

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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PUTNOE PRIMARY SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members and Governors Mr Carl Du Plessis, Parent Governor & Chair¹
Mrs Deborah Orr, Parent Governor and Vice Chair²
Governors Mrs Gillian Peck, Headteacher^{1,2}
Mrs Elspeth Tierney, Staff Governor (resigned 27 March 2018)¹
Mrs Allison Llewellyn, Staff Governor^{1,2}
Miss Jennifer McAteer

¹ Management Committee

² Standards Committee

Company registered number 08434113

Company name Putnoe Primary School

Principal and registered office Church Lane
Bedford
MK41 0DH

Company secretary Mrs A M Llewellyn

Senior Management Team Gillian Peck, Headteacher and Accounting Officer
Simon Petch, Deputy Headteacher
Matthew Rogers, Senior Teacher
Andrew Pope, Senior Teacher
Pauline Gayle, Senior Teacher
Joanne Camino, Senior Teacher
Helen Clarke, Senior Teacher
Clare Bilham, Senior Teacher

Independent auditor MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditor
Equipoise House
Grove Place
Bedford
MK40 3LE

Bankers National Westminster Bank Plc
81 High Street
Bedford
MK40 1YN

Solicitors Stone King Solicitors
13 Queens Square
Bath
BA1 2HJ

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The Annual Report serves the purposes of both a Governors' Report, and a Directors' report under company law.

The Academy Trust operates an Academy for pupils aged 4 to 11 years serving a catchment area in Bedford. It has a pupil capacity of 630 and had a roll of 603 in the school census on January 2018.

Structure, governance and management

CONSTITUTION

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The Academy is a single Academy Trust and these financial statements give the results of the Academy as a single entity. The Academy is incorporated in England & Wales.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Governors of Putnoe Primary School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Putnoe Primary School.

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

GOVERNORS' INDEMNITY INSURANCE

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was included in the RPA scheme operated by the ESFA; see note 11.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The Governing Body comprises of a minimum of two parent Governors, up to seven community Governors, up to two staff Governors and the Headteacher. The parent Governors are elected by the parent body of the School. The staff Governors are elected by the School's staff. The community Governors are appointed by the Members of the Academy Trust. Community Governors may be re-appointed after the end of their term of office. Individuals may request to join the Governing Body and the Members of the Academy Trust may decide to invite one of these individuals to join should a vacancy arise.

The Governing Body is currently experiencing difficulties in recruiting suitable members, which has meant that

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

numbers are currently below what would normally be expected.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

All Governors undertake training as appropriate to their work at the School. New Governors will be provided with an induction programme. A log is kept of all Governor training and reviewed on a regular basis at the full Governing Body meetings.

The Governors, who are also the charity Trustees, are responsible for the overall management and control of the School and meet at least three times a year. The work of reviewing and monitoring most policies is delegated to the members of the Committees as outlined below. They all work under the chairmanship of a Governor appointed at the first committee meeting in each academic year. Terms of reference of these committees are agreed annually at these meetings.

The Clerk to the Governing Body co-ordinates the work of the Governors and their committees, prepares agendas and papers and reviews matters arising. The Finance Manager prepares the accounts on behalf of the Governors. All Governors give their time to the role freely, no remuneration or expenses were paid in the year.

ORGANISATIONAL STRUCTURE

The Governors determine the general policies of the School. The day to day running of the School is delegated to the Headteacher, supported by the Senior Management Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Management Team. The day to day administration is undertaken within the policies and procedures approved by the Governors. Only significant expenditure decisions and major capital projects should be referred to the Governors for prior approval. The Headteacher is an ex-officio Governor and Accounting Officer and attends all Governing Body meetings. The School Finance Manager is invited to attend Governing Body meetings.

Governors Committee Structure

Each of the committees can make recommendations that must be endorsed by the full Governing Body. The Committees and the full Governing Body meet at least three times per year.

The Governing Body

- The Governing Body will take a strategic role, act as a critical friend to the School and be accountable for its decisions. It will set the vision and key goals and agree, monitor and review policies, targets and priorities.

Within this role, the Governing Body takes on specific tasks relating to the management of the school and ensuring the standards of education received by the pupils of the school.

Specifically with respect to Standards within the school

- To consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy and Teaching and Learning Policy.
- To consider curricular issues which have implications for finance and personnel decisions and to make recommendations to the relevant committees or the Governing Body.
- To ensure that children's enjoyment of lessons is an integral part of all curriculum planning.
- To oversee the analysis annually of test data and pupil assessment and make recommendations to the Governing Body as appropriate.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

- To ensure that all curricular improvements required by OfSTED are implemented.
- To review annually the School Prospectus.
- To make arrangements for the Governing Body to be represented at School Improvement discussions with the SIA and for reports to be received by the Governing Body.
- To oversee arrangements for individual Governors to take a leading role in specific areas of provision (e.g. SEN, Literacy, Numeracy and Curriculum Leadership Groups), to receive regular reports from them and advise the Governing Body.

With respect to the management of the school

- To draft and review annually the staffing structure, in consultation with the Headteacher.
- To oversee the selection and appointment procedure for all staff.
- To oversee and review termly, the school's safeguarding procedures, including the implementation of the Child Protection and Safer Recruiting policies.
- To establish and review a Performance Management policy for all staff.
- To oversee the process leading to staff reductions.
- To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence.
- To make recommendations on personnel related expenditure.
- To ensure that DfE regulatory and guidance documents are implemented appropriately in the school, with specific reference to the role assigned to the Governing Body.
- To assist the decision making of the Governing Body by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy.
- To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

In addition, the following other sub-committees are there to meet specific needs:

Staff Pay Committee

- To consider and decide upon all matters relating to staff pay as part of the annual review process in accordance with the whole school salary policy agreed by the Governing Body in respect of the following staff: school teachers; NJC Local Government Services Staff; and any other staff as determined by the Governing Body.

Hearings committee

- To make any determination to dismiss any member of staff.
- To make any decisions under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability where the Headteacher is the subject of the action).

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- To make any determination or decision under the Governing Body's General Complaints Procedure for Parents and others.
- To make any determination or decision under the Governing Body's General Complaints Procedure for Parents and others.
- To make any determination or decision under the Governing Body's Curriculum Complaints Procedure, in respect of National Curriculum disapplications, and the operation of the Governing Body's charging policy.
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator ("EVC").

Appeals committee

- To consider any appeal against a decision to dismiss a member of staff made by the Hearings Committee.
- To consider any appeal against a decision short of dismissal under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability).
- To consider any appeal against selection for redundancy.
- To consider any appeal against a pay decision.

Pupil Discipline Committee

- To consider representations from parents in the case of exclusions of five days or less (Committee may not re-instate).
- To consider representations from parents in the case of exclusions totalling more than five but not more than 15 school days in one term (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).
- To consider the appropriateness of any permanent exclusion or any exclusion where one or more fixed period exclusions total more than 15 school days in one term or where a pupil is denied the chance to take a public examination (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).

Headteacher's Performance Review Group:

- To arrange to meet with the External Adviser / School Improvement Partner to discuss the Headteacher's performance targets.
- To decide, with the support of the External Adviser / School Improvement Partner, whether the targets have been met and to set new targets annually.
- To monitor through the year the performance of the Headteacher against the targets.
- To make recommendations to the Management Committee in respect of awards for the successful meeting of targets set.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key Management Personnel of the Academy comprise the Governors and Senior Management Team. The Governors are not remunerated in their role as Governors.

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The Headteacher's remuneration is set by the Headteacher Performance Review Group following performance management review and benchmarked against appropriate pay in the sector. The remuneration of all other staff are considered annually and at strategic times in the year by the Staff Pay Committee following appraisals and based on initial recommendations by the Headteacher.

TRADE UNION FACILITY TIME

There were no trade union officials and no time spent on trade union facility time during the year.

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

Mrs Gillian Peck, the Headteacher is a Trustee of Putnoe Woods Pre-School.

Objectives and Activities

OBJECTS AND AIMS

Putnoe Primary School's objects are specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of Bedford and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

OBJECTIVES, STRATEGIES AND ACTIVITIES

1. To improve the achievement of all pupils and specifically to monitor the standards of reading. Instilling in all pupils a love of reading – OfSTED priority.
2. To monitor the Gender Gap in standards for all pupils within Reading Writing and Numeracy securing 4 points progress.
3. Reading for pleasure and introduction of materials aimed at engaging boys.
4. To ensure that all pupils receive the appropriate support in order to reach their academic potential. In particular to continue to record and track pupil premium expenditure and the impact of this.
5. To monitor progress in relation to the School Improvement Plan and the specific targets set out within this.

PUBLIC BENEFIT

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit. The Academy Trust's object is specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to

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the generality of the foregoing by establishing, maintaining, continuing, managing and developing a school offering a broad and balanced curriculum.

- To promote for the benefit of the inhabitants of Bedford and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social; welfare and with the object of improving the condition of life of the said inhabitants.
- The Academy is a non-selective school serving Bedford. It is subject to the current statutory arrangements as laid down in the national Admissions Code.

STRATEGIC REPORT

Achievements and performance

REVIEW OF ACTIVITIES

The school has completed a large building project over the year, which has extended the school's Breakfast Club and After School provision for the pupils at the school, as well as providing a suitable environment for the family support worker and SENDCO worker to undertake their work with specific children and their families.

The school continues in its role as a centre of global learning by Eco Schools, being a Global Ambassador school. It supports schools in the community, and beyond, to develop global learning across the curriculum. The school is recognised as a centre of Excellence for the arts, supporting schools beyond the Borough to embed the arts in their curriculum.

The school currently holds several awards; Artsmark Platinum, International Schools Award, Science Quality Mark, Basic Skills Award, Music Mark, ICT Mark, School Games Gold and Eco Schools Green Flag.

The Headteacher works as a LLE (Local Leader of Education) and chairs BACE (Bedford Arts and Cultural Education), an Arts Council England initiative.

The Friends of Putnoe group has continued to support the school with a number of fund raising initiatives. The school is currently being assessed against the LPPA (Leading Parent Partnership Award). The school has been rigorous in its mission to raise standards, identifying underachievement where it is occurring and developing strategies and interventions to address these issues. The governors continue to monitor progress made in these areas.

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KEY PERFORMANCE INDICATORS

Year 6 RWM	2017 National		2016 Putnoe Primary		2017 Putnoe Primary		2018 Putnoe Primary*	
	EXP	EXC	EXP	EXC	EXP	EXC	EXP	EXC
Cohort	61%	9%		5% (-4)		7% (-2)	66% (+5)	10% (+1)
Dis-Ad	48%/67%	4%/11%		0% (-4)		0% (-4)	50% (+2)	0% (-4)
Non Dis-Ad	67%	11%		13% (+2)		15% (+4)	78% (+11)	16% (+5)
Low	7%	0%		0% (+0)		0% (+0)		0% (+0)
Middle	56%	1%		0% (-1)		0% (-1)	55% (-1)	0% (-1)
High	95%	26%			95% (+0)	27% (+1)	100% (+5)	24% (-2)
Male	57%	7%		7% (+0)		14% (+7)	63% (+6)	14% (+7)
Female	65%	10%					70% (+5)	5% (-5)
EAL	58%	8%		6% (-2)	63% (+5)	13% (+5)	69% (+11)	14% (+6)
Non EAL	62%	9%		5% (-4)		5% (-4)	65% (+3)	7% (-2)
SEN	20%/61%	1%/9%		0% (-1)		0% (-1)		0% (-1)
SEN EHC	8%/61%	1%/9%	100% (+92)	0% (-1)		0% (-1)	0% (-8)	0% (-1)
Non SEN	70%	10%		7% (-3)		8% (-2)	71% (+1)	11% (+1)

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Year 6 SPAG	2017 National		2016 Putnoe Primary		2017 Putnoe Primary		2018 Putnoe Primary*	
	EXP	EXC	EXP	EXC	EXP	EXC	EXP	EXC
Cohort	77%	31%	82% (+5)		85% (+8)	43% (+12)	86% (+9)	51% (+20)
Dis-Ad	66%/82%	21%/36%	77% (+11)	16% (-5)	84% (+18)	33% (+12)	77% (+11)	40% (+19)
Non Dis-Ad	82%	36%	88% (+4)	33% (-3)	85% (+3)	54% (+18)	92% (+10)	58% (+22)
Low	20%	1%	50% (+30)	0% (-1)	44% (+24)	0% (-1)	25% (+5)	0% (-1)
Middle	78%	18%	82% (+4)	14% (-4)	88% (+10)	29% (+11)	91% (+13)	43% (+25)
High	99%	67%	100% (+1)		100% (+1)	95% (+28)	100% (+1)	76% (+9)
Male	73%	27%	74% (+1)	22% (-5)	78% (+5)	39% (+12)	81% (+8)	56% (+29)
Female	81%	35%	89% (+8)		90% (+9)	46% (+11)	91% (+10)	45% (+10)
EAL	78%	36%			83% (+5)	58% (+22)	87% (+9)	67% (+31)
Non EAL	77%	30%	87% (+10)	26% (-4)	85% (+8)	37% (+7)	86% (+9)	42% (+12)
SEN	39%/77%	7%/31%				14% (+7)	29% (-10)	14% (+7)
SEN EHC	16%/77%	4%/31%	100% (+84)	0% (-4)		0% (-4)	0% (-16)	0% (-4)
Non SEN	86%	36%	91% (+5)		91% (+5)	46% (+10)	91% (+18)	54% (+18)
APS	105.9		104.9		107.1		108.9	

Year 2 RWM	2017 National		2016 Putnoe Primary		2017 Putnoe Primary		2018 Putnoe Primary*	
	EXP	EXC	EXP	EXC	EXP	EXC	EXP	EXC
Cohort	64%	11%	67% (+3)	16% (+5)	59% (-5)	12% (+1)		8% (-3)

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Year 2 Reading	2017 National		2016 Putnoe Primary		2017 Putnoe Primary		2018 Putnoe Primary*	
	EXP	EXC	EXP	EXC	EXP	EXC	EXP	EXC
Cohort	76%	25%	74% (-2)	29% (+4)	71% (-5)	24% (-1)		
Dis-Ad	63%/79%	14%/28%	74% (+11)	29% (+15)		14% (+0)	58% (-5)	
Non Dis-Ad	79%	28%	75% (-4)	29% (+1)	85% (+6)	31% (+3)		26% (-2)
Emerging	34%	1%	43% (+9)	0% (-1)		0% (-1)	N/a	N/a
Expected	87%	20%		15% (-5)			N/a	N/a
Exceeding	99%	70%	97% (-2)		95% (-4)		N/a	N/a
Male	71%	22%	69% (-2)	29% (+7)	68% (-3)			
Female	80%	29%	80% (+0)	30% (+1)		41% (+12)		24% (-5)
EAL	72%	21%	83% (+11)	24% (+3)	83% (+11)	21% (+0)		23% (+2)
Non EAL	77%	27%		32% (+5)		26% (-1)		
SEN	34%/76%	5%/25%		30% (+25)		13% (+8)	33% (-1)	0% (-5)
SEN EHC	14%/76%	2%/25%		0% (-2)	50% (+36)	0% (-2)		0% (-2)
Non SEN	83%	29%	81% (-2)	33% (+4%)		26% (-3)		

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Year 1 Phonics	2017 National		2016 Putnoe Primary		2017 Putnoe Primary		2018 Putnoe Primary*	
	%	Av. Score	%	Av. Score	%	Av. Score	%	Av. Score
Cohort	81%	34	81% (+0)	34	78% (-3)	31	79% (-2)	32
Dis-Ad	70%/84%	34	68% (-2)	35	71% (+1)	28	76% (+6)	32
Non Dis-Ad	84%	34	89% (+5)	35	81% (-3)	33	80% (-4)	32
Male	78%	33	77% (-1)	32	75% (-3)	30	82% (+4)	33
Female	85%	34	84% (-1)	35	82% (-3)	33		31
EAL	81%	34	91% (+10)	34	86% (+5)	33	77% (-4)	32
Non EAL	81%	34	77% (-5)	34		30	80% (-1)	32
SEN	47%/81%	34	57% (+10)	34		17	67% (+20)	26
SEN EHC	18%/81%	34	100% (+82)	34	N/A	N/A		0
Non SEN	87%	35	82% (-5)	35	82% (-5)	33		33
EO Year 2	92%	-	89% (-3)	-	94% (+2)	-	94% (+2)	-

GLD	2017 National	2016 Putnoe Primary	2017 Putnoe Primary	2018 Putnoe Primary*
Cohort	71%	80% (+9)	76% (+5)	74% (+3)
Male	64%	75% (+11)	71% (+7)	66% (+2)
Female	78%	89% (+11)	82% (+4)	90% (+12)
FSM	56%/73%	72% (+16)	67% (+11)	68% (+12)
Non FSM	73%	84% (+11)	79% (+6)	77% (+4)

GOING CONCERN

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

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GOVERNORS' REPORT (continued)
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Financial review

FINANCIAL REPORT FOR THE PERIOD

The Academy had a satisfactory financial period to 31 August 2018, with total income of £2,945,940 comprising capital funding of £187,047 and other grants and funding of £2,758,893. Of this other income £2,653,907 was received to fund educational operations.

Total expenditure amounted to £2,972,762 but includes £220,206 of depreciation allocated to the restricted fixed asset fund. Pension adjustments arising from the actuarial valuation amounting to £138,000 are also included in total expenditure. Revenue expenditure before depreciation and defined benefit pension scheme adjustments amounts to £2,614,556 leaving a surplus of £144,337 for the year arising on the unrestricted and restricted revenue funds. An amount of £665,362 was transferred from this surplus and brought forward revenue funds to cover the capital expenditure in the year not covered by capital grants. After adjusting for the restricted fixed asset fund and pension fund the net movement in the year before actuarial gains amounts to a deficit of £26,822.

Most of the Academy's income is obtained from the Department for Education via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and the grants received are detailed in note 3 to the financial statements.

GAG funding was the core funding element to the provision of educational services for the year. Of the total income for educational purposes, excluding capital grants, some 74.0% was spent on teaching and educational support staff and 9.9% on other support staff. Total staff costs represent 104.4% of GAG funding and 83.9% of total funding for educational operations.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its support staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 19 to the financial statements.

Any surplus funds are swept nightly into a Liquidity Select account earning interest. No further investment activities are undertaken.

RESERVES POLICY

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. This applies particularly to funds earmarked for future capital projects. The level of reserves will be kept under review by the Governors.

Reserves at the end of the year to 31 August 2018 were £7,482,413 comprising £461,408 on the restricted general funds, £165,114 of unrestricted general funds, £7,364,891 of restricted fixed asset fund and a pension reserve deficit of £509,000.

The Governors are aware of the high percentage of carry forward reserves into 2018/2019. The Governors have approved the building of a crèche (an initiative to retain and recruit staff) £150,000, a media suite revamp £30,000, £80,000 to support our ICT 'road map' and £100,000 to refurbish our sports hall and update its heating. £10,000 to remove an old oil tank for storage for a letting, £25,000 for improvements to the exterior of the school.

The deficit on the pension reserve relates to the non-teaching staff pension scheme (Local Government

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Pension Scheme) where, unlike the Teachers' Pension Scheme, separate assets are held to fund future liabilities as discussed in note 19. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

INVESTMENT POLICY

The School's Investment Strategy is:

- Regularly monitor cash flow and current/fund account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the accounts have adequate balances to meet forthcoming commitments.
- Funds surplus to immediate cash requirements (set at £10k) are transferred nightly to the School's liquidity deposit account bearing a higher interest rate.
- Periodically review interest rates and compare with other investment opportunities.
- The School's current policy is to only invest funds in risk free and immediately accessible deposit accounts.

Any change in policy requires the approval of Governors via the Management Committee.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risks the Academy faces are mitigated by the fact that they relate largely to bank balances, cash and trade creditors, with limited trade (and other) debtors. The exception is the Pension Scheme for Local Government Employees which has a current shortfall of £509,000 which the Academy is making up over 7 years. This amount is booked as a liability in these financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governing Body has a comprehensive risk management process to identify and monitor the risks faced by the Academy. The principal risks facing the Academy are financial risk through reduction in funding or unbudgeted expenditure, reputational risk and risks associated with personnel and performance.

The financial risks the Academy faces are mitigated by the fact that they relate largely to bank balances, cash and trade creditors, with limited trade (and other) debtors. The exception is the Pension Scheme for Local Government Employees which has a current shortfall of £621,000 which the Academy is making up over 7 years. This amount is booked as a liability in these financial statements.

Fundraising

Fundraising is carried out on behalf of the school by the PTA. The core objective of the PTA is to enhance the education of pupils at Putnoe Primary School by:

- Developing and maintaining close cooperation between school staff, parents and other associates of the school.
- Providing the necessary facilities to engage in activities which support the school and advance the education, health and welfare of the pupils.
- Identifying and representing the views of parents with regard to the school's operation, attainment, etc.

No professional fundraisers are used. The Governors monitor all fundraising.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

PLANS FOR FUTURE PERIODS

To continue to raise attainment across the school the Governors intend to monitor the curriculum and ensure reading skills continue to improve for every child. Access to the arts and culture will continue to be a high priority, giving pupils those skills and experiences that will enable them to become citizens of the world.

This coming year the school will be focusing on creating a Crèche in order to help retain valuable teaching staff who are on maternity leave or expecting to go on maternity leave. £150,000

The removal of an old tank to create valuable storage space for lettings £10,000

To improve the exterior walls of the main school building £25,000

ICT road map to ensure the high standard of teaching £80,000

Media suite refurbishment £30,000

Refurbish sport hall and update the heating £100,000

FUNDS HELD AS CUSTODIAN

No such funds are held by Putnoe Primary School.

DISCLOSURE OF INFORMATION TO AUDITOR

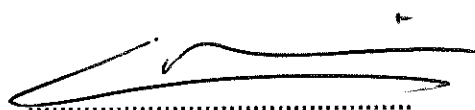
In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors have taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

AUDITOR

The auditor, MHA MacIntyre Hudson, has indicated its willingness to continue in office. The Governors will propose a motion re-appointing the auditor at a meeting of the Governors.

The Governors' Report, incorporating the Strategic Report, was approved by order of the Governing Body, as the company directors, on 4/12/18 and signed on its behalf by:



Mr Carl Du Plessis
Chair of Governors

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

SCOPE OF RESPONSIBILITY

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Putnoe Primary School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr Carl Du Plessis, Parent Governor & Chair	4	6
Mrs Deborah Orr, Parent Governor and Vice Chair	6	6
Mrs Gillian Peck, Headteacher	6	6
Mrs Elspeth Tierney, Staff Governor	5	6
Mrs Allison Llewellyn, Staff Governor	6	6
Miss Jennifer McAteer	3	3

Governance reviews:

The Governors completed a Governor Health check in June 2016. Three areas were identified for improvement over the next few years. Most urgent of these is improving our understanding of pupil assessment data. Training for Governors in this area is already included in the strategic plan for the next year. The other two areas relate to communication with stakeholders and the need to be more proactive in opening channels of communication. The main groups worthy of better communication are parents through the school website and staff through staff meetings.

The Management Committee is a sub-committee of the main Governing Body. Its purpose is:

- to assist the decision making of the Governing Body by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity; and
- to make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

During the course of the year the Management Committee reviewed all the monthly finance reports against budget. The main focus of the year was the building project, which has been completed. Extra groundwork was required over and above the planned budget but the cost of this was met from contingencies. Staff sickness absence has again required supply teacher cover.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs Elspeth Tierney, Staff Governor	5	6
Mrs Gillian Peck, Headteacher	6	6
Mr Carl Du Plessis, Parent Governor	4	6
Mrs Allison Llewellyn, Staff Governor (meetings attended in her capacity as Finance Manager)	6	6

The Standards Committee is also a sub-committee of the main Governing Body. Its purpose is to monitor the standards of teaching and learning in the school.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs Gillian Peck, Headteacher	6	6
Mrs Allison Llewellyn, Staff Governor	6	6
Mrs Deborah Orr, Parent Governor	6	6

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Acquiring three quotes for purchases over the limit of £10,000.
- Ensuring that the Management Committee has available regular, updated audits concerning budget holder reports, to monitor effective use of resources.
- Continually develop the school's target setting and tracking systems and share outcomes and analyses with staff and Governors to ensure finances are directed towards highlighted areas of need.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Putnoe Primary School Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed MHA MacIntyre Hudson, the external auditor, to perform additional checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of control account/ bank reconciliations

On a termly basis, the external auditor presents the independent reports to the Governing Body through the Management Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018 (continued)

REVIEW OF EFFECTIVENESS

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

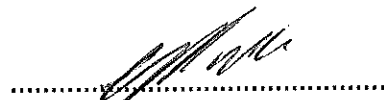
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 4/12/18 and signed on their behalf, by:



Mr Carl Du Plessis
Chair of Governors



Gillian Peck
Accounting Officer

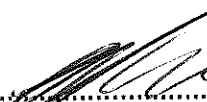
PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


.....
Gillian Peck
Accounting Officer

Date: *4-12-18*

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Governors (who act as trustees of Putnoe Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued 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 Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

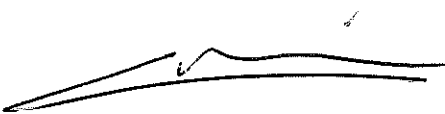
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included 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 Governing Body and signed on its behalf by:



.....
Mr Carl Du Plessis
Chair of Governors

Date: 04/12/2018

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE GOVERNORS OF
PUTNOE PRIMARY SCHOOL**

OPINION

We have audited the financial statements of Putnoe Primary School (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust 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.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE GOVERNORS OF
PUTNOE PRIMARY SCHOOL**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Governors' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the 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 our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the 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 Governors' 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 Governors' Responsibilities, the Governors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Academy Trust's ability

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE GOVERNORS OF
PUTNOE PRIMARY SCHOOL**

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Atul Kariya FCCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditor
Equipoise House
Grove Place
Bedford
MK40 3LE

Date: 09 December 2015

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 30 August 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Putnoe Primary School during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Putnoe Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Putnoe Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Putnoe Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF PUTNOE PRIMARY SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Putnoe Primary School's funding agreement with the Secretary of State for Education dated 27 March 2013, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

CONCLUSION

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



Reporting Accountant

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditor
Equipoise House
Grove Place
Bedford
MK40 3LE

Date: 09 December 2018

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	350	-	187,047	187,397	10,477
Charitable activities:	3					
Educational operations		-	2,653,907	-	2,653,907	2,630,248
Other trading activities	4	102,970	958	-	103,928	84,244
Investments	5	708	-	-	708	729
TOTAL INCOME		104,028	2,654,865	187,047	2,945,940	2,725,698
EXPENDITURE ON:						
Raising funds		6,145	-	-	6,145	6,680
Charitable activities:						
Educational operations		83,666	2,662,745	220,206	2,966,617	2,694,244
TOTAL EXPENDITURE	6	89,811	2,662,745	220,206	2,972,762	2,700,924
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	15	14,217	(7,880)	(33,159)	(26,822)	24,774
		-	(665,362)	665,362	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		14,217	(673,242)	632,203	(26,822)	24,774
Actuarial gains on defined benefit pension schemes	20	-	250,000	-	250,000	25,000
NET MOVEMENT IN FUNDS		14,217	(423,242)	632,203	223,178	49,774
RECONCILIATION OF FUNDS:						
Total funds brought forward		150,897	375,650	6,732,688	7,259,235	7,209,461
TOTAL FUNDS CARRIED FORWARD		165,114	(47,592)	7,364,891	7,482,413	7,259,235

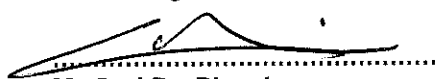
The notes on pages 29 to 52 form part of these financial statements.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08434113

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	12		7,215,404		6,732,688
CURRENT ASSETS					
Debtors	13	175,635		127,837	
Cash at bank and in hand		769,500		1,182,794	
		<u>945,135</u>		<u>1,310,631</u>	
CREDITORS: amounts falling due within one year	14	(169,126)		(163,084)	
NET CURRENT ASSETS			<u>776,009</u>		<u>1,147,547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,991,413</u>		<u>7,880,235</u>
Defined benefit pension scheme liability	20		(509,000)		(621,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>7,482,413</u></u>		<u><u>7,259,235</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	461,408		996,650	
Restricted fixed asset funds	15	7,364,891		6,732,688	
Restricted income funds excluding pension liability		7,826,299		7,729,338	
Pension reserve		(509,000)		(621,000)	
Total restricted income funds			<u>7,317,299</u>		<u>7,108,338</u>
Unrestricted income funds	15		<u>165,114</u>		<u>150,897</u>
TOTAL FUNDS			<u><u>7,482,413</u></u>		<u><u>7,259,235</u></u>

The financial statements on pages 26 to 52 were approved by the Governors, and authorised for issue, on 4/12/18 and are signed on their behalf, by:


Mr Carl Du Plessis
Chair of Governors


Mrs Gillian Peck
Accounting Officer

The notes on pages 29 to 52 form part of these financial statements.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>101,873</u>	<u>360,264</u>
Cash flows from investing activities:			
Interest from investments		708	729
Purchase of tangible fixed assets		(702,922)	(155,946)
Capital grants from DfE Group		<u>187,047</u>	<u>10,477</u>
Net cash used in investing activities		<u>(515,167)</u>	<u>(144,740)</u>
Change in cash and cash equivalents in the year		(413,294)	215,524
Cash and cash equivalents brought forward		<u>1,182,794</u>	<u>967,270</u>
Cash and cash equivalents carried forward	18	<u><u>769,500</u></u>	<u><u>1,182,794</u></u>

The notes on pages 29 to 52 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Putnoe Primary School constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, the functional currency, rounded to the nearest £1.

It is a company limited by guarantee, incorporated in England. The address of the registered office and principal place of operation are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Governors' Report.

1.2 Going concern

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities incorporating Income and Expenditure Account when the Academy Trust has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

Grants Receivable

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

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

Other income

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

Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities incorporating Income and Expenditure Account, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

Charitable activities are costs incurred in the Academy Trust's educational operations.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, a transfer is made to reflect these assets in the restricted fixed asset fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% per annum on a straight line basis
Furniture and fixtures	-	25% per annum on a straight line basis
Plant and equipment	-	25% per annum on a straight line basis
Computer equipment	-	25% per annum on a straight line basis

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 incorporating Income and Expenditure Account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.6 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.

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on 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 incorporating Income and Expenditure Account 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.

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency, Department for Education or other funders.

Investment income, gains and losses are allocated to the appropriate fund.

1.13 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgments that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies and asset lives.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	350	-	-	350	-
Capital Grants	-	-	187,047	187,047	10,477
	<u>350</u>	<u>-</u>	<u>187,047</u>	<u>187,397</u>	<u>10,477</u>
Total 2017	<u>-</u>	<u>-</u>	<u>10,477</u>	<u>10,477</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	2,133,327	2,133,327	2,113,918
Pupil Premium	-	300,788	300,788	315,170
Other ESFA/DfE grants	-	82,629	82,629	68,560
	<u>-</u>	<u>2,516,744</u>	<u>2,516,744</u>	<u>2,497,648</u>
Other government grants				
Local authority grants	-	101,693	101,693	91,732
	<u>-</u>	<u>101,693</u>	<u>101,693</u>	<u>91,732</u>
Other funding				
Other income	-	35,470	35,470	40,868
	<u>-</u>	<u>35,470</u>	<u>35,470</u>	<u>40,868</u>
	<u>-</u>	<u>2,653,907</u>	<u>2,653,907</u>	<u>2,630,248</u>
Total 2017	<u>-</u>	<u>2,630,248</u>	<u>2,630,248</u>	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	7,394	-	7,394	6,075
Other income	37,918	958	38,876	16,860
School shop	11,301	-	11,301	7,765
School clubs	46,357	-	46,357	53,544
	<u>102,970</u>	<u>958</u>	<u>103,928</u>	<u>84,244</u>
Total 2017	<u>82,132</u>	<u>2,112</u>	<u>84,244</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	708	-	708	729
Total 2017	<u>729</u>	<u>-</u>	<u>729</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	-	-	6,145	6,145	6,680
Support costs	-	-	-	-	-
Educational operations:					
Direct costs	1,964,145	-	218,485	2,182,630	1,982,518
Support costs	262,868	220,206	300,913	783,987	711,726
	<u>2,227,013</u>	<u>220,206</u>	<u>525,543</u>	<u>2,972,762</u>	<u>2,700,924</u>
Total 2017	<u>2,011,633</u>	<u>189,422</u>	<u>499,869</u>	<u>2,700,924</u>	

In 2018, of the total expenditure, £89,811 (2017 - £70,299) was from unrestricted funds, £2,662,745 (2017 - £2,441,203) from restricted general funds and £220,206 (2017 - £189,422) from restricted fixed asset funds.

PUTNOE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. CHARITABLE ACTIVITIES

	Total funds 2018 £	Total funds 2017 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,450,047	1,314,271
National insurance	123,658	105,834
Pension cost	372,408	298,627
Agency staff costs	18,032	50,577
Educational supplies	114,668	97,578
Staff development	7,954	5,952
Staff related insurance	17,586	16,272
Technology costs	15,217	17,975
Other direct costs	63,060	75,432
	<u>2,182,630</u>	<u>1,982,518</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	206,923	190,348
National insurance	12,608	11,551
Pension cost	43,337	40,425
Depreciation	220,206	189,422
Defined benefit pension scheme - net finance cost	17,000	12,000
Technology costs	19,104	20,592
Maintenance of premises and equipment	51,315	32,894
Operating lease rentals	10,111	11,989
Rent and rates	6,679	6,599
Energy	19,109	25,420
Insurance	14,838	13,498
Catering	106,064	112,280
Other occupancy costs	20,147	12,021
Other support costs	20,640	17,652
Governance costs	15,906	15,035
	<u>783,987</u>	<u>711,726</u>
Total Academy's educational operations	<u><u>2,966,617</u></u>	<u><u>2,694,244</u></u>

PUTNOE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	220,206	189,422
Auditor's remuneration - audit	7,400	7,200
Auditor's remuneration - other services	6,032	4,758
Operating lease rentals	10,111	10,612
	<u>243,749</u>	<u>211,992</u>

PUTNOE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,656,970	1,504,401
Social security costs	136,266	117,385
Operating costs of defined benefit pension schemes	415,745	339,052
	<u>2,208,981</u>	<u>1,960,838</u>
Supply staff costs	-	218
Agency costs	18,032	50,577
	<u>2,227,013</u>	<u>2,011,633</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teaching	21	23
Administration and support	64	62
Management	8	5
	<u>93</u>	<u>90</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teaching	19	21
Administration and support	34	32
Management	8	5
	<u>61</u>	<u>58</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2018 pension contributions for this staff member amounted to £14,039 (2017: £13,396).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS (continued)

The Key Management Personnel of the Academy comprise the Governors and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employers national insurance and employer's pension contributions) received by Key Management Personnel for their services to the Academy was £545,108 (2017: £386,228).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. GOVERNORS' REMUNERATION AND EXPENSES

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

Mrs Gillian Peck (Headteacher):

Remuneration	£85,000 - £90,000 (2017: £75,000 - £80,000)
Employer's pension contributions	£10,000 - £15,000 (2017: £10,000 - £15,000)

Mrs Allison Llewellyn (Staff Governor):

Remuneration	£35,000 - £40,000 (2017: £35,000 - £40,000)
Employer's pension contributions	£5,000 - £10,000 (2017: £5,000 - £10,000)

Mrs Elspeth Tierney (Staff Governor to March 18):

Remuneration	£5,000 - £10,000 (2017: £5,000 - £10,000)
Employer's pension contributions	£0,000 - £5,000 (2017: £0,000 - £5,000)

During the year, travel expenses paid on behalf of the Academy totalling £111 (2017: £276) were reimbursed to one Governor (2017: one).

11. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim and any one membership year. The cost of the insurance for the year ended 31 August 2018 is not separately identified but is included in the total insurance cost of £11,480 paid under the Department for Education's Risk Protection Arrangement, ("RPA"). The £11,480 is included in the total cost of insurance for the academy of £14,838. The RPA is not an insurance scheme but is a mechanism through which the costs of risks that materialise are covered by government funds. In the year ended 31 August 2017 the cost of this insurance was also included within the total insurance cost.

PUTNOE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

12. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	6,837,482	185,105	265,875	7,288,462
Additions	564,548	28,110	110,264	702,922
At 31 August 2018	<u>7,402,030</u>	<u>213,215</u>	<u>376,139</u>	<u>7,991,384</u>
Depreciation				
At 1 September 2017	373,822	85,615	96,337	555,774
Charge for the year	101,295	46,666	72,245	220,206
At 31 August 2018	<u>475,117</u>	<u>132,281</u>	<u>168,582</u>	<u>775,980</u>
Net book value				
At 31 August 2018	<u>6,926,913</u>	<u>80,934</u>	<u>207,557</u>	<u>7,215,404</u>
At 31 August 2017	<u>6,463,660</u>	<u>99,490</u>	<u>169,538</u>	<u>6,732,688</u>

Included in freehold property is freehold land at valuation at conversion to Academy status of £2,000,000 which is not depreciated. The Governors consider that the valuation of the freehold property remains appropriate as at 31 August 2018.

Additions in the year of £564,548 to freehold property relate to the construction costs of new school buildings to extend the Breakfast and After School Club and for the SEN provision.

13. DEBTORS

	2018 £	2017 £
Trade debtors	28,860	320
VAT repayable	39,588	36,487
Prepayments and accrued income	107,187	91,030
	<u>175,635</u>	<u>127,837</u>

PUTNOE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

14. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	99,889	100,402
Accruals and deferred income	69,237	62,682
	<u>169,126</u>	<u>163,084</u>
	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	45,329	38,896
Resources deferred during the year	42,138	45,329
Amounts released from previous years	(45,329)	(38,896)
	<u>42,138</u>	<u>45,329</u>
Deferred income at 31 August 2018		

At the balance sheet date the Academy Trust was holding funds received in advance for the following purposes: capital funding £6,322 (2017: £6,199) and Universal Infant Free School Meals £35,816 (2017: £39,130).

PUTNOE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

15. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	150,897	104,028	(89,811)	-	-	165,114
Restricted funds						
General Annual Grant (GAG)	800,355	2,133,327	(2,011,699)	(665,362)	-	256,621
Other restricted funds	196,295	521,538	(513,046)	-	-	204,787
Pension reserve	(621,000)	-	(138,000)	-	250,000	(509,000)
	<u>375,650</u>	<u>2,654,865</u>	<u>(2,662,745)</u>	<u>(665,362)</u>	<u>250,000</u>	<u>(47,592)</u>
Restricted fixed asset funds						
Fixed asset funds	6,732,688	187,047	(220,206)	665,362	-	7,364,891
Total restricted funds	<u>7,108,338</u>	<u>2,841,912</u>	<u>(2,882,951)</u>	<u>-</u>	<u>250,000</u>	<u>7,317,299</u>
Total of funds	<u><u>7,259,235</u></u>	<u><u>2,945,940</u></u>	<u><u>(2,972,762)</u></u>	<u><u>-</u></u>	<u><u>250,000</u></u>	<u><u>7,482,413</u></u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes pupil premium and other local authority funding for which income received is used to cover costs associated with these activities. Unrestricted funds are used to meet charitable objectives of the Academy at the discretion of the Governors.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. As at 31 August 2018 the fund is in deficit by £509,000 but given the nature of the liability this is not payable immediately. There are plans in place to meet the deficit such that it is not a constraint on reserves.

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds of £665,362 represents amounts capitalised during the year.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the Bedford Borough local authority following the transfer of the land and buildings. £149,487 of CIF funding received in the year and not yet spent is included in the restricted fixed asset fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General unrestricted funds	138,335	82,861	(70,299)	-	-	150,897
Restricted funds						
General Annual Grant (GAG)	722,994	2,113,919	(1,891,089)	(145,469)	-	800,355
Other restricted funds	136,968	518,441	(459,114)	-	-	196,295
Pension reserve	(555,000)	-	(91,000)	-	25,000	(621,000)
	<u>304,962</u>	<u>2,632,360</u>	<u>(2,441,203)</u>	<u>(145,469)</u>	<u>25,000</u>	<u>375,650</u>
Restricted fixed asset funds						
Fixed asset funds	6,766,164	10,477	(189,422)	145,469	-	6,732,688
Total of funds	<u>7,209,461</u>	<u>2,725,698</u>	<u>(2,700,924)</u>	<u>-</u>	<u>25,000</u>	<u>7,259,235</u>

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	138,335	186,889	(160,110)	-	-	165,114
Restricted funds						
General Annual Grant (GAG)	722,994	4,247,246	(3,902,788)	(810,831)	-	256,621
Other restricted funds	136,968	1,039,979	(972,160)	-	-	204,787
Pension reserve	(555,000)	-	(229,000)	-	275,000	(509,000)
	<u>304,962</u>	<u>5,287,225</u>	<u>(5,103,948)</u>	<u>(810,831)</u>	<u>275,000</u>	<u>(47,592)</u>

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15. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Fixed asset funds	6,766,164	197,524	(409,628)	810,831	-	7,364,891
	7,071,126	5,484,749	(5,513,576)	-	275,000	7,317,299
Total of funds	7,209,461	5,671,638	(5,673,686)	-	275,000	7,482,413

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	7,215,404	7,215,404
Current assets	165,114	630,534	149,487	945,135
Creditors due within one year	-	(169,126)	-	(169,126)
Pension scheme liability	-	(509,000)	-	(509,000)
	165,114	(47,592)	7,364,891	7,482,413

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	6,732,688	6,732,688
Current assets	150,897	1,159,734	-	1,310,631
Creditors due within one year	-	(163,084)	-	(163,084)
Pension scheme liability	-	(621,000)	-	(621,000)
	150,897	375,650	6,732,688	7,259,235

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17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(26,822)	24,774
Adjustment for:		
Depreciation charges	220,206	189,422
Interest from investments	(708)	(729)
Increase in debtors	(47,798)	(15,939)
Increase in creditors	6,042	82,213
Capital grants from DfE and other capital income	(187,047)	(10,477)
Defined benefit pension scheme cost less contributions payable	121,000	79,000
Defined benefit pension scheme finance cost	17,000	12,000
Net cash provided by operating activities	101,873	360,264

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	769,500	1,182,794
Total	769,500	1,182,794

19. CAPITAL COMMITMENTS

The Academy has contracted for expenditure of £227,220 at the balance sheet date in respect of the roofing refurbishment project which is being funded by CIF funding.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedford Borough Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

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

Teachers' Pension Scheme

INTRODUCTION

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the period amounted to £160,000 (2017 - £136,000).

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20. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £172,000 (2017 - £157,000), of which employer's contributions totalled £135,000 (2017 - £124,000) and employees' contributions totalled £37,000 (2017 - £33,000). The agreed contribution rates for future years are 22.3% 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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.60 %	2.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.4	22.4
Females	24.5	24.5
Retiring in 20 years		
Males	24.0	24.0
Females	26.2	26.2

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate -0.5%	256,000	221,000
Mortality assumption - 1 year increase	51,000	44,000
CPI rate +0.5%	202,000	134,000

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20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	769,000	624,000
Debt instruments	186,000	164,000
Property	119,000	98,000
Cash	251,000	208,000
	<u>1,325,000</u>	<u>1,094,000</u>
Total market value of assets	<u>1,325,000</u>	<u>1,094,000</u>

The actual return on scheme assets was £29,000 (2017 - £21,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost	(256,000)	(203,000)
Interest income	29,000	21,000
Interest cost	(46,000)	(33,000)
	<u>(273,000)</u>	<u>(215,000)</u>
Total	<u>(273,000)</u>	<u>(215,000)</u>
Actual return on scheme assets	<u>29,000</u>	<u>21,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	1,715,000	1,471,000
Current service cost	256,000	203,000
Interest cost	46,000	33,000
Employee contributions	37,000	33,000
Actuarial gains	(219,000)	(24,000)
Benefits paid	(1,000)	(1,000)
	<u>1,834,000</u>	<u>1,715,000</u>
Closing defined benefit obligation	<u>1,834,000</u>	<u>1,715,000</u>

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20. PENSION COMMITMENTS (continued)

Movements in the fair value of the Academy Trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	1,094,000	916,000
Interest income	29,000	21,000
Actuarial gains	31,000	1,000
Employer contributions	135,000	124,000
Employee contributions	37,000	33,000
Benefits paid	(1,000)	(1,000)
	<u>1,325,000</u>	<u>1,094,000</u>
Closing fair value of scheme assets	<u>1,325,000</u>	<u>1,094,000</u>

The amounts recognised in the Balance Sheet are as follows:

	2018 £	2017 £
Closing defined benefit obligation	(1,834,000)	(1,715,000)
Closing fair value of scheme assets	1,325,000	1,094,000
	<u>(509,000)</u>	<u>(621,000)</u>
Net defined benefit pension scheme liability	<u>(509,000)</u>	<u>(621,000)</u>

21. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	10,111	7,554
Between 1 and 5 years	19,167	-
	<u>29,278</u>	<u>7,554</u>
Total	<u>29,278</u>	<u>7,554</u>

All commitments above relate to assets other than land and buildings.

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22. RELATED PARTY TRANSACTIONS

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

No further related party transactions took place in the period of account other than those disclosed in note 10.

23. OTHER FINANCE INCOME

	2018 £	2017 £
Interest income on pension scheme assets	29,000	21,000
Interest on pension scheme liabilities	(46,000)	(33,000)
	<u>(17,000)</u>	<u>(12,000)</u>

24. MEMBERS' LIABILITY

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