

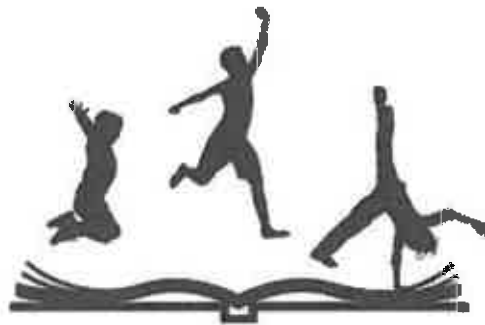
Registration number: 07673903

Runwell Community Primary School Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2017



**Runwell Community
Primary School**



Edmund Carr LLP
Chartered Accountants & Statutory Auditor
146 New London Road
Chelmsford
Essex
CM2 0AW

Runwell Community Primary School Academy Trust

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Runwell Community Primary School Academy Trust

Reference and Administrative Details

Members

Lisa Thompson
Melissa Cookson
Yvonne Waterhouse
Gill Hearsey

Governors (Trustees)

Suzanne Wright (resigned 12 September 2016)
Joanne Madders, Company Secretary
Sharon Brooks
Christine Creek
Christopher Wyle (resigned 15 January 2017)
Gill Hearsey, Chairperson
Andrew Hufton (resigned 15 January 2017)
Lynn Barwell
Melissa Cookson
Martin Cooper (resigned 15 January 2017)
Yvonne Waterhouse
Sasha Furze, Headteacher & Accounting Officer (appointed 1 September 2016)
Lisa Thompson
Gemma Case (appointed 6 June 2017)
Sue Wise (appointed 11 July 2017)
June Gould (appointed 12 September 2016 and resigned 19 March 2017)
Jeremy Crook (appointed 14 March 2017)

Runwell Community Primary School Academy Trust

Reference and Administrative Details (continued)

Company Secretary	Joanne Madders
Senior Management Team	Christine Creek, Deputy Head/ Leader of UKS2 Joanne Madders, School Business Manager Natasha Hatfield, Leader of KS1 Rhian Matthews, Leader of LKS2 Claire Dempsey, Student Mentor Sasha Furze, Headteacher
Head Teacher and Registered Office	Sasha Furze, Runwell Community Primary School Canewdon Gardens Runwell Wickford Essex SS11 7BJ
Company Registration Number	07673903
Auditors	Edmund Carr LLP Chartered Accountants & Statutory Auditor 146 New London Road Chelmsford Essex CM2 0AW
Bankers	Lloyds Bank PLC PO Box 1000 Andover BX1 1LT
Solicitors	Browne Jacobson LLP 44 Castle Gate Nottingham NG1 7BJ

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017

The Trustees present their fifth report and the fifth financial statements and auditors' report of Runwell Community Primary School Academy Trust ("RCPS") for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 29th December 2014. The company registration number is 07673903.

The governors act as the trustees for the charitable activities of Runwell Community Primary School and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The charitable company has purchased governors' and officers' insurance, details of which are shown in note 10 to the financial statements.

Principal Activities

The principal activity of RCPS is currently to run a primary school in Runwell for boys and girls, aged 4 to 11.

It has a capacity of 300 and a roll of 286 in the school census dated 01/10/2017.

RCPS also holds the accreditation for Thames Primary SCITT which offers PGCE and QTS to primary trainee teachers.

RCPS runs a school that was originally a local authority operated school that was founded in 1980 and converted to academy status on 1st August 2011. The charitable company was incorporated on 17th June 2011.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Method of recruitment and appointment or election of Trustees

The governing body is responsible for arranging the recruitment of, and for the appointment of, Parent and Community Governors. New governors will be appointed to the board in accordance with the rules and regulations set down in the company Memorandum and Articles of Association.

Nominations for Parents Governors are sought from parents/guardians of pupils at the school. Any contested election is decided by a secret ballot. Nominations for Community Governors may be sought from governors, staff, parents/guardians of pupils at the school and from those in the local community. The nominee must be from the community served by the school. All nominees (Parent or Community) must be committed to the good governance and success of the school.

Where possible, governors are recruited on the skills that they will bring to the governing body based on a proposal to the governing body or based on a proposal to the governing body by representative groups.

Policies and procedures adopted for the induction and training of Trustees

All new governors will meet with the Headteacher, receive a tour of the school and the chance to meet with the staff and pupils. New governors will be allocated an existing governor who will act as a mentor. All governors are provided with copies of policies, procedures, minutes, financial statements and budgets, plans and other documents that they will need to undertake their role.

During the year, governors are offered to attend a variety of training courses, network meetings and conferences, organised by various bodies, in order to ensure that their knowledge and understanding is fully up to date.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Organisational structure

The governors are responsible for setting and monitoring the overall strategic direction of the academy trust, approving decisions reserved to governors and appointing key members of staff. The governing body allows for a minimum of 6 Community Governors, 2 Parent Governors and 2 staff Governors (excluding the Headteacher), 1 Headteacher.

The governors meet as a whole body at least three times each year. All decisions reserved to the governors are taken by whole governing body. Governing body sub committees meet at least three times each year to consider detailed matters and recommend decisions to the full governing body. There are two such sub committees: i) Resources (incorporating the Audit Committee responsibilities); and ii) Curriculum.

Additionally, ad hoc groups of governors are established to consider specific issues and make recommendations to the full Governing Body.

Details of the governing body structure, governor responsibilities and delegated powers are set out in the Governor Handbook.

The Headteacher is the Accounting Officer and works closely with both the other governors and the senior staff of RCPS.

The day-to-day management of RCPS rests with the Headteacher who has overall responsibility for the school. The Headteacher is responsible for establishing the Senior Leadership Team, including the School Business Manager and the Deputy Head.

Rachael Langdale, Essex Finance Support, was the Responsible Officer and as such provided an oversight role in relation to the systems and processes of control and risk management that operate throughout RCPS.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Risk management

The governors have assessed the major risks to which the Academy Trust is exposed. A formal review of the risk management process is undertaken on an annual basis to identify financial, operational, regulatory and reputational risks. In addition, such risks are considered at each meeting of the full governing body. The governors are satisfied that appropriate systems are in place to mitigate any exposure to major risks, and that these are kept under regular review by the senior management team and the governors. However, it is recognised that such systems can only provide reasonable but not absolute assurance that major risks have been managed adequately.

The key controls used by the Academy Trust to identify and manage risk include:

- formal agendas for all committee and board activity;
- terms of reference for all committees;
- comprehensive planning budgeting and management reporting;
- an established organisation structure and clear lines of reporting;
- formal written policies;
- monitoring;
- clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable; and
- use of professional services where applicable.

The measures used by the governors to manage financial risk are included in the separate Statement of Internal control.

The governors regularly assess the current key risks RCPS faces. These risks, and the measures in place to manage them, are set out in the Risk Register.

Connected organisations, including related party relationships

The Academy Trust has no relationships to report other than what is included under the section below titled Relationships and Related Parties.

Objectives and Activities

The charitable objectives, for which the charitable company was established, are set down in its Articles of Association as follows:

(a) 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; and

(b) to promote, for the benefit of individuals living in Runwell and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large, the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The principal activity of RCPS is currently to run a primary school in Runwell for boys and girls. In addition, RCPS holds the accreditation for the Thames Primary SCITT, a large teacher training organisation which is located at RCPS. The Thames Primary Consortium comprises of around 113 schools in Essex and the role of the SCITT is to train new teachers to work in the Basildon/ Wickford/ Southend/ Brentwood area. RCPS also works within the community, sharing resources with other schools and the wider community (see "Relationships with Related Parties" below).

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Public Benefit

The governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this governors' annual report.

Benefits & Beneficiaries:

In accordance with its charitable objectives, RCPS strives to advance the education of the pupils attending the school. The charitable company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the school. In addition the school aims to benefit the wider community by making available resources, including the school facilities.

Governors' Assessment of Public Benefit:

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the governors gather evidence of the success of RCPS's activities. This information is gained in a variety of ways, including through monitoring and regular reports at governing body meetings. Examples of such evidence are set out in the "Impact of Activities & Events and Assessment of Public Benefit" section below.

Impact of Activities & Events and Assessment of Public Benefit

As set out above, the principal activity of RCPS is to provide primary school education for children in Runwell and the surrounding area. The aim of RCPS, which is at the heart of all of its activities, is to be a school;

- where all pupils and staff are encouraged and enabled to reach their full potential in a safe, healthy, caring and stimulating environments;
- that promotes excellence and equality and has high expectations for all pupils and staff;
- where the teaching is of a consistently very high standard;
- that provides a rich, thematic curriculum, which is well planned and resources;
- that challenges pupils to develop knowledge, skills and aspiring attitudes so they can become confident, independent lifelong learners;
- which maintains very high standards of behaviour in a positive atmosphere;
- which develops mutual respect and tolerance;
- that promotes individual responsibility and accountability and which helps children to develop into thoughtful citizens; and
- that encourages parents to be actively involved in their child's education and the wider school community.

The school's achievements, as set out below, demonstrate the positive impact its activities have not only on its pupils but also on the wider community.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Achievements and performance

For the previous six years, pupils' academic achievement at RCPS has been in line with or usually exceeded local, county and national averages. The following tables show end of Key Stage results in 2017. Whilst still broadly in line with Essex and national averages, this KS2 cohort of pupils did not perform as well as the 2016 cohort. This is due to a higher number of pupils with SEND needs. KS1 data remains strong and these are the schools most positive outcomes for a number of years.

Phonics data has fluctuated historically due to both cohort context and changes in the way in which reading and phonological awareness is taught; however we are pleased to report that pupils performed well and in line with national outcomes.

Progress measures remain difficult to calculate with significant changes made to assessment in 2016. There was a national formula applied which calculated each child's individual progress score which then relates to the school average. It is widely recognised that this data set is a little unreliable due to the changes and we are informed that HMI and Ofsted will treat it with the caution it merits. We will only be able to obtain a true picture once the new assessment systems have rolled through a full cycle, i.e. KS1 children who took new assessments at KS1 reach Yr 6 and take KS2 SATs.

KS2 - TEST RESULTS AND TEACHER ASSESSMENT

	SATs Result	SAT Higher	TA	TA Higher
Reading	68%	29%	84%	16%
Writing	N/A	N/A	84%	19%
Grammar, Punctuation and Spelling	71%	32%	N/A	N/A
Mathematics	71%	10%	74%	10%
Combined RWM	65%	6%	N/A	N/A

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

KS1 - TEACHER ASSESSMENT

	Met Expected Standard	Greater Depth
Reading	79%	27%
Writing	70%	9%
Maths	82%	30%

EYFS - TEACHER ASSESSMENT

71% of children reached the 'Good Level of Development' in 2017.
(This data was externally moderated during a visit)

OFSTED

We anticipate that the school will be re-inspected over the coming year.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Relationships with Related Parties

RCPS works with the local and wider community in a number of ways, including:

- **Wickford Extended services**

Wickford is one of the leading areas in the county for the provision of after school, weekend and holiday services to the school children of Wickford. The Extended Schools Co-ordinator, Rachel Voller, organises a wide range of activities for children and facilitates access to an even wider range of services for parents to support them in bringing up their children. The service is based in the Wickford Collaborative Learning Centre, which is also used for the collaborative curriculum run throughout the year by the schools in Wickford. RCPS provides funding from its delegated budget to support this service and offers reduced rates when Extended Services want to use the school facilities to run courses for children.

- **Chelmsford Consortium**

RCPS is part of this consortium. It is a group of more than 20 schools, most of which are based in Chelmsford, that work together to further the education provided in the member schools. RCPS receives training and support for school development, plus the consortium provides specialist academy financial support (including the Responsible Officer) to RCPS's Finance Manager.

- **Kids Company**

Kids Company is based at RCPS and use its facilities. Kids Company provides before/after school and holiday childcare that is used by children at RCPS and by those from other schools.

- **Lettings**

A variety of external clubs that serve the local community also use the school facilities. These include: Rock Choir, Taoist Tai Chi, Seitou Ryu Karate, Gymnastics, Sport 4 Fun.

- **Links with Parish Council**

The Parish Council now has a link to the school through a member who is also an RCPS governor.

- **Other**

The school is involved in many community events throughout the year. For example, every year the school provides harvest boxes for the local community and beyond. At harvest time the children bring in food donations, which are packed into boxes and delivered by the children to vulnerable people in the local community. The school choir performs at different events within the local community and the school has a close relationship with the local Parish vicar (who regularly holds assemblies in the school). A Summer fete and Christmas bazaar are held annually that the whole community is invited to attend. There have also been coffee mornings for charity. The school has introduced curriculum events that focus on community engagement, for example our 'Fair Trade' cafes, which are well received and attended. We have also encouraged parents and carers to become more involved in their children's learning by inviting them in to take part in special curriculum focus weeks and also hold mini workshops. Plans are in place for 2017-18 to further increase parent engagement events, starting with the introduction of Stay and Play sessions in EYFS.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Going concern

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

Financial review

Financial Outcome of Activities & Events:

The school's accounting period was from 1st September 2016 to 31st August 2017. The operations of the school as an academy began on 1st August 2011. Most of the school's income comes directly from 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 ESFA during the period ending 31st August 2017 and associated expenditure are shown as restricted funds in the financial statements.

The academy received Pupil Premium grants totalling £41,360, Children in Care payments totalling £7,140 and a Sports Grant of £8,890 which were spent in accordance with DfE guidelines.

Details of these grants and associated expenditure are also shown as restricted funds in the financial statements.

The school receives unrestricted funds in the form of lettings, catering income and other donations made to the school.

Reserves policy

The governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The governors intend to review the reserves policy annually to ensure that this aim can be achieved.

At the balance sheet date, the charitable company had free reserves of £127,635 (2016: £160,232).

The governors have utilised a large proportion of the previous year's reserves to complete infrastructure improvements to the school's premises that were in a poor state of repair when inherited from the local authority.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Investment policy

The governors' investment powers are set down in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

During the first accounting period the charitable company's current policy was to hold all cash balances on a current account to ensure that the academy is able to meet its day to day cash flow requirements. This policy will continue to be regularly reviewed by the governing body.

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Plans for future periods

The School's Strategic Development Plan ("SDP") sets out the school's plans for the next three years. The SDP is created with a view to developing the overall effectiveness of the school, with particular regard to Leadership and Management, Teaching Learning and Assessment, Personal Development, Behaviour and Welfare and Premises and Learning Environment. We also have key drivers around Spiritual, Moral, Social and Cultural awareness (SMSC) and Basic Skills Development.

The key areas for development, as set out in the current SDP, are listed under key areas that are evaluated by Ofsted, as well as those that highlight a strong strategic direction for the school to take.

Leadership and Management

- To develop middle leadership roles
- To lead staff effectively in applying new assessment processes
- To develop the schools inclusion agenda and develop individual provision for vulnerable learners
- To explore options for opening a school based nursery
- To develop current provision in Early Years

Teaching, Learning and Assessment

- To continue to improve quality of teaching so that it is never less than good and a significant proportion is outstanding
- To work on individualised learning plans so that all children make at least expected progress
- To ensure that written and verbal feedback is developed and pupil progress accelerated
- To develop provision in maths to include greater opportunities for problem solving and developing fluency in mental strategies
- To develop the teaching of grammar, punctuation and spelling further to improve technical accuracy in writing across the school

Personal Development, Behaviour and Wellbeing

- To develop a school based nurture provision
- To more actively promote mental and physical wellbeing of children and staff
- To develop the use of pupil premium grant spending to further accelerate the progress of disadvantaged learners
- To maximise opportunities to place ourselves at the centre of the local community
- To develop further opportunities to enhance sense of national and global citizenship

Premises and Learning Environment

- To develop provision by becoming a Forest School
- To refurbish and extend school office area
- To further invest in ICT and Media technologies
- To develop strategic plan of maintenance for school and grounds
- To research and cost development of nursery provision
- To manage expansion of school

Runwell Community Primary School Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Funds held as Custodian Trustee on behalf of others

Although the charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors and other funders, RCPS does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

Professional Indemnity Insurance

In accordance with normal commercial practice, RCPS has purchased insurance to protect Governors and Officers from claims arising for negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £2,000,000.

The cost of this insurance is included in the total insurance cost for the period 1 September 2016 to 31 August 2017.

Auditor

In so far as the Trustees are aware:

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

Reappointment of auditor

Under section 487(2) of the Companies Act 2006 Edmund Carr LLP will be deemed to have been reappointed as auditor 28 days after these financial statements are sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 12 December 2017 and signed on its behalf by:



Gill Hearsey
Governor

Runwell Community Primary School Academy Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Runwell Community 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 Runwell Community 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has met formally 5 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Suzanne Wright	1	1
Jeremy Crook	3	3
Joanne Madders	5	5
Lynn Barwell	5	5
Christine Creek	4	5
Christopher Wyle	2	2
Sharon Brooks	5	5
Gill Hearsey	5	5
Andrew Hufton	1	2
Lisa Thompson	3	5
Yvonne Waterhouse	5	5
Martin Cooper	0	4
Melissa Cookson	3	5
Gemma Case	1	1
Sue Wise	3	3
June Gould	4	4
Sasha Furze	5	5

Runwell Community Primary School Academy Trust

Governance Statement (continued)

The Resources and Audit Committee is a sub-committee of the main Governing Body. Its purpose is to challenge all financial aspects of the school, approve expenditure as delegated through the Finance Regulations and ensure maintenance of the Estate and monitor compliance with all Health and Safety regulations. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Christine Creek	2	3
Christopher Wyle	1	1
Sasha Furze	3	3
Sharon Brooks	3	3
Gill Hearsey	3	3
Andrew Hufton	1	1
Lisa Thompson	3	3
Martin Cooper	0	3
Joanne Madders	3	3
Yvonne Waterhouse	2	3
Gemma Case	1	1
Jeremy Crook	1	1

The Curriculum Committee is a sub-committee of the main Governing Body. Its purpose is to ensure that the school delivers a broad and balanced curriculum (including the provision of sex education); set targets for, and monitor, pupil achievement; monitor the implementation of the School Development Plan; ensure that the requirements of all pupils are met; and monitor the impact of Pupil Premium and Sports Premium funding. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Christine Creek	3	3
Jeremy Crook	1	2
Christopher Wyle	3	3
June Gould	2	2
Gill Hearsey	3	3
Andrew Hufton	1	1
Gemma Case	1	1
Melissa Cookson	3	3
Lynn Barwell	3	3
Sasha Furze	3	3

Runwell Community Primary School Academy Trust

Governance Statement (continued)

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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Contract Cleaning

Following a difficult time recruiting and retaining cleaning staff the school decided to employ an agency cleaner. This was a benefit as it meant that premises staff absences would no longer be an issue and therefore the school would always be consistently maintained. This also negated the requirement for a member of senior staff needing to performance manage the cleaner.

Class Dojo

During the year we set up all staff and parents with a classroom communication app used to share information between parents and teachers. This has improved relationships between teachers and parents and eliminated the need for the office staff to form a weekly newsletter.

Financial Management Software

The Business Manager purchased a software package called Orovia in order to produce more accurate financial plans which in turn has provided extra reassurance to governors regarding the schools current and projected financial position.

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 Runwell Community Primary School Academy Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

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;

Runwell Community Primary School Academy Trust

Governance Statement (continued)

- 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 Trustees have appointed Rachael Langdale, EES for Schools as responsible officer (RO)

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of effectiveness

As Accounting Officer, the Head Teacher 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 responsible officer ;
- 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 delegation of authority and segregation of duties.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources 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 12 December 2017 and signed on its behalf by:



Gill Hearsey
Governor



Sasha Furze
Accounting officer
Head Teacher

Runwell Community Primary School Academy Trust

Statement on Regularity, Propriety and Compliance

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

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.

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.



Sasha Furze
Accounting officer

Runwell Community Primary School Academy Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In so far as the trustees are aware:

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

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

Approved by order of the members of the Board on 12 December 2017 and signed on its behalf by:



Gill Hearsey
Governor

Runwell Community Primary School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Runwell Community Primary School Academy Trust

We have audited the financial statements of Runwell Community Primary School Academy Trust for the year ended 31 August 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 20), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Conclusions relating to going concern

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

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

Runwell Community Primary School Academy Trust

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 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 the Academies Accounts Direction 2016 to 2017; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Stewart Martin (Senior Statutory Auditor)
For and on behalf of Edmund Carr LLP, Statutory Auditor

146 New London Road
Chelmsford
Essex
CM2 0AW

12 December 2017

Runwell Community Primary School Academy Trust

Independent Reporting Accountant's Report on Regularity to Runwell Community Primary School Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 23 January 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Runwell Community Primary School Academy Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by 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.

Summary of work undertaken, demonstrating application of the principles outlined in the ICAEW guidance (TECH 08/12AAF)

Runwell Community Primary School Academy Trust

**Independent Reporting Accountant's Report on Regularity to Runwell Community
Primary School Academy Trust and the Education and Skills Funding Agency
(continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Stewart Martin

For and on behalf of Edmund Carr LLP, Chartered Accountants

146 New London Road
Chelmsford
Essex
CM2 0AW

12 December 2017

Runwell Community Primary School Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Incoming resources						
<i>Income and endowments from:</i>						
Donations and capital grants	2	-	1,400	726,339	727,739	555,602
Other trading activities	4	52,440	20,747	-	73,187	86,883
Investments	5	131	-	-	131	277
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	1,148,080	-	1,148,080	979,476
Total incoming resources		52,571	1,170,227	726,339	1,949,137	1,622,238
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	24,430	1,311,415	58,097	1,393,942	1,150,286
Net income/(expenditure)		28,141	(141,188)	668,242	555,195	471,952
Transfers between funds		(60,738)	49,188	11,550	-	-
Net (expenditure)/income for the year		(32,597)	(92,000)	679,792	555,195	471,952
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	22	-	31,000	-	31,000	(356,000)
Net movement in (deficit)/funds		(32,597)	(61,000)	679,792	586,195	115,952
Reconciliation of funds						
Funds/(deficit) brought forward at 1 September 2016		160,232	(802,000)	1,965,659	1,323,891	1,207,937
Funds/(deficit) carried forward at 31 August 2017		127,635	(863,000)	2,645,451	1,910,086	1,323,889

Runwell Community Primary School Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	-	16,309	539,293	555,602
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	979,476	-	979,476
Other trading activities	4	66,824	20,059	-	86,883
Investments	5	277	-	-	277
Total		67,101	1,015,844	539,293	1,622,238
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	32,143	1,063,435	54,708	1,150,286
Net income/(expenditure)		34,958	(47,591)	484,585	471,952
Transfers between funds		(9,224)	9,224	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	(356,000)	-	(356,000)
Net movement in funds/(deficit)		25,734	(394,367)	484,585	115,952
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		134,496	(407,633)	1,481,074	1,207,937
Total funds/(deficit) carried forward at 31 August 2016		160,230	(802,000)	1,965,659	1,323,889

Runwell Community Primary School Academy Trust

**(Registration number: 07673903)
Balance Sheet as at 31 August 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	2,645,451	1,952,253
Current assets			
Stocks	12	4,756	4,484
Debtors	13	80,758	53,680
Cash at bank and in hand		<u>157,537</u>	<u>246,084</u>
		243,051	304,248
Creditors: Amounts falling due within one year	14	<u>(115,416)</u>	<u>(130,610)</u>
Net current assets		<u>127,635</u>	<u>173,638</u>
Total assets less current liabilities		<u>2,773,086</u>	<u>2,125,891</u>
Net assets excluding pension liability		2,773,086	2,125,891
Pension scheme liability	22	<u>(863,000)</u>	<u>(802,000)</u>
Net assets including pension liability		<u>1,910,086</u>	<u>1,323,891</u>
Funds of the Academy:			
Restricted funds			
Restricted fixed asset fund		2,645,451	1,965,659
Restricted pension fund		<u>(863,000)</u>	<u>(802,000)</u>
		1,782,451	1,163,659
Unrestricted funds			
Unrestricted general fund		<u>127,635</u>	<u>160,232</u>
Total funds		<u>1,910,086</u>	<u>1,323,891</u>

The financial statements on pages 25 to 47 were approved by the Trustees, and authorised for issue on 12 December 2017 and signed on their behalf by:



Gill Hearsey
Governor

Runwell Community Primary School Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	17	649,441	500,356
Cash flows from investing activities	18	<u>(737,988)</u>	<u>(500,278)</u>
Change in cash and cash equivalents in the year		(88,547)	78
Cash and cash equivalents at 1 September 2016		<u>246,084</u>	<u>246,006</u>
Cash and cash equivalents at 31 August 2017	19	<u>157,537</u>	<u>246,084</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

1 Accounting policies

Statement of accounting policies

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

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Runwell Community Primary School Academy Trust meets the definition of a public benefit entity under FRS 102.

Going concern

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

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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.

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Other income

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

Interest Receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Fund Accounting

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

Restricted general funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education and Skills Funding Agency and the Department for Education.

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

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

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

Asset class	Depreciation method and rate
Long leasehold land	Over the life of the lease
Long leasehold buildings	Over 15 - 45 years
Fixtures, fittings and equipment	25% straight line

Liabilities

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

Provisions

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

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

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value.

Taxation

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Critical accounting estimates and areas of judgement

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

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31/08/2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Voluntary income

	Restricted funds £	Restricted fixed asset funds £	Total 2017 £	Total 2016 £
Capital grants		6,587	6,587	19,369
Other donations	1,400	719,752	721,152	536,233
	<u>1,400</u>	<u>726,339</u>	<u>727,739</u>	<u>555,602</u>

3 Funding for the Academy Trust's educational operations

	Restricted funds £	Total 2017 £	Total 2016 £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	941,180	941,180	793,335
Other DfE Grants	159,360	159,360	143,359
	<u>1,100,540</u>	<u>1,100,540</u>	<u>936,694</u>
Other government grants			
SEN Funding	39,001	39,001	38,573
Other local authority funds	8,539	8,539	4,209
	<u>47,540</u>	<u>47,540</u>	<u>42,782</u>
Total grants	<u>1,148,080</u>	<u>1,148,080</u>	<u>979,476</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

4 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	29,447	-	29,447	41,135
Catering income	-	20,747	20,747	20,059
Trips and visits	15,121	-	15,121	14,626
Other sales	7,872	-	7,872	11,063
	<u>52,440</u>	<u>20,747</u>	<u>73,187</u>	<u>86,883</u>

5 Investment income

	Unrestricted funds £	Total 2017 £	Total 2016 £
Short term deposits	<u>131</u>	<u>131</u>	<u>277</u>

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
Direct costs	741,775	-	70,960	812,735	718,139
Allocated support costs	<u>304,421</u>	<u>160,520</u>	<u>116,266</u>	<u>581,207</u>	<u>432,147</u>
	<u>1,046,196</u>	<u>160,520</u>	<u>187,226</u>	<u>1,393,942</u>	<u>1,150,286</u>
	<u>1,046,196</u>	<u>160,520</u>	<u>187,226</u>	<u>1,393,942</u>	<u>1,150,286</u>

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Operating leases - plant and machinery	795	795
Audit - Edmund Carr LLP	6,240	5,500
Other services - Edmund Carr LLP	560	500
Depreciation	<u>58,097</u>	<u>48,745</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

7 Charitable activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations		
Teaching and educational support staff costs	741,775	665,318
Educational supplies	54,403	42,239
Staff development	10,022	10,519
Educational consultancy	6,535	63
	<u>812,735</u>	<u>718,139</u>
Support costs - educational operations		
Support staff costs	212,421	194,427
Defined benefit pension scheme obligation inherited	92,000	7,000
Depreciation	58,097	48,745
Maintenance of premises and equipment	60,636	42,592
Cleaning	5,860	4,568
Rent, rates and utilities	27,852	29,568
Insurance	8,075	6,489
Catering	27,584	24,123
Other support costs	88,682	74,635
	<u>581,207</u>	<u>432,147</u>
Total direct and support costs	<u><u>1,393,942</u></u>	<u><u>1,150,286</u></u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

8 Staff

Staff costs

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	745,223	677,799
Social security costs	69,439	53,926
Pension costs	136,506	133,691
	<u>951,168</u>	<u>865,416</u>
Supply teacher costs	2,458	1,329
	<u>953,626</u>	<u>866,745</u>

Staff numbers

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

	2017 No	2016 No
Charitable Activities		
Teachers	12	11
Administration and support	16	16
	<u>28</u>	<u>27</u>

Higher paid staff

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

	2017 No
£60,001 - £70,000	<u>1</u>

9 Related party transactions - trustees' remuneration and expenses

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

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

9 Related party transactions - trustees' remuneration and expenses (continued)

Sasha Furze (Head teacher):

Remuneration: £60,000 - £65,000 (2016 -)

Employer's pension contributions: (2016 -)

Christine Creek (Deputy Headteacher):

Remuneration: £45,000 - £50,000 (2016 - £40,000 - £45,000)

Employer's pension contributions: £5,000 - £10,000 (2016 - £5,000 - £10,000)

Joanne Madders (Finance Manager):

Remuneration: £15,000 - £20,000 (2016 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2016 - £0 - £5,000)

Lynn Barwell (Staff):

Remuneration: £10,000 - £15,000 (2016 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2016 - £0 - £5,000)

During the year ended 31 August 2017, travel and subsistence expenses totalling £Nil (2016 - £Nil) were reimbursed or paid directly to 0 trustees (2016 - 0).

Total key management personnel remuneration in the year was as follows;

Gross pay £138,330

Employers pension contribution £12,032

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £162 (2016 - £162).

The cost of this insurance is included in the total insurance cost.

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Assets under construction £	Total £
Cost				
At 1 September 2016	1,658,494	13,188	519,924	2,191,606
Additions	719,752	31,543	-	751,295
Transfers	519,924	-	(519,924)	-
At 31 August 2017	<u>2,898,170</u>	<u>44,731</u>	<u>-</u>	<u>2,942,901</u>
Depreciation				
At 1 September 2016	231,026	8,328	-	239,354
Charge for the year	45,448	12,648	-	58,096
At 31 August 2017	<u>276,474</u>	<u>20,976</u>	<u>-</u>	<u>297,450</u>
Net book value				
At 31 August 2017	<u>2,621,696</u>	<u>23,755</u>	<u>-</u>	<u>2,645,451</u>
At 31 August 2016	<u>1,427,468</u>	<u>4,860</u>	<u>519,924</u>	<u>1,952,252</u>

12 Stock

	2017 £	2016 £
Classroom stock	<u>4,756</u>	<u>4,484</u>

13 Debtors

	2017 £	2016 £
Trade debtors	31,492	27,493
Prepayments and accrued income	38,602	24,972
VAT recoverable	3,860	484
Other debtors	6,804	731
	<u>80,758</u>	<u>53,680</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

14 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	6,220	2,842
Other taxation and social security	36,929	31,555
Other creditors	-	4,800
Accruals and deferred income	13,371	12,877
Deferred income	58,896	78,536
	<u>115,416</u>	<u>130,610</u>
		2017 £
Deferred income		
Deferred income at 1 September 2016		78,536
Resources deferred in the period		58,896
Amounts released from previous periods		<u>(78,536)</u>
Deferred income at 31 August 2017		<u>58,896</u>

Included within deferred income is £26,384 (2016: £22,433) regarding free school meal funding for September onwards. The balance also includes £8,253 (2016: £20,000) received regarding furniture for the new classrooms and £17,303 received regarding the nursery set up. £1,954 has been deferred relating to rates relief and the remaining balance of £4,982 relates to various miscellaneous items relating to September 2017 onwards.

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

15 Funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	-	941,180	(990,368)	49,188	-
Other DfE grants	-	159,360	(159,360)	-	-
SEN Funding	-	39,001	(39,001)	-	-
Other donations	-	1,400	(1,400)	-	-
Other local authority funds	-	29,286	(29,286)	-	-
	<u>-</u>	<u>1,170,227</u>	<u>(1,219,415)</u>	<u>49,188</u>	<u>-</u>
Restricted fixed asset funds					
Transfer from local authority on conversion	1,472,915	-	-	-	1,472,915
DfE/ESFA capital grants	489,604	726,339	(58,097)	11,550	1,169,396
Private sector capital donations	3,140	-	-	-	3,140
	<u>1,965,659</u>	<u>726,339</u>	<u>(58,097)</u>	<u>11,550</u>	<u>2,645,451</u>
Restricted pension funds					
Pension reserve	<u>(802,000)</u>	<u>-</u>	<u>(92,000)</u>	<u>31,000</u>	<u>(863,000)</u>
Total restricted funds	1,163,659	1,896,566	(1,369,512)	91,738	1,782,451
Unrestricted funds					
Unrestricted general funds	<u>160,232</u>	<u>52,571</u>	<u>(24,430)</u>	<u>(60,738)</u>	<u>127,635</u>
Total funds	<u>1,323,891</u>	<u>1,949,137</u>	<u>(1,393,942)</u>	<u>31,000</u>	<u>1,910,086</u>

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,645,451	2,645,451
Current assets	127,635	115,416	-	243,051
Current liabilities	-	(115,416)	-	(115,416)
Pension scheme liability	-	(863,000)	-	(863,000)
Total net assets	<u>127,635</u>	<u>(863,000)</u>	<u>2,645,451</u>	<u>1,910,086</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

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

	2017	2016
	£	£
Net income	555,195	471,952
Depreciation	58,096	48,745
Capital grants from DfE and other capital income	(13,175)	(19,369)
Interest receivable	(131)	(277)
Defined benefit pension scheme obligation inherited	92,000	7,000
Increase in stocks	(272)	(247)
Increase in debtors	(27,078)	(31,720)
(Decrease)/increase in creditors	(15,194)	24,272
Net cash provided by Operating Activities	<u>649,441</u>	<u>500,356</u>

18 Cash flows from investing activities

	2017	2016
	£	£
Dividends, interest and rents from investments	131	277
Purchase of tangible fixed assets	(751,295)	(519,924)
Capital grants from DfE/EFA	6,589	-
Capital funding received from sponsors and others	6,587	19,369
Net cash used in investing activities	<u>(737,988)</u>	<u>(500,278)</u>

19 Analysis of changes in net funds

	At 31 August 2017	At 31 August 2016
	£	£
Cash at bank and in hand	<u>157,537</u>	<u>246,084</u>
Total cash and cash equivalents	<u>157,537</u>	<u>246,084</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

20 Financial commitments

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

	2017 £	2016 £
Amounts due within one year	968	317
Amounts due between one and five years	2,196	171
	<u>3,164</u>	<u>488</u>

21 Members' liability

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

22 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £8,238 (2016: £6,613) were payable to the LGPS scheme and £9,403 (2016: £9,103) were payable to TPS schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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.

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

22 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Services 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 (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- 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%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from April 2019.

The pension costs paid to TPS in the period amounted to £105,525 (2016: £72,443).

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

Under the definitions set out in Financial Reporting Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £91,000 (2016 - £78,000), of which employer's contributions totalled £69,000 (2016 - £59,000) and employees' contributions totalled £22,000 (2016 - £19,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

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

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

22 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	4.20	4.10
Rate of increase for pensions in payment/inflation	2.70	2.30
Discount rate for scheme liabilities	2.60	2.20
Inflation assumptions (CPI)	2.70	2.30
RPI increases	<u>3.60</u>	<u>3.20</u>

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%	0.0%	- 0.1%
Adjustment to discount rate	£	£	£
Present value of total obligation	1,360,000	1,394,000	1,429,000
Projected service cost	<u>161,000</u>	<u>165,000</u>	<u>169,000</u>
	+ 0.1%	0.0%	- 0.1%
Adjustment to rate of inflation	£	£	£
Present value of total obligation	1,421,000	1,394,000	1,367,000
Projected service cost	<u>169,000</u>	<u>165,000</u>	<u>161,000</u>
	+ 0.1%	0.0%	- 0.1%
Adjustment to rate of salary growth	£	£	£
Present value of total obligation	1,401,000	1,394,000	1,387,000
Projected service cost	<u>165,000</u>	<u>165,000</u>	<u>165,000</u>
	+ 1 Year	None	- 1 Year
Adjustment to mortality age rating assumption	£	£	£
Present value of total obligation	1,438,000	1,394,000	1,351,000
Projected service cost	<u>170,000</u>	<u>165,000</u>	<u>160,000</u>

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males retiring today	22.20	22.90
Females retiring today	24.70	25.30
Retiring in 20 years		
Males retiring in 20 years	24.30	25.20
Females retiring in 20 years	<u>27.00</u>	<u>27.70</u>

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

22 Pension and similar obligations (continued)

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

	At 31 August 2017 £	At 31 August 2016 £
Equities	346,000	271,000
Gilts	33,000	14,000
Other bonds	21,000	18,000
Property	51,000	44,000
Cash	16,000	12,000
Other	41,000	37,000
Total market value of assets	508,000	396,000
Present value of scheme liabilities - funded	(1,394,000)	(1,198,000)
Deficit in the scheme	(886,000)	(802,000)

The actual return on scheme assets was £64,000 (2016 - £47,000).

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	144,000	84,000
Total operating charge	<u>144,000</u>	<u>84,000</u>

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

	2017 £	2016 £
At 1 September	1,198,000	711,000
Current service cost	144,000	84,000
Interest cost	27,000	29,000
Employee contributions	22,000	19,000
Actuarial losses	3,000	356,000
Benefits paid	-	(1,000)
At 31 August	<u>1,394,000</u>	<u>1,198,000</u>

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

	2017 £	2016 £
At 1 September	396,000	272,000
Interest income	10,000	12,000
Return on plan assets (excluding net interest on the net defined pension liability)	54,000	35,000
Actuarial losses	(20,000)	-
Employer contributions	69,000	59,000
Employee contributions	22,000	19,000
Benefits paid	-	(1,000)
At 31 August	<u>531,000</u>	<u>396,000</u>

23 Related party transactions

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

Runwell Community Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

23 Related party transactions (continued)

During the year the academy made the following related party transactions:

Kids Company

(Owned by Sharon Brooks (a trustee of the trust))

The trust let the school's classroom and hall facilities to Kids Company for breakfast, after school and holiday clubs throughout the year to the value of £7,460 (2016: £10,476.). At the balance sheet date the amount due to Kids Company was £Nil (2016 - £Nil).

Maths No Problem

(Royalties received by Headteacher)

The trust purchased 'Maths No Problem' educational supplies of £nil (2016: £6,734) in the period. At the balance sheet date the amount due to Maths No Problem was £Nil (2016 - £Nil).