance Manager
Company registration number	08920008 (England and Wales)	
Registered office	Queen Elizabeth Drive Corringham Stanford-Le-Hope Essex SS17 7TG England	
Independent auditor	Wilkins Kennedy Audit Services 1-5 Nelson Street Southend on Sea Essex SS1 1EG	
Bankers	Lloyds TSB Bank Plc 1 Legg Street Chelmsford Essex CM1 1JS	

GIFFARDS PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 servicing a catchment area in Corringham. It has a pupil capacity of 420 although had a roll of 441 in the school census in May 2019.

In March 2017 Ofsted confirmed our judgement that we are a GOOD school with an outstanding Foundation Stage. We appreciate and celebrate the hard work of all of our staff and governors in achieving this result as without them and their dedication this would not have been possible.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee with no share capital (registration no. 08920008) 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 Giffards Primary School and are also Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Giffards Primary School. Details of the Governors who served throughout the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

None.

Method of recruitment and appointment or election of trustees

The members of the Academy Trust shall comprise the signatories to the Memorandum, one person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, the Chairman of the Governors and any person appointed under Article 16.

The number of Governors shall be not less than three, but shall not be subject to a maximum. The first Governors were those named in the initial Memorandum. The Academy Trust shall have the following Governors; up to seven other Governors; two Staff Governors, a minimum of two parent Governors; the Headteacher and up to two Umbrella Trust governors if appointed under Article 50B. The Academy may also have Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Head Teacher). Governors are recruited via the school website, local businesses and from amongst the current pool of parents.

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.
The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Governors depends on their existing experience. All new Governors have an initial meeting with the Chair of Governors and, where possible, one other governor. They are given a tour of the School and the chance to meet with staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors.

Induction tends to be carried out informally and is tailored specifically to the individual.

During their terms of office all Governors receive additional training, including from external training providers.

Governors also undertake Governor visits to the School and meet with staff on a regular basis to keep themselves informed and updated.

Organisational structure

The Structure consists of different levels: the Governors, the Senior Leadership Team, core subject leaders (MLT), some with TLRs. The aim of the management structure is to devolve leadership capacity, ensure accountability and responsibility and involvement in decision making at all levels as well as building capacity and succession planning.

The Governors are responsible for setting general policy, contributing to and agreeing the School Improvement Plan, monitoring the school's financial performance and the impact of the budget allocation. This includes making major decisions regarding the strategic direction of the academy, capital expenditure and senior staff appointments.

During the year under review the Governors held 8 Full Governing Body meetings plus one subcommittee meeting and 3 Executive Committee Meetings that incorporated Personnel and Pay Committees.

From September 2018 to August 2019 the Governing Body held two meetings termly; one Curriculum and Pupil Matters focused and one Finance, Audit and Premises focused. Also held were Executive Committee meetings that incorporate Personnel and Pay matters as required (the functions of which are referred to in the Governance Statement on page 12). The Governing Body also appoints other sub-committees as required.

The Governing Body has also appointed a Clerk who attends at Governing Body meetings and who assists and advises Governors as appropriate.

The Senior Leadership Team comprises the Headteacher, the Deputy Headteacher, the Assistant Headteacher and the Inclusion Manager who is also an Assistant Headteacher. These leaders manage the Academy at an executive level implementing the policies agreed by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for senior leader posts will contain at least one Governor. Some spending control is devolved to Curriculum Subject Leaders, with limits above which a Senior Leader must countersign.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting the pay of key senior leaders within the school are agreed in accordance with the set pay ranges for a Group 3 school and agreed by governors during the governing body meetings.

Related parties and other connected charities and organisations

Giffards Primary School is part of an umbrella trust with Abbots Hall Primary & Graham James Primary. We work together towards mutual support and improved learning outcomes for all the children.

The wife of the Chair of Governors, G Stubbings is employed by the school and is paid in accordance with salary scale LSA band 2.

The sister of a Governor, L Kercher is employed by the school and is paid in accordance with salary scale LSA band 3.

Objectives and activities

Objects and aims

The Academy is a two form entry primary. We have two classes in all year groups apart from in Year 4, where there are three classes.

The principal object of the Academy is specifically restricted to the following, to advance for the public benefit education in the United Kingdom, by establishing, maintaining, managing and developing a school offering a broad and balanced curriculum.
We aim to foster a life-long love of learning, through adopting a highly practical and cross-curricular approach to learning.

Our shared vision is Valuing Everyone as Learners.

Our main curriculum aims are;

- To ensure that high quality teaching and learning is delivered consistently across the whole school
- To raise standards by ensuring that each pupil has appropriate academic challenge and support, continuity and progression
- To ensure that each and every learner is given the maximum opportunity to develop to their full potential regardless of gender, ethnicity or social group
- To facilitate learners acquisition of knowledge, skills and qualities which will help them to develop intellectually, emotionally, socially, physically and morally
- To enable all learners to become independent, responsible, confident and considerate members of their community and society in general
- To create and maintain an exciting and stimulating learning environment in classrooms and around school.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. They have complied with their duty to have due regard to the guidance in exercising their power of duties.
In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy usually admits sixty pupils into two Reception classes, apart from September 2015 when the authority requested we admit up to 90 pupils in three reception classes, on the basis of the following criteria in priority order:

1. Looked After Children (LAC) and previously Looked After Children
2. Special reasons
3. Catchment area siblings
4. Catchment area children
5. Non-catchment area siblings
6. Non-catchment area children

The school is popular locally and due to an increase in local demand for school places in the area. The Academy agreed to admit up to ninety pupils in three Reception classes in 2015. This expansion of the school ensured local needs were met.

Disabled persons

The academy complies fully with DDA regulations and is equipped to welcome and/or teach any child or adult with a disability. Reasonable adjustments will be made to ensure access for pupils, staff and visitors (including parents, carers) with disabilities (this not only includes physical access, but takes account wider access to school information and activities).

Strategic report

Achievements and performance

Key performance indicators

The main KPIs are the Ofsted Framework for Inspection and the school evaluates each area on a regular basis. Inspectors use four key judgements. These are:

- the achievement of pupils at the school
- the quality of teaching in the school
- the behaviour and safety of pupils at the school
- the quality of leadership in and management of the school
- In addition, inspectors must also consider:
    - the spiritual, moral, social and cultural development of pupils at the school
    - the extent to which the education provided by the school meets the needs of the range of pupils at the school.

Achievements and performance

EYFS: School against National

	Reception - 2019		
	School	Thurrock	National
GLD	**74.1**	**73.8**	**71.8**
Ave Total points	**34.4**	**33.9**	**34.6**
Picture over time	3 year upwards trend. Moderation confirms judgements.		

Foundation Stage attainment:
From low on entry scores, pupils make rapid progress and attain in line with national. Our 2019 Good Level of Development (GLD) was up 4.9 percentage points from 2018. We are roughly in line with national, which from low on-entry scores shows good+ progress.

Phonics

Children make good progress in phonics. In year 1 results were above national and show a good increase from dip in 2017. The school achieved above national for year 2 re-takes.

	Phonics - 2019		
	School	Thurrock	National
Year 1 Phonics	**90.6**	**82.7**	**81.9**
Year 2 Re-screen (7chn)	**42.9**	**58.8**	**55.9**
Picture over time	3 year upwards trend.		

Phonics scores show good attainment and progress, we are above national.

KS1 results

KS1 Year 2 2019	School met/or exceeded standard	Thurrock met/or exceeded standard	National met/or exceeded standard	School exceeded standard (Greater Depth)	Thurrock exceeded standard (Greater Depth)	National exceeded standard (Greater Depth)
Reading	73.3	74.7	74.9	23.3	22.3	25
Writing	63.3	69.4	69.2	13.3	13.9	14.8
Maths	73.3	76.2	75.6	18.3	20.5	21.7
Combined RWM	55	65.4	64.9	8.3	10	11.2

Year 2 pupils attained roughly in line with national % for meeting age related expectations and greater depth in all subjects. Monitoring shows that good + progress has been made and children were given challenging work. From their starting points, these achievements show good+ progress and attainment.

KS2 Results

KS2 Year 6 2019	School met or exceeded standard	Thurrock met or exceeded standard	National met or exceeded standard	School exceeded standard	Thurrock exceeded standard	National exceeded standard	School progress	School scaled score	National scaled score
Reading	77.4	75.8	73.2	25.8	26.6	20.2	+0.32 (Ave)	104.6	104.4
Writing	87.1	82.4	78.5	35.5	24.9	20.2	+2.6 (WAA)		
Maths	95.2	83.1	78.7	32.3	28.6	26.6	+1.56 (AA)	106.6	105
GPS	93.5	80.5	78	43.5	38	35.7		108.9	106.3
Combine RWM	72.6	69.9	64.8	12.9	12.3	10.5			
science	90.3								

KS2 SATs results show attainment was above national expected + and greater depth. We are above national for combined attainment; this shows a 3 year improvement for KS2 attainment. We are above national scaled scores. The school achieved positive progress scores in all subjects. Progress scores show in reading we are broadly average. Above average progress was made in Maths and well above average in writing.
The school improvement priorities for 2018/19 have had a good impact and shown positive results on attainment and progress.

Going concern

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

Financial review

The Academy receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31st August 2019, total expenditure of £2,300k (2018: £2,094k) was met by recurrent grant funding from the ESFA together with other incoming resources. The surplus of expenditure over income for the year (excluding restricted fixed asset funds, transfers to restricted fixed asset funds) was £146k (2018: £12k).

At 31st August 2019 the net book value of fixed assets was £3,274k (2018: £3,289k). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Essex Pension Fund, in which the Academy participates, The Academy's share of the fund's assets and liabilities shows a deficit of £1,376k (2018: £1,093k) at 31st August 2019. Of this sum, £587k was inherited by Giffards Primary Academy from Thurrock Council on 1st April 2014, the date the local authority's staff transferred to employment with the Academy. The Statement of Financial Activities includes the assets and liabilities from the predecessor school.

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should whenever possible be equivalent to four weeks' expenditure, approximately £169k (2018: £153k). However at times the Governing Body reserves the right to increase the amount of reserves in excess of policy to manage future expected shortfalls in funding.

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves is £216k (2018: £319k); total funds excluding fixed assets funds and pension fund deficit). The Academy will review the reserves policy on an annual basis.

The Academy held fund balances at 31st August 2019 of £2,114k (2018: £2,515k) comprising £1,898k (2018: £2,337k) of restricted funds and £216k (2018: £178k) of unrestricted funds. Of the restricted funds, £3,274k (2018: £3,289k) is represented by tangible fixed assets. The pension reserve which is considered part of restricted funds was £1,376k (2018: £1,093k) in deficit.

Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest in the name of the Academy Trust such part of the funds as they may see fit. The Academy aims to have a positive cash balance to cover eventualities and unforeseen expenses not budgeted for and hence not included in the cash flow. It is the responsibility of the School Management to generate as much bank interest as possible from any cash balances that the school may have. Investments though must guarantee complete integrity of funds and be consistent with the ethos, aims and objectives of the school.
Investments other than bank deposits must be approved by the Governing body before being entered into.

Principal risks and uncertainties

The governors have reviewed the Risk Register and have identified the principal risks and uncertainties as far as they are able, focusing on those that could seriously affect the performance, future prospects or reputation of the trust, including its viability. The main risks identified are:

- Sustainable budgets in the long term – decreasing funding with the new National Funding Formula having a negative effect all of the time whilst costs are increasing heavily.
- Changes to the qualifying criteria that will reduce the number of families eligible for Free School Meals, and therefore Pupil Premium.
- The uncertainties that BREXIT may cause in terms of funding as well as pupil numbers and the impact on jobs locally.
- The uncertainty around government policy along with a potential general election also makes for uncertainty around funding within the education sector.
- Ability to plan for the long term staffing due to the potential of future maternity costs.
- Recruitment and retention of good quality staff in the last year has been a challenge. We had a number of experienced staff leave to follow other career paths. To recruit we had to offer both Teaching and Learning Responsibility (TLR) points and honour Upper Pay Scale (UPS) points where applicable. In the financial climate and with other local academies offering financial incentives we are mindful that this will be an on-going issue. To address this we not only have to ensure that the financial incentives are affordable but also that the school is an attractive place to work and succession planning is in place.
- Recruitment and retention of good quality governors. We are aware of the need to maintain an experienced and professional governing body and ensure we have succession planning in place. We have identified that we may have to recruit further afield to secure governors with the skill set needed by the school.
- Maintaining effective collaboration with other schools. We are aware that the future constitution of the Inspirational Learning Trust could be subject to change.
- Ensuring effective IT capacity within the school, both admin and educational, and that it maintained to the highest standard. At present we employ an on-site technician but are aware that if he secured a position elsewhere this could leave us vulnerable. To address this we still employ the services of an external company that we could increase if necessary as well as the business manager being aware and able to address many of the IT needs that arise. Both systems are maintained to the highest standard, with security at the highest level possible for both protecting and backing up of data as well as ensuring the safeguarding needs of all pupils and staff.
- Ensuring insurance cover is adequate – we review the insurance cover we have yearly. We use Essex Council's Organisational Risk Services to ensure we have the most comprehensive policy we can afford. This includes not only building and contents cover but employers and public liability as well as motor and school journey.

Fundraising

The majority of fundraising for the Trust is undertaken by the Parent School Association, this is a separate body to the Trust but is subject to the same provisions of the Charities Act 2016.

The Trust undertakes a few fundraising activities each year, generally only non-uniform days or a fun run (although these funds are raised for other nominated charities). These activities are closely monitored and set up in line with accepted fundraising practice.

The Trust monitors its small fundraising activities through periodic budget reports which are reviewed by governors. No complaints have ever been received for any fundraising activities at the school. The Trust only ever asks for voluntary contributions towards its fundraising and would never discriminate against any student or parent who did not want to contribute towards any activity. Fundraising requests tend to be made via email and not face to face so we do not place undue pressure on individuals to donate.

Plans for future periods

In March 2017 Ofsted confirmed our judgement that we are a GOOD school with an outstanding Foundation Stage. We appreciate and celebrate the hard work of all of our staff and governors in achieving this result as without them and their dedication this would not have been possible.

The Academy will continue striving to improve the levels of performance of its pupil at all levels and will continue its efforts to ensure its pupils are well prepared for secondary school when they leave.

The Academy has a very clear understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning combined with its last Ofsted inspection. The School Improvement plan (SIP) has identified areas for improvement and is based on evidence of regular analysis of data as well as pupil work and quality of teaching and learning. This is monitored closely by the Headteacher and the senior leaders. This is then scrutinised and challenged by the governors. The SIP is regularly monitored and updated annually with termly reports to the governors. It is underpinned by appropriate budget links.

School Improvement Priorities 2019/20

School priorities (SIP) – what does the school need to do to improve further?

- To ensure the half termly curriculum themes have a clear intent and schemes of work for each subject are coherently planned to systematically develop knowledge and skills progression and sequencing of concepts and meet the needs of all learners
- Ensure SEN class planning and interventions are correctly matched to need and pupils make good progress from starting points
- Improve writing outcomes in particular for boys and PPM pupils in KS1 and KS2 and pupils working at the higher level in KS1
- Improve reading across the school by ensuring fluency rates improve and work matches need to develop deeper comprehension skills
- To further develop children's emotional, mental and physical well-being.

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Wilkins Kennedy Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 05 December 2019 and signed on its behalf by:

D Stubbings
Chair of Governors

GIFFARDS PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Giffards Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full governing body has formally met six times during the year. Attendance during the year at meetings of the full governing body was as follows:

Trustees	Meetings attended	Out of possible
M Bentley (Resigned 15 November 2019)	6	6
J Cecil	4	6
N Haslam-Davis (Accounting Officer)	6	6
D Stubbings (Chair of Governors)	5	6
J Taylor	6	6
T Willats	5	6
J Vickers	6	6
S Rhodes	5	6
R Partridge	6	6
K Bonning	3	6
D Martin	6	6
R Betts (Appointed 27 September 2018)	4	6
G Cecil (Appointed 27 September 2018)	4	6
R Fly (Appointed 18 October 2018)	5	6

The key changes to the composition of the governing body during the year are as below:

- R Betts, R Fly and G Cecil were appointed as governors in the Autumn Term 2018, all welcome additions to our committed team.

The main challenges for the governors this year were:

- Recruitment of good quality staff and governors.
- Ensuring clear understanding of how progress was measured.
- Being confident that GDPR process was implemented successfully.
- Ensuring better progress in reading across the school ensuring a rigorous, sustainable budget setting process continues to be in place.

Actions taken to address these challenges were:

- Active recruiting including advertising to parents and registering with 'Inspiring the Future' increased the range of people that we reached. This resulted in one governor being recruited with another in the process of, both professional with skill sets that will help future proof the governing body.
- Governor training, both in-house and externally, was undertaken. This allowed a full understanding around progress and attainment. Reporting methods were adjusted further to make the reports more easily understood.
- Half termly close monitoring by the Chair of Curriculum Focussed the FGB around data. Reporting back to the rest of the governors to ensure full understanding of progress and attainment
- GDPR process- initial audit and review of procedures and processes to gain full understanding of the GDPR process. All staff were trained and understood the new regulations and the processes/ procedures that needed to change to ensure compliance.

There were no requests for an external review during the year. A self evaluation that included a skills audit was undertaken. This identified gaps in governor experience and led to the active recruitment drive that was carried out. This resulted in R Betts, R Fly and G Cecil being actively recruited.
J Taylor remained in the role of governor with responsibility for Health & Safety in the school, supported by S Rhodes.

As a conscientious governing body we appreciate the need to build up succession planning and ensure maximum impact.
An internal review of the governance at Giffards is intended to be carried out during the Academic Year of 2019/20.

The purpose of the Full Governing Body meeting that focuses on areas of Finance, Audit & Premises is:

- to present to the governing body for approval an annual budget
- to ensure budget monitoring; to make appropriate recommendations to the governing body as to the appointment or removal of the external auditors
- to consider the engagement of the external auditors in respect of any non-audit services
- to oversee the systems of internal control including measures for the safeguarding of assets, prevention of financial crime and consideration of the approval of the statement of internal control.

During the year the Full Governing Body reviewed the reports produced by the Responsible Officer and will discuss any further issues raised by the annual audit.

The purpose of the Full Governing Body meeting that focuses on areas of Curriculum and Pupil Matters is to:

- monitor and evaluate pupil progress and achievement, to review the curriculum and associated policies, including RE and to monitor teaching and learning in the school.
- monitor the school's engagement with parents, carers and the wider community, its compliance with the Single Equalities Act, the school's behaviour policy and its procedures for safeguarding pupils.

Review of value for money

Over the last financial period, Giffards Primary School has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to improve.

The academy has continued to focus on targeted improvement linked to the School Improvement Plan to ensure maximum impact on outcomes for pupils in these key areas.

The new curriculum that has been introduced provides a relevant, exciting and aspirational curriculum that prepares children for life in modern Britain and extends and develops transferable skills.

The academy has continued focusing on improving the quality of teaching across the academy by ensuring opportunities are cohesively planned and maximised across the curriculum with high standards of presentation expected in all lessons.

Teachers make sure there are no missed opportunities for consolidating and developing literacy, maths and science skills in every lesson and they set challenging targets for pupils.

Aware of the importance of succession planning the school employs apprentices studying Level 3 in Supporting Learning in the Classroom as well as engaging with the local SCITT provider to secure access to high quality NQTs.

Being part of the ILT brings financial benefits as it allows for joint procurement in many areas. Shared maths CPD and moderation with other schools within the Inspirational Learning Trust as well as collaborating over shared priorities has helped ensure Value for Money on a larger scale than would have been possible previously as well as cutting costs.

As previously the number of support staff hours were cut by not replacing when staff left unless absolutely vital to the safety of the children. These reductions had a positive financial impact on the budget.

Unfortunately bids for funding for replacement electrics and fire equipment across the school were submitted to the Education and Skills Funding Agency (ESFA) and although their reasons for refusal were challenged the bids remained unsuccessful. It is felt that this work is vital and the governors were very disappointed at the ESFA's refusal when similar bids by other schools were successful.

Smaller bids for ICT and sports equipment were successful, allowing us to increase our IT capacity across the school as well as the amount of sports equipment we have available for the children to use, thereby encouraging more interest in a wide variety of sports.
2 x replacement admin PCs were invested in as well as 8 new interactive screens installed in KS2, once again helping to future proof the school's IT provision.

Some new equipment was purchased for KS1 playtimes, along with the KS1 gazebo being refurbished and a new climbing frame was installed for KS2 children along with safety surfacing. The library roof was replaced along with the guttering in KS1.

Rigorous financial procedures and process in place ensure there is accountability and clarity of role. The academy has a Financial Handbook, which is regularly updated to ensure that it corresponds with ESFA Handbooks and Guidance. The academy has produced a detailed financial analysis of how both the pupil premium and sports funding was spent and the impact of the funding for individual pupils.

The school adopts best practice around safeguarding and complies with the government guidance 'Keeping Children Safe in Education'. The school is mindful of the importance of safeguarding at all times, including when making a purchase, buying into a service or instructing a contractor to carry out agreed works.

Regular maintenance and refurbishment to the fabric of the buildings ensures that we provide an attractive and stimulating environment for all.

Governor's review and challenge purchases as necessary, and all contracts and services for the academy are appraised and approved to ensure value for money. In some instances, the academy has chosen options which were not necessarily the cheapest in pure monetary terms but were deemed to be the most cost effective over time. Projects are assessed not just on the cost but the benefit they will bring to the students' education.

The academy takes its responsibility for the health and safety of its staff, pupils and visitors very seriously and to this end has continued to engage with an outside company around a comprehensive H&S package which includes Competent Person Support.

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 in order to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Giffards Primary School for the period 1st September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

Bank balances are carefully monitored, reconciled weekly. The Vice Chair of Governors, being the nominated governor due to his expertise in this area, receives monthly reports which are analysed to identify areas of overspend and underspend and he carries out monitoring on these reports, questioning and challenging where necessary. At every Finance, Audit and Premises focused FGB the latest set of financial reports are presented and any questions they may have over these reports or any of the nominated governor monitoring reports are answered at that meeting. Regular monitoring ensures the best use of resources and prevents waste. The Internal Auditor reports, externally carried out, are also shared with the FGB as soon as available.

The statutory accounts of the academy are subject to external audit.

The academy purchases a commercial combined insurance package and also a staff absence insurance covering all teaching staff, the caretaker and business manager to ensure it has adequate cover to manage risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- The trustees have appointed Wilkins Kennedy, the external auditor, to perform additional checks. The auditor's role includes:
    1. 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:
    2. testing of payroll systems
    3. testing of purchase systems
    4. testing of control account/ bank reconciliations

D Stubbings, a trustee and Chair of Governors, and D Martin, a trustee, carry out a monthly programme of internal checks. The Headteacher also carries out monthly checks around pay and income. The schedule of work has been delivered as planned, no material control issues were identified as a result of the checks.

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 05 December 2019 and signed on its behalf by:

N Haslam-Davis
Accounting Officer

D Stubbings
Chair of Governors

GIFFARDS PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of Giffards Primary School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

N Haslam-Davis
Accounting Officer

05 December 2019

GIFFARDS PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of Giffards Primary School for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the trustees are required to:

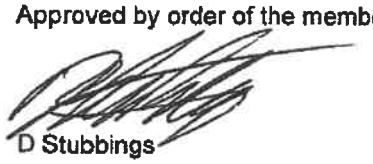
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 05 December 2019 and signed on its behalf by:



D Stubbings
Chair of Governors

GIFFARDS PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIFFARDS PRIMARY SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the financial statements of Giffards Primary School for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIFFARDS PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

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

Mandy Wil

Mandy Wilson FCA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

18/12/2019

Statutory Auditor

1-5 Nelson Street
Southend on Sea
Essex
SS1 1EG

GIFFARDS PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 20 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Giffards Primary School during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Giffards Primary School's accounting officer and the reporting accountant
The accounting officer is responsible, under the requirements of Giffards Primary School's funding agreement with the Secretary of State for Education dated 1st April 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach
We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GIFFARDS PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Conclusion

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

Wilkins Kennedy Audit Services

Reporting Accountant
Wilkins Kennedy Audit Services
1-5 Nelson Street
Southend on Sea
Essex
SS1 1EG

Dated: 18/12/2019

GIFFARDS PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total 2019 £'000	Total 2018 £'000
Income and endowments from:						
Donations and capital grants	3	51	43	26	120	84
Charitable activities:						
- Funding for educational operations	4	-	1,920	-	1,920	1,878
Other trading activities	5	31	-	-	31	29
Total		82	1,963	26	2,071	1,991
Expenditure on:						
Charitable activities:						
- Educational operations	7	44	2,147	109	2,300	2,094
Total	6	44	2,147	109	2,300	2,094
Net income/(expenditure)		38	(184)	(83)	(229)	(103)
Transfers between funds	15	-	(68)	68	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	17	-	(172)	-	(172)	206
Net movement in funds		38	(424)	(15)	(401)	103
Reconciliation of funds						
Total funds brought forward		178	(952)	3,289	2,515	2,412
Total funds carried forward		216	(1,376)	3,274	2,114	2,515

GIFFARDS PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	**Notes**	**Unrestricted Funds £'000**	**Restricted funds: General £'000**	**Fixed asset £'000**	**Total 2018 £'000**
Income and endowments from:					
Donations and capital grants	3	41	34	9	84
Charitable activities:					
- Funding for educational operations	4	-	1,878	-	1,878
Other trading activities	5	29	-	-	29
Total		70	1,912	9	1,991
Expenditure on:					
Charitable activities:					
- Educational operations	7	25	1,969	100	2,094
Total	6	25	1,969	100	2,094
Net income/(expenditure)		45	(57)	(91)	(103)
Transfers between funds	15	-	(67)	67	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	17	-	206	-	206
Net movement in funds		45	82	(24)	103
Reconciliation of funds					
Total funds brought forward		133	(1,034)	3,313	2,412
Total funds carried forward		178	(952)	3,289	2,515

GIFFARDS PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Fixed assets					
Tangible assets	11		3,274		3,289
Current assets					
Debtors	12	58		59	
Cash at bank and in hand		318		415	
		376		474	
Current liabilities					
Creditors: amounts falling due within one year	13	(160)		(155)	
Net current assets			216		319
Net assets excluding pension liability			3,490		3,608
Defined benefit pension scheme liability	17		(1,376)		(1,093)
Total net assets			2,114		2,515
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			3,274		3,289
- Restricted income funds			-		141
- Pension reserve			(1,376)		(1,093)
Total restricted funds			1,898		2,337
Unrestricted income funds	15		216		178
Total funds			2,114		2,515

The financial statements on pages 25 to 46 were approved by the trustees and authorised for issue on 05 December 2019 and are signed on their behalf by:

D Stubbings
Chair of Governors

Company Number 08920008

GIFFARDS PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £'000	£'000	2018 £'000	£'000
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	18		(29)		22
Cash flows from investing activities					
Capital grants from DfE Group		26		9	
Purchase of tangible fixed assets		(94)		(75)	
Net cash used in investing activities			(68)		(66)
Net decrease in cash and cash equivalents in the reporting period			(97)		(44)
Cash and cash equivalents at beginning of the year			415		459
Cash and cash equivalents at end of the year			318		415

1 Accounting policies

Giffards Primary School is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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.

1.1 Basis of preparation

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

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

1.2 Going concern

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

1.3 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.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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.

1 Accounting policies **(Continued)**

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

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

Donated fixed assets
Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

On conversion to Academy status the Local Authority gifted the school buildings to the Academy Trust. The properties have been professionally valued as at the date of transfer. The valuation is underpinned by SORP 2005 and has adopted the Depreciated Replacement Cost (DRC) for specialist property and the land uses the market value. As the buildings are of a specialist nature then a Depreciated Replacement Cost method has been used to calculate the fair value of the buildings.

Interest receivable
Interest receivable is included within the Statement of Financial Activities on a receivable basis.

1.4 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets and depreciation

Assets costing £750 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 that require 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:

Land and buildings	2% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	20% straight line

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

1.6 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 of services it must provide.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1 Accounting policies **(Continued)**

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions 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 and the assets are held separately from those of the academy trust.

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

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

Accounting 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.

2 Critical accounting estimates and areas of judgement (Continued)

Critical accounting estimates and assumptions

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

Critical areas of judgement

There are no areas of critical judgement.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Private sponsorship	39	-	39	25
Capital grants	-	26	26	9
Other donations	12	43	55	50
	51	69	120	84

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	1,646	1,646	1,602
Other DfE group grants	-	231	231	231
	-	1,877	1,877	1,833
Other government grants				
Local authority grants	-	43	43	45
Total funding	-	1,920	1,920	1,878

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Catering income	31	-	31	29

6 Expenditure

	Staff costs	Non Pay Expenditure Premises	Other	Total 2019	Total 2018
	£'000	£'000	£'000	£'000	£'000
Academy's educational operations					
- Direct costs	1,488	109	109	1,706	1,580
- Allocated support costs	280	115	199	594	514
	1,768	224	308	2,300	2,094

Net income/(expenditure) for the year includes:	2019 £'000	2018 £'000
Fees payable to auditor for:		
- Audit	5	5
- Other services	3	3
Depreciation of tangible fixed assets	109	100
Net interest on defined benefit pension liability	27	30

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Direct costs				
Educational operations	41	1,665	1,706	1,580
Support costs				
Educational operations	3	591	594	514
	44	2,256	2,300	2,094

Analysis of costs	2019 £'000	2018 £'000
Direct costs		
Teaching and educational support staff costs	1,488	1,400
Depreciation	109	100
Educational supplies and services	109	80
	1,706	1,580

7 Charitable activities **(Continued)**

Support costs		
Support staff costs	280	285
Maintenance of premises and equipment	87	32
Insurance	28	23
Catering	91	92
Finance costs	27	30
Other support costs	76	46
Governance costs	5	6
	594	514

8 Staff

Staff costs

Staff costs during the year were:

	2019 £'000	2018 £'000
Wages and salaries	1,343	1,278
Social security costs	110	104
Pension costs	312	303
Amounts paid to employees	1,765	1,685
Agency staff costs	3	-
Total staff expenditure	1,768	1,685

Staff numbers

The average number of persons, by headcount, employed by the academy trust during the year was as follows:

	2019 Number	2018 Number
Teachers	21	21
Administration and support	28	31
Management	5	5
	54	57

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £25,000,000 on any one claim and the cost for the year ended 31 August 2019 was £180 (2018: £ 180).

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2018	3,470	72	110	3,652
Additions	16	35	43	94
At 31 August 2019	3,486	107	153	3,746
Depreciation				
At 1 September 2018	266	49	48	363
Charge for the year	69	17	23	109
At 31 August 2019	335	66	71	472
Net book value				
At 31 August 2019	3,151	41	82	3,274
At 31 August 2018	3,204	23	62	3,289

Included in Land & Buildings at original cost/valuation are:

- Freehold land £62k

12 Debtors

	2019	2018
	£'000	£'000
VAT recoverable	8	16
Other debtors	29	20
Prepayments and accrued income	21	23
	58	59

13 Creditors: amounts falling due within one year	2019 £'000	2018 £'000
Other taxation and social security	60	55
Other creditors	44	49
Accruals and deferred income	56	51
	160	155

14 Deferred income	2019 £'000	2018 £'000
Deferred income is included within:		
Creditors due within one year	56	51
Deferred income at 1 September 2018	51	47
Released from previous years	(51)	(47)
Resources deferred in the year	56	51
Deferred income at 31 August 2019	56	51

At the balance sheet date the academy trust was holding funds received in advance for Free School Meal and parent contributions for trips.

15 Funds

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	141	1,646	(1,719)	(68)	-
Other DfE / ESFA grants	-	231	(231)	-	-
Other government grants	-	43	(43)	-	-
Other restricted funds	-	43	(43)	-	-
Pension reserve	(1,093)	-	(111)	(172)	(1,376)
	(952)	1,963	(2,147)	(240)	(1,376)
Restricted fixed asset funds					
DfE group capital grants	3,289	26	(109)	68	3,274
Total restricted funds	2,337	1,989	(2,256)	(172)	1,898
Unrestricted funds					
General funds	178	82	(44)	-	216
Total funds	2,515	2,071	(2,300)	(172)	2,114

15 Funds (Continued)

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

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	150	1,602	(1,544)	(67)	141
Other DfE / ESFA grants	-	231	(231)	-	-
Other government grants	-	45	(45)	-	-
Other restricted funds	-	34	(34)	-	-
Pension reserve	(1,184)	-	(115)	206	(1,093)
	(1,034)	1,912	(1,969)	139	(952)
Restricted fixed asset funds					
DfE group capital grants	3,313	9	(100)	67	3,289
Total restricted funds	2,279	1,921	(2,069)	206	2,337
Unrestricted funds					
General funds	133	70	(25)	-	178
Total funds	2,412	1,991	(2,094)	206	2,515

16 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	3,274	3,274
Current assets	376	-	-	376
Creditors falling due within one year	(160)	-	-	(160)
Defined benefit pension liability	-	(1,376)	-	(1,376)
Total net assets	216	(1,376)	3,274	2,114

16 Analysis of net assets between funds **(Continued)**

	Unrestricted Funds	Restricted funds: General	Restricted funds: Fixed asset	Total Funds
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	3,289	3,289
Current assets	333	141	-	474
Creditors falling due within one year	(155)	-	-	(155)
Defined benefit pension liability	-	(1,093)	-	(1,093)
Total net assets	178	(952)	3,289	2,515

17 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 Essex County Council. 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 2016, and that of the LGPS related to the period ended 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

17 Pension and similar obligations **(Continued)**

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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

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

The employer's pension costs paid to the TPS in the period amounted to £138,683 (2018: £ 132,311).

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 26.4% for employers and 5.5 to 12.5% for employees.

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

Total contributions made	**2019 £'000**	**2018 £'000**
Employer's contributions	88	87
Employees' contributions	25	25
Total contributions	113	112

17 Pension and similar obligations (Continued)

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.7	3.8
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.85	2.65

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

	2019 Years	2018 Years
Retiring today		
- Males	21.3	22.3
- Females	23.6	24.8
Retiring in 20 years		
- Males	23	24.5
- Females	25.4	27.1

Scheme liabilities would have been affected by changes in assumptions as follows:

The academy trust's share of the assets in the scheme

	2019 Fair value £'000	2018 Fair value £'000
Equities	422	352
Gilts	37	29
Other bonds	38	32
Cash	19	19
Property	53	49
Other assets	99	70
Total market value of assets	668	551

The actual return on scheme assets was £48,000 (2018: £29,000).

Amount recognised in the Statement of Financial Activities

	2019 £'000	2018 £'000
Current service cost	147	172
Past service cost	25	-
Interest income	(16)	(12)
Interest cost	43	42
Total operating charge	199	202

17 Pension and similar obligations **(Continued)**

Changes in the present value of defined benefit obligations

	2019 £'000
At 1 September 2018	1,644
Current service cost	147
Interest cost	43
Employee contributions	25
Actuarial loss/(gain)	204
Benefits paid	(44)
Past service cost	25
At 31 August 2019	2,044

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

	2019 £'000
At 1 September 2018	551
Interest income	16
Actuarial gain	32
Employer contributions	88
Employee contributions	25
Benefits paid	(44)
At 31 August 2019	668

18 Reconciliation of net expenditure to net cash flow from operating activities

	2019 £'000	2018 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(229)	(103)
Adjusted for:		
Capital grants from DfE and other capital income	(26)	(9)
Defined benefit pension costs less contributions payable	84	85
Defined benefit pension scheme finance cost	27	30
Depreciation of tangible fixed assets	109	99
Decrease/(increase) in debtors	1	(27)
Increase/(decrease) in creditors	5	(53)
Net cash (used in)/provided by operating activities	(29)	22

19 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Children, Schools and Families the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

As no such events have occurred during the year nor are likely to occur in the foreseeable future, the accounts do not contain any provision against contingent liabilities.

20 Related party transactions

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

No related party transactions took place in the period of account.

Connected Parties

The wife of the Chair of Governors, G Stubbings is employed by the school and is paid in accordance with salary scale LSA band 2.

The sister of a Governor, L Kercher is employed by the school and is paid in accordance with salary scale LSA band 3.

21 Members' liability

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