



**SEVERN BANKS PRIMARY SCHOOL**

**(A company limited by guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**SEVERNBANKS PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Members**

A Czajkowski  
R Johnson  
K Weaver (appointed 29 November 2018)  
LB Cooksley  
G Davies

**Trustees**

R Johnson, Chair, Member  
C Morgan, Staff Trustee  
P Howell, Head Teacher  
S Poole, Staff Trustee  
A Czajkowski, Vice Chair, Member  
L Cooksley, Parent Trustee  
C Griffiths, Trustee Appointed (deceased 30 April 2019)  
A McCoy, Parent Trustee  
T Rose, Trustee Appointed (resigned 31 July 2019)  
S Bowen, Trustee Appointed  
T Gilbertson, Trustee Appointed

**Company registered number**

08322813

**Company name**

Severnbanks Primary School

**Principal and registered office**

Naas Lane  
Lydney  
Gloucestershire  
GL15 5AU

**Company secretary**

C Morgan

**Head Teacher/Accounting Officer**

P Howell

**Senior management team**

P Howell, Head Teacher  
S Poole, Deputy Head  
C Morgan, School Business Manager  
S Griffiths, Mentor for NQTs & Students  
S Howell, SENDCO  
R Chamberlain, Associate Member

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Advisers (continued)**

**Independent auditors**

Randall & Payne LLP  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

**Bankers**

Lloyds Bank Plc  
55 Newerne Street  
Lydney  
Gloucestershire  
GL15 5RA

**Solicitors**

Harrison Clark Rickerbys LLP  
Ellenborough House  
Wellington Street  
Cheltenham  
GL50 1YD

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees present their annual report together with the financial statements and Auditor's report of the academy for the period from 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a Directors' report including a strategic report under company law.

Severnbanks operates an academy for pupils aged 3 to 11 serving a catchment of the eastern part of Lydney which is in the 30% most deprived neighbourhoods in the country (indices of Deprivation 2015). It has a pupil capacity of 210 and had a roll of 220 on the school census in January 2019, the increase above our PAN was due to the Local Authority asking us to take extra 15 pupils for 2017-2018 reception. Starlets' nursery is available for 3 to 4 year olds, a maximum of 40 places, at the census day we had 19 registered. At Severnbanks, we recognise that children have a variety of strengths and skills. Although we emphasise academic achievement, every effort is made to provide a full, varied and interesting curriculum, preparing pupils for their future education and giving them skills and enthusiasm to pursue learning for the rest of their lives. We are committed to placing the United Nations Convention on the Rights of the child at the heart of our core values and ethos.

**Structure, governance and management**

**a. Constitution**

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Severnbanks Primary School are also the Directors of the charitable company for the purpose of company law.

The charitable company is known as Severnbanks Primary School.

Details of the Trustees who served throughout the year except as noted are included in the Reference and administrative details on page 1.

**b. 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.

**c. Trustees' indemnities**

The School has Trustees' Liability insurance in place. There are no qualifying third party indemnity provisions to report.

**d. Method of recruitment and appointment or election of Trustees**

The Members may appoint Trustees in accordance with the Memorandum and Articles. The Members may appoint Staff Trustees provided that the total number of Staff Trustees (including the Head Teacher) does not exceed one third of the total number of Trustees. Parent Trustees shall be elected by parents of registered pupils at the School by secret ballot and a Parent Trustee must be a parent of a pupil at the School at the time when they are elected, there must be a minimum of two but not exceed a third of the total number. The Members may appoint up to eight additional Trustees. Additional Trustees may, if deemed necessary, be appointed by the Secretary of State. The term of office for any Trustee, other than the Head Teacher, is four years.

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**SEVERNBANKS PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**e. Policies and procedures adopted for the induction and training of Trustees**

Prior to appointment Trustees take part in an induction programme which includes a school visit and meeting with the Chair of Trustees. New Trustees are given access to the schools SharePoint, which give access to all relevant information required to undertake their role as a Trustee. A mentor is assigned from the Board of Trustees for help and guidance. Ongoing training is given to Trustees through a combination of Local Authority courses, in house seminars, training and courses and talks and seminars given by local professional firms. A training log is kept by the Clerk.

**f. Organisational structure**

The Trustees, with guidance from the Senior Leadership Team (SLT), are responsible for setting strategic direction and general policy. They adopt an annual Development Plan and budget and monitor the development of the School through these. Each Trustee elects to have responsibility for a curriculum subjects and they meet with teachers regularly and report on their findings at a main meeting. They make decisions about the future direction of the School, capital expenditure and on staff appointments. The Board of Trustees meets at least once a term and holds two committee meetings, also once a term, that reports to the main Board of Trustees. These are known as Resources Committee and Standards Committee. Terms of Reference are reviewed annually. On a day to day basis the operational running of the School has been delegated to the Head Teacher. The Head Teacher is the Accounting Officer; the School Business Manager is the Chief Financial Officer.

**g. Pay policy for key management personnel**

Staff have a performance review once a year completed by their line manager, Head Teacher's is performed by a Trustee panel including one external advisor. The staff are paid in accordance with the pay policy and incremented as necessary, this is for all staff including Key Management Personnel. This is conversed at meetings, any Staff Trustees who are paid for an employed role in school, will leave the meeting when this is being discussed.

**h. Trade union facility time**

The Academy did not have more than 49 full time equivalent employees within any months during the period and therefore no further disclosure is made in relation to trade union facility time.

**i. Connected organisations, including related party relationships**

There are no related parties that either control or influence the decisions of the School. The School is connected through training with the West Gloucestershire Support Partnership, for which the Head Teacher resigned as Chair of the Management Committee and they have an office onsite. The School Business Manager works with the other schools to develop best practice and reduce costs and as a member of the Gloucestershire Association of School Business Management, continues to collaborate for better efficiency in managing schools.

The Head Teacher has resigned within the year as a National Leader of Education (NLE) and therefore the School is no longer recognised as a National Support School (NSS). The School's commitment and dedication to supporting others gives the staff opportunities to work with other school's gaining valuable knowledge and skills to better educate and aspire our young learners.

Severnbanks School is the lead organisation for Schools Direct an ITT provider and works with The University of Gloucestershire to facilitate this.

**Objectives and Activities**

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**SEVERNBANKS PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**a. Objects and aims**

To advance for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a School and Nursery offering a broad and balanced curriculum for pupils of different abilities between the ages of 3 - 11.

The Trustees and Staff at Severnbanks School have agreed the following vision for Severnbanks School: **'Severnbanks School, 'Where Stars Shine'**

**Successful Learners,  
Teamwork,  
Aspire and Achieve,  
Rights Respect and Responsibilities ,  
SHINE**

**At Severnbanks we aim to establish a school where children and adults use the values and language of the convention on the Rights of the Child to help them become Rights Respecting Citizens.**

**Equal Opportunities:** In accordance with the School's Equal Opportunities, Special Educational Needs and Disabilities, and Inclusion Policies; all children will be given full access to the Early Years Foundation Stage Curriculum and National Curriculum. Staff will endeavour to help all children to reach their full potential irrespective of race, physical ability, gender, age or learning ability.

**The School Aims:**

- To enable each child to achieve his or her full potential. We aim to meet each child's social, academic, spiritual and emotional needs and to develop a sense of right and wrong.
- To provide a happy place where children enjoy learning and developing their skills.
- To lay the foundations that enables our children to meet the challenges of their future in learning and in life.
- To teach the National Curriculum to all children and develop an awareness of life outside school including the variety of cultures, religions and the wider world of work.
- To fit the curriculum to the needs of the child by providing appropriate experiences according to age and ability.
- To value each child's natural strengths and interests as the basis for the extension of their learning, responding to the children's interests in a variety of ways.
- To provide a wide variety of opportunities and experiences so that each child reaches their full potential.
- To encourage caring and respect for themselves, others, their environment and property.
- To give each child the support and resources he/she needs to take part in all aspects of school life.
- To welcome and encourage parents and carers as partners in their child's education, building links between home and school – working together to make things better.
- To create a supportive and caring community in which children are encouraged to gain confidence and develop their talents.
- To help children develop a knowledge, understanding and respect for their own and other cultures.
- To help children develop a knowledge and respect for individuals.
- To teach children to keep themselves and others safe both in and outside of school.
- To develop a sense of fair play and team spirit, where individual achievement and group effort are equally valued.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**b. Objectives, strategies and activities**

To achieve our vision, aims and objectives the School is governed, led and managed to facilitate effectual self evaluation; realistic strategic planning; prudent budgeting and successful development planning. The School also employs a School Improvement Partner, participates in Peer Reviews with other Head Teachers as well as commissioning external reviews including Pupil Premium, SEND and our annual teaching and learning review through Challenge Partners. These external measures assist us in reviewing progress and impact of our School Development Plan and initiatives. We are an outward looking School using local and national initiatives to enhance our provision in order to raise our pupils' outcomes and life opportunities; e.g. Challenge Partners, School Direct, Teach First, EEF Project Partner and liaising with LA to drive forward education priorities within the Forest of Dean.

**Management and Educational Objectives for 2018/19 included:**

- 1. To review & enhance our Curiosity Curriculum**
  - Curriculum - 'Our Journey Through...'
  - Subjects in Focus**
    - Science – Working Scientifically, First Hand Experiences
    - SEND - Emotion Coaching, Autism Mark
    - RE
    - MFL
- 2. To continue to grow 'Severnbanks Primary School Team'**
  - Governance Action Plan
  - Middle Leadership – Monitoring; Peer Reviews, Ambassadors
  - PACKTYPES
  - TASC
  - Healthy Schools
  - Mental Health & Well Being of Pupils, Staff and Parents
- 3. To continue to raise standards in core subjects for all groups across the school.**
  - Attendance
  - Maths, fluency, reasoning, multiplication at KS2
  - Reading, impacts all subjects, to be a good writer you need to be a good reader. Comprehension; inference; Greater Depth
  - Writing – Writing opportunities across the curriculum
  - Oracy – EYFS & Primary Talk Strategies
- 4. Become a Thinking School**
  - Thinking Skills – prepare for accreditation audit
  - P4C - Silver
  - RRS – Gold re-accreditation
- 5. To enable our pupil's skills and talents to flourish in order to be active members of our school, local, national and Global Community.**
  - Pupil SDP
  - Pupil Leaders: Subject Ambassadors; Class Ambassadors
  - Severnbanks Scholars



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Financial Objectives**

- To provide value for money for funds expended for the benefit of current pupil needs.
- Manage cash flow and continue to maintain a balanced budget year on year.
- Invest in the maintenance and renewal of the School facilities and infrastructure to provide an excellent teaching and learning environment.
- To meet all audit and statutory requirements.

**c. Public benefit**

All the activities undertaken by Severnbanks School are for the education of its pupils and the good of the wider local community. As such the primary objective of the school is to support those objectives and there is no financial return to any shareholders. The Trustees had regard for the Charity Commission guidance on public benefit.

**Strategic report**

**a. Review of activities**

All information about the School can be found on the website:

In November 2018 the School was inspected by OFSTED, there was no change to the School's current overall effectiveness grade of good as a result of the inspection.

**What the school should do to improve further:**

Leaders and those responsible for governance should ensure that:

- teaching improves in the early years and key stage 1, particularly in phonics and writing, so that more pupils make effective progress and attain well.
- teaching in all key stages and subjects is consistently matched to pupils' needs, so that it routinely challenges and supports pupils to achieve well.
- well-planned interventions help disadvantaged pupils and pupils who have SEN and/or disabilities to make strong progress, so that they catch up.
- they improve the attendance of those pupils who are frequently absent.

**Additional External Reviews/Support for 2018–2019**

Mr John Coles – School Improvement Partner  
Mrs Helen Tate – EYFS  
Phonics – Jo Bibby from The English Hub  
Mr Chris Davies – SEND  
Hearts of the Forest – SEND  
Challenge Partners Review  
Pupil Premium Review – Mr Ken Buxton

Many recommendations have already been actioned and others have been included within our School Improvement Plan for 2019–2020.

SLT members have benefited from Challenge Partners CPD providing us with opportunities to evaluate our practice internally and externally; share best practice and forge new partnerships strengthening Leadership, Teaching & Learning best practice. Commissioned external reviews in Leadership, Teaching & Learning, EYFS, SEND and Safeguarding have enabled us to validate our monitoring and Self Evaluation Processes with 'What's Working Well' and identified 'Even Better If'.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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New assessment & tracking system enables all staff to monitor pupil achievement in class and across whole school in specific subjects. Staff are able to quickly identify and make provision for underachieving pupils, adjust future planning and monitor progress. Subject Leaders monitor standards of cohorts and groups, and Senior Leaders monitor standards and use to inform PM objectives, Pupil Progress, Monitor Teaching & Learning and identify Targeted Intervention Provision.

Staff have developed and agreed the 'Severnbanks School Fundamentals' which underpins our Teaching & Learning Principals and is applied throughout the School. This forms our drive to ensure that our pupils learning experiences and progress are outstanding.

**2018-2019 End of Year Data**

EYFS – 57% GLD  
Y1 Phonics – 78%  
Y2 Phonics Retakes 50%

**KS1:**

Reading	62% Age Related Expectation	17% Greater Depth
Writing	62% Age Related Expectation	14% Greater Depth
Maths	69% Age Related Expectation	7% Greater Depth

**KS2:**

Reading	50% Age Related Expectation	10% Greater Depth
Writing	60% Age Related Expectation	13% Greater Depth
SPaG	70% Age Related Expectation	13% Greater Depth
Maths	77% Age Related Expectation	17% Greater Depth
Combined	47%	10% Greater Depth

The academic year 2018-2019 at Severnbanks School has seen pupils enjoying various activities both in and outside of the school environment.

The United Nations Convention of the Child underpins our school ethos and with this in mind we have designed our own approach to the curriculum - The Curiosity Curriculum. At its core are the Rights Respecting School Articles 28 and 29 Ethos, Thinking Skills and a Global Citizen Dimension. We use questions to encourage pupils to enquire, research and investigate their learning. We use a Text-Enhanced Cross-Curricular approach to show case our work which can be seen in our 'Journey Through' books.

Our curriculum continues to ensure that our pupils learning is both meaningful and benefits from a specific focus on the core requirements of the English and Mathematics curriculum. The school's curriculum is also Values Based. Each term the pupils find out about and explore a particular value such as respect, honesty and tolerance. This helps to support the pupils social, spiritual, emotional and cultural development. Our aim is to ensure that pupils are prepared for, and have an appreciation of Life in Modern Britain through introducing and discussing British Values.

Educational visits have taken pupils to the International Air Tattoo, Cheltenham Literacy Festival, Caerleon, Technquest, Young Voices, with theatre visits and activities linked to class projects. The school have also been involved in supporting local charity and community events; raising money for our Local Foodbank, Cancer Research, Children in Need, and local charities. The enterprise group run by Y6 pupils, have also organised various fundraising events throughout the year.

Our pupils have also accessed a variety of initiatives including training on various computer systems through Wydean School and STEM Learning, learnt to play the drums, bikeability training, community events such as visiting the Local Council, Remembrance Parade, St Mary's Church, Litter Picking as well as visiting local

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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Secondary Schools for sports events, competitions and taster days. New initiatives aimed at improving the outcomes for our pupils have included Oracy and Philosophy for Children (P4C).

Oracy project aims to empower teachers with a deeper knowledge of Oracy, equipping them to plan and deliver relevant, differentiated teaching and learning. The Primary Talk and TalkBoost principles and strategies will be applied to enable children to develop strong communication skills to be able to successfully access the curriculum.

Philosophy for Children – P4C aims not only to strengthen good reasoning, inquiry and concept formation but to cultivate an intellectual and social virtue, to bring about the transformation of persons into more reasonable individuals committed to the creation of a reasonable world. Through developing children's thinking skills we are enabling them to explore and make sense of their world, to reason and problem solve, as well as to plan, create and invent. We have achieved the Silver Award for P4C and will be aiming to complete the Gold Award next year.

**b. Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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 Accounting Policies of the financial statements.

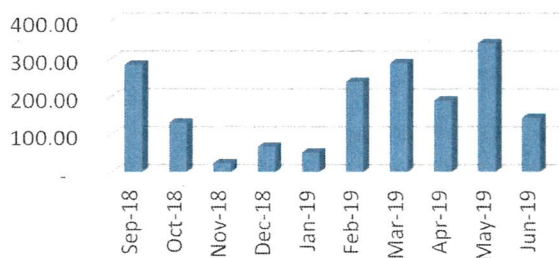
**c. Key performance indicators**

Financial targets have been met to stay within agreed budget. The management of spending against General Annual Grant (GAG) is high priority during the coming years as expenditure is currently exceeding income each year, the School has a clear long term substantial plan for reduction of spending and creating its own income, to be able to set a balanced budget each year. Unfortunately, while we are still focusing on achievement extra funding is being allocated to staffing to run intervention groups for the less able pupils, carry forward money is being utilised to fund this. The sale of an asset has enabled us to provide more efficient heating, upgrade the security of the doors and external fencing, and install solar panels. The pupils have enjoyed the new outdoor play equipment. We have also upgraded classroom furniture and interactive screens for KS2 to enhance their learning experience.

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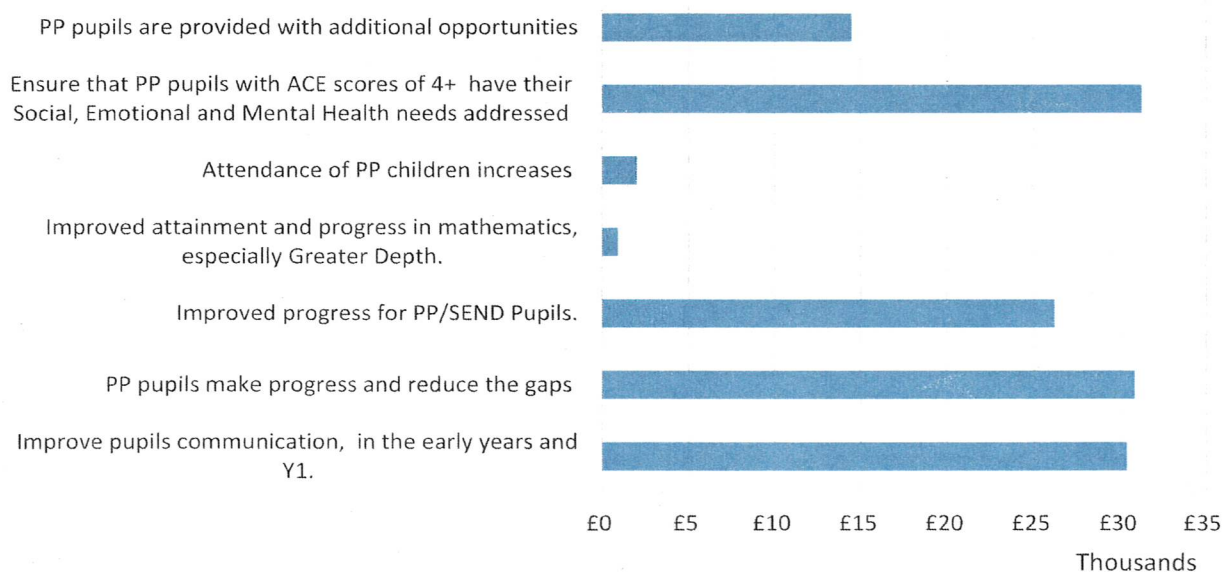
**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Energy cost Savings**



Total energy savings from Sept – June from having the solar panels installed was £1755. We also had income of £1225 for selling back to the grid, this enabled us to continue to strive for a better environment for our pupils learning. We plan to use the funding to update the classrooms, creating a good clean and light space for the pupils to work in.

**Pupil premium expenditure 18/19**



Pupil premium pupils were provided with excellent resources to give them better chances for progress, life experience and higher expectations to carry through their school journey.

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**SEVERNBANKS PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Financial review**

**a. Reserves policy**

The Board of Trustees will aim to carry forward sufficient funds to meet the School's long term aims and objectives, ensuring that this does not affect its current operational activities, it is expected that the reserves will be between £50,000 and £100,000 at year end. Any revenue reserves carried forward at the end of the year represent unspent resources once the School has met its commitments and covered its other planned expenditure.

For 2018-2019 we are over this amount due to being prudent with our spending and gaining extra funding from various streams and increased pupil numbers. The Trustees, however, are still concerned with budget pressures, we are an expanding school having already increased pupil numbers over the last 3 years, how this will impact on our budgets, especially with a large development of housing in our area and no places available for these pupil to go. Increases in staff costs are worrying and a will be one of the major expenditure areas to be put under scrutiny in the coming years. Our 3-year budget plan is already showing a deficit for 2021-2022 we needed to reassess our spending and income generation so to provide best value as well as the best education for our pupils needs.

**b. Material investments policy**

The School's current account will hold enough funding to cover the monthly outgoings on any surplus funds will be transferred to a high interest account on a termly basis.

**c. Principal risks and uncertainties**

The Trustees have assessed the major risks to which the School is exposed and identified and implemented strategies for addressing these risks. Significant risks and the measures in place to reduce these risks have been formally documented in the Risk Register, which is subject to continuing review by the Trustee's Internal Assurance Officer.

**Risk Management**

The Trustees are responsible for the management of risks faced by the School. The Trustees are assisted in this task within the Resources committee. Internal audit arrangements are in place the Trustees have appointed an internal assurance peer to peer reviewer from the governing body and have a reciprocal arrangement with another school to scrutinise the financial systems in place.

Health & Safety (incorporating Risk Management) features as a termly standing item on the agenda for both Trustees and single service Committee Meetings. Continuity between these is maintained through the Health and Safety appointed Trustee.

Through the risk management processes established, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**d. Financial risk management objectives and policies**

The risk management policy forms part of the Academy's internal control and corporate governance arrangements. It explains the Academy's underlying approach to risk management, documents the roles and responsibilities of the academy and other key parties.

Any risks that can adversely affect the academy's ability to achieve its current and future objectives have been documented. Risks are assessed annually and objectives are set if required.

**e. Financial Review**

Most of the School's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the statement of financial activities. The School also receives grants for fixed assets from the ESFA in accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the Restricted Fixed Asset Fund. This fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The School's non-teaching staff are entitled to membership of the Local Government Pension Scheme and under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided to support staff, to the restricted fund. Included in the accounts is a pension deficit, this was expected to reduce year on year with the increase in employer's contributions, based on triennial valuations. At the time of writing the valuation has not been made available but we are not expecting a large increase.

During the period 1 September 2018 to 31 August 2019, the total expenditure again exceeded the recurrent grant funding from the DfE but together with small other income streams and a carry forward, we are still in a sound position financially. All resources were used exclusively for providing the best education and support services for the pupils at the Academy. We have an in year surplus due to excellent deployment of resources. This will be used to over the next couple of years to continue to provide increased interventions and activities for our pupils and carry on upgrading the school environment.

There is a large housing development currently building family homes to the rear of our School field and the School will at some point need to expand to allow for the extra pupils. This makes it difficult for the School to plan financially, but a 3-year plan is in place at our current staffing and pupil levels which shows a slight deficit for both 2020-2021 and increasing in 2021-2022, but the Trustees are confident that we will be able to make staff savings or increase grant funding and pupil numbers to achieve a balanced budget at the end of 2022.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Fundraising**

The Trustees recognise that they have responsibility and accountability for charity donations and fundraising. The School will make sure that all guidelines are followed in practice and reflects their charity's values.

Operating effective control over fundraising is a vital part of the School's compliance with our legal duties. The Trustees have:

- acted in the best interests of the School,
- managed our charity's resources responsibly, which includes protecting and safeguarding its reputation,
- acted with reasonable care and skill.

The School runs an enterprise group that raises funds for the School and also seeks external support through writing bids to other charities. All fundraising has been carefully planned, had effective systems of control, strong management of the funds, identified and ensure compliance with the laws or regulations that apply to our particular fundraising project, complied with the code of fundraising practice to meet the standards designed to ensure that fundraising is open, honest and respectful and used reporting to demonstrate that the fund is well run and effective.

**a. Future developments**

Our future vision is to become an accredited Thinking School and Philosophy for Children Gold School.

The School continues to focus on improving standards and has altered its School Development Plan to reflect our School Vision of 'STARS'. The School will seek to both share our expertise with others and to learn from them. To further develop and strengthen strategically, the leadership team have been trained with Challenge Partners to enable collaboration between schools to enhance the life chances of children, especially the most disadvantaged. We have a member of staff who is a Subject Leader of Education (SLE) and STA moderator for Phonics and Key Stage 1 SATs.

We have invited external reviews for Leadership and Management and Teaching and Learning through Challenge Partners, EYFS, SEND, Pupil Premium and SIP reviews and visits to improve the services we offer. The Head Teacher also leads the Pupil Premium Network for WGSP who held its first Pupil Premium Conference this year and has produced a Pupil Premium Audit Tool which has been rolled out across Gloucestershire Schools.

We have been investigating the future of our School status as a Stand-alone Academy Trust and looking into the possibility of joining an existing Multi Academy Trust. The School will continue to work with parents and the Local Authority to raise attendance rates and punctuality; ensuring that low attenders are improving their attendance over time. We will measure ourselves against progress towards clearly stated School Aims & Objectives as outlined in both the Funding Agreement and the Memorandum of Association.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 21 November 2019 and signed on its behalf by:

**R Johnson**  
**Chair of Trustees**





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**SEVERNBANKS PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT**

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**Scope of Responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Severnbanks Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees is shown below

Trustee	Meetings attended	Out of a possible
R Johnson, Chair, Member	6	6
C Morgan, Staff Trustee	4	6
P Howell, Head Teacher	6	6
S Poole, Staff Trustee	6	6
A Czajkowski, Vice Chair, Member	6	6
L Cooksley, Parent Trustee	6	6
C Griffiths, Trustee Appointed	0	4
A McCoy, Parent Trustee	1	6
T Rose, Trustee Appointed	5	5
S Bowen, Trustee Appointed	3	6
T Gilbertson, Trustee Appointed	2	6

**Governance Review**

During the year we have moved towards separating the Members from the Trustees, 1 new Member has been sourced in order to comply with best practice from the Academies Financial Handbook.

The Trustees have planned effective meetings every term and also hold Resources and Standards meetings to cover all basis of compliance within the school environment. Reports are sent out in advance of meetings, these are internal, Head Teacher and School Business Manager reports and external reports such as external SIP reviews, premises and H&S reviews and data from Standards testing agency, these cover the information Trustees need to challenge the School effectively.

Being in a deprived and remote area the challenge is to recruit vacancies within the Board of Trustees, we have performed a skills audit, however to find Trustees with certain skills is very difficult. We are registered with Governors for Schools in order to try to recruit and train Trustees.

A review has taken place using the DfE governance toolkit and a Governance Development Plan has been put in place, from this several Trustees have received recent training and we will continue to evaluate the plan, which will be reviewed annually. All Trustees are fully compliant with Safeguarding training that we undertake through SSS learning.

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**SEVERNBANKS PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**

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The Resources and Standards Committees are sub-committees of the main Board of Trustees. Its purpose is to assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Academy's finances, including proper planning, monitoring and probity.

Attendance at Resources Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
L Cooksley (Chair)	4	4
R Johnson	3	4
P Howell	4	4
C Morgan	4	4
S Poole	3	4
S Bowen	2	4

Attendance at Standards Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
R Johnson (Chair)	3	4
P Howell	4	4
A Czajkowski	4	4
S Poole	4	4
C Griffiths	0	2
T Rose	0	4
T Gilbertson	3	4

### **Review of Value for Money**

I accept that as Accounting Officer of Severnbanks Primary School I am responsible and accountable for ensuring that the School Trust delivers good value in the use of public resources. I am aware of the guide to academy value for money statements published by the ESFA and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

Value for money is about achieving the best possible educational and wider social outcomes through the economic, efficient and effective use of all the resources in the School's charge. The Trustees meet every term to challenge, compare, consult and compete on all school matters; they receive various reports in advance from the Head Teacher and School Business Manager to discuss, all Trustees receive a monthly update report. The pupils' best interest is always the driving factor for decisions so may not always be the cheapest option.

The School has focused its resources mainly on staffing during 2018-2019, to continue to improve the outcomes for our pupils; we have a higher than average pupil premium which has driven the need for extra support in the classroom. Excellent deployment of staff has meant that we have managed to cover extra ECHP pupils without the need to greatly increase the staffing levels. The School is committed to providing the best educational experiences for our pupils within the constraints of the budget given.

Trustees and School Leaders consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching & learning and use by the wider community, e.g. the hall/gym/IT suite. The School is also used as a training venue by West Gloucestershire Schools Partnership (WGSP). A thorough premises report has been discussed with the Board of Trustees that indicate plans for the future especially with the rising population of the local community. Fortunately, we were successful in our CIF bid to allow work to be carried out for replacement roof, however there is still a long way to go, to make our school buildings the best they can be.

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**SEVERNBANKS PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**

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This year has highlighted the need to replace our old outdoor play equipment, which has been achieved through using the sports funding grant and 'little extras' fund along with donations and enterprise money raised at the School.

The School needs to continue to benchmark against other similar schools, this is not always easy as each school has different priorities within their school environment. We need to budget strategically to allow the School to continue thriving in allowing each pupil to develop their individual potential within a safe, caring and stimulating environment.

**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 School 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 Severnbanks Primary School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

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

**The Risk and Control Framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has appointed Mrs Lesa Cooksley to undertake peer to peer internal assurance reviews.

The peer reviewer's role includes giving advice on financial matters and performing a range of checks on the school trust's financial systems and discussing the risk register. Each Trustees meeting, the peer reviewer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

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**SEVERNBANKS PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**

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We confirm that the internal assurance function has been delivered in line with the ESFA's requirements. There have been no material control issues arising from the internal assurance reports so far. Also there is a reciprocal arrangement with another academy primary school to test the systems of internal controls within both schools.

**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 internal and external peer reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;

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 Board of Trustees on 21 November 2019 and signed on their behalf, by:

**R Johnson**  
**Chair of Trustees**



**P Howell**  
**Accounting Officer**



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**SEVERNBANKS PRIMARY SCHOOL**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Severnbanks Primary School I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and noncompliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

**P Howell**  
**Accounting Officer**



Date: 21 November 2019

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**SEVERNBANKS PRIMARY SCHOOL**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 21 November 2019 and signed on its behalf by:



**R Johnson**  
**Chair of Trustees**



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**SEVERNBANKS PRIMARY SCHOOL**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SEVERNBANKS PRIMARY SCHOOL**

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**Opinion**

We have audited the financial statements of Severnbanks Primary School (the 'Academy') for the year ended 31 August 2019 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows 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's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 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'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.

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**SEVERNBANKS PRIMARY SCHOOL**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SEVERNBANKS PRIMARY SCHOOL**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report has 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

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



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**SEVERNBANKS PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SEVERNBANKS PRIMARY SCHOOL**

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

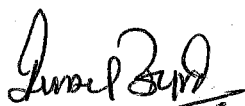
**Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Russel Byrd FCA FCCA (Senior statutory auditor)

for and on behalf of

**Randall & Payne LLP**

Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

Date: 13<sup>th</sup> December 2019

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**SEVERNBANKS PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
SEVERNBANKS PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 2 October 2013 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 Severnbanks Primary School during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Severnbanks 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 Severnbanks 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 Severnbanks Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Severnbanks Primary School's funding agreement with the Secretary of State for Education dated 27 July 2012, 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 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's income and expenditure.

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**SEVERNBANKS PRIMARY SCHOOL**

**(A company limited by guarantee)**

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

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**Conclusion**

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

*Randall & Payne LLP*

**Randall & Payne LLP**

Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

Date: *13<sup>th</sup> December 2019.*

**SEVERNBANKS PRIMARY SCHOOL**  
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>						
Donations and capital grants	2	4,945	1,191	210,424	216,560	112,162
Charitable activities	3	86,660	1,228,871	-	1,315,531	1,222,863
Investments	4	138	-	-	138	77
Other income	5	-	4,080	-	4,080	6,806
<b>Total income</b>		<b>91,743</b>	<b>1,234,142</b>	<b>210,424</b>	<b>1,536,309</b>	<b>1,341,908</b>
<b>Expenditure on:</b>						
Charitable activities		-	1,502,773	146,878	1,649,651	1,512,230
Other expenditure		-	560	-	560	6,213
<b>Total expenditure</b>	8	<b>-</b>	<b>1,503,333</b>	<b>146,878</b>	<b>1,650,211</b>	<b>1,518,443</b>
<b>Net income / (expenditure) before transfers</b>		<b>91,743</b>	<b>(269,191)</b>	<b>63,546</b>	<b>(113,902)</b>	<b>(176,535)</b>
Transfers between Funds	19	(4,713)	266,127	(261,414)	-	(504)
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>87,030</b>	<b>(3,064)</b>	<b>(197,868)</b>	<b>(113,902)</b>	<b>(177,039)</b>
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(349,000)	-	(349,000)	131,000
<b>Net movement in funds</b>		<b>87,030</b>	<b>(352,064)</b>	<b>(197,868)</b>	<b>(462,902)</b>	<b>(46,039)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		43,732	(588,514)	1,151,419	606,637	652,676
<b>Total funds carried forward</b>		<b>130,762</b>	<b>(940,578)</b>	<b>953,551</b>	<b>143,735</b>	<b>606,637</b>

The notes on pages 29 to 50 form part of these financial statements.

**SEVERNBANKS PRIMARY SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08322813**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	16		846,310		1,123,992
<b>Current assets</b>					
Debtors	17	155,887		79,492	
Cash at bank and in hand		195,982		97,279	
		<u>351,869</u>		<u>176,771</u>	
<b>Creditors:</b> amounts falling due within one year	18	(79,444)		(105,126)	
<b>Net current assets</b>			<u>272,425</u>		<u>71,645</u>
<b>Total assets less current liabilities</b>			<u>1,118,735</u>		<u>1,195,637</u>
Defined benefit pension scheme liability	24		(975,000)		(589,000)
<b>Net assets including pension scheme liabilities</b>			<u><u>143,735</u></u>		<u><u>606,637</u></u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	19	34,422		486	
Restricted fixed asset funds	19	953,551		1,151,419	
		<u></u>		<u></u>	
Restricted income funds excluding pension liability		987,973		1,151,905	
Pension reserve		(975,000)		(589,000)	
		<u></u>		<u></u>	
Total restricted income funds			12,973		562,905
Unrestricted income funds	19		130,762		43,732
			<u></u>		<u></u>
<b>Total funds</b>			<u><u>143,735</u></u>		<u><u>606,637</u></u>

The financial statements on pages 26 to 50 were approved by the Trustees, and authorised for issue, on 21 November 2019 and are signed on their behalf, by:

  
**R Johnson**  
**Chair of Trustees**

The notes on pages 29 to 50 form part of these financial statements.

**SEVERNBANKS PRIMARY SCHOOL**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	<b>(242,525)</b>	<b>(97,552)</b>
<b>Cash flows from investing activities:</b>			
Proceeds from the sale of tangible fixed assets		<b>190,000</b>	-
Purchase of tangible fixed assets		<b>(59,196)</b>	<b>(82,619)</b>
Capital grants from DfE Group		<b>210,424</b>	<b>90,258</b>
<b>Net cash provided by investing activities</b>		<b>341,228</b>	<b>7,639</b>
<b>Change in cash and cash equivalents in the year</b>		<b>98,703</b>	<b>(89,913)</b>
Cash and cash equivalents brought forward		<b>97,279</b>	<b>187,192</b>
<b>Cash and cash equivalents carried forward</b>	22	<b>195,982</b>	<b>97,279</b>

The notes on pages 29 to 50 form part of these financial statements.

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**SEVERNBANKS PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**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.

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

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy 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.

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**SEVERNBANKS PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.3 Income**

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

Grants are included in the Statement of financial activities 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 Statement of financial activities incorporating income and expenditure account 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.

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

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

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

**1.4 Expenditure**

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

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

All expenditure is inclusive of irrecoverable VAT.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.5 Turnover**

Turnover comprises revenue recognised by the Academy in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

**1.6 Tangible fixed assets and depreciation**

Assets are capitalised if they are probable, desirable, attractive assets of the school, as well as any assets of the year, exclusive of Value Added Tax and trade discounts.

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, 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

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 property	-	15 Years
Furniture and fixtures	-	6 Years
Motor vehicles	-	5 Years
Computer equipment	-	3 Years

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.

**1.7 Interest receivable**

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

**1.8 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.

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**1. Accounting policies (continued)**

**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 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 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.

**1.12 Financial instruments**

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 17. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. 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 18. 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

**1.13 Taxation**

The Academy 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 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

**1.14 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 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 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

**1.15 Fund accounting**

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

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

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

**2. Income from donations and capital grants**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	4,945	1,191	-	6,136	21,903
Capital Grants	-	-	210,424	210,424	90,259
	<u>4,945</u>	<u>1,191</u>	<u>210,424</u>	<u>216,560</u>	<u>112,162</u>
<i>Total 2018</i>	<u>19,901</u>	<u>2,002</u>	<u>90,258</u>	<u>112,161</u>	

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**3. Funding for Academy's educational operations**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	947,798	947,798	843,610
Pupil Premium	-	129,907	129,907	128,716
Other DfE and ESFA	-	15,654	15,654	14,710
Other Government Revenue Grants	-	76,335	76,335	94,382
Non-Government Revenue Grants	-	53,714	53,714	59,749
Other income	86,660	5,463	92,123	81,696
	<u>86,660</u>	<u>1,228,871</u>	<u>1,315,531</u>	<u>1,222,863</u>
<i>Total 2018</i>	<u>64,444</u>	<u>1,158,419</u>	<u>1,222,863</u>	

**4. Investment income**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	138	-	138	77
	<u>138</u>	<u>-</u>	<u>138</u>	<u>77</u>
<i>Total 2018</i>	<u>77</u>	<u>-</u>	<u>77</u>	

**5. Other trading activities**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Supply Reimbursement	-	4,080	4,080	6,806
	<u>-</u>	<u>4,080</u>	<u>4,080</u>	<u>6,806</u>
<i>Total 2018</i>	<u>-</u>	<u>6,806</u>	<u>6,806</u>	

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**6. Direct costs**

	Educational Operations £	Total 2019 £	Total 2018 £
Staff expenses	3,181	3,181	5,651
Educational supplies	39,276	39,276	44,921
Educational consultancy	12,541	12,541	3,685
Other staff costs	6,687	6,687	23,871
Insurance	8,157	8,157	7,634
Technology costs	-	-	318
Other	7,902	7,902	6,405
Wages and salaries	686,118	686,118	676,504
National insurance	56,500	56,500	50,481
Pension cost	135,543	135,543	134,577
Depreciation	18,958	18,958	22,032
	<u>974,863</u>	<u>974,863</u>	<u>976,079</u>
<i>Total 2018</i>	<u>976,079</u>	<u>976,079</u>	

**7. Support costs**

	Educational Operations £	Total 2019 £	Total 2018 £
Pension costs	17,000	17,000	17,000
Other	20,646	20,646	17,509
Maintenance of premises	215,145	215,145	102,059
Cleaning and caretaking	30,427	30,427	24,006
Rates	4,141	4,141	4,164
Energy	11,646	11,646	13,278
Security	3,311	3,311	2,964
Transport	-	-	(7,800)
Catering	52,995	52,995	36,550
Other premises costs	14,080	14,080	9,279
Legal & professional	31,931	31,931	51,266
Auditor costs	8,390	8,390	8,425
Wages and salaries	89,465	89,465	86,670
National insurance	6,149	6,149	5,883
Pension cost	41,542	41,542	49,001
Depreciation	127,920	127,920	115,898
	<u>674,788</u>	<u>674,788</u>	<u>536,152</u>
<i>Total 2018</i>	<u>536,151</u>	<u>536,151</u>	

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**7. Support costs (continued)**

During the year ended 31 August 2019, the Academy incurred the following support costs:  
£8,390 (2018 - £8,425) included within the table above in respect of governance.

**8. Expenditure**

	Staff costs 2019 £	Premises 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Educational Operations					
Direct costs	878,161	18,958	77,744	974,863	976,079
Support costs	137,155	128,341	409,292	674,788	536,151
	<u>1,015,316</u>	<u>147,299</u>	<u>487,036</u>	<u>1,649,651</u>	<u>1,512,230</u>
Total 2018	<u>1,003,117</u>	<u>137,930</u>	<u>371,183</u>	<u>1,512,230</u>	

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Educational Operations	974,863	674,788	1,649,651	1,302,401
	<u>974,863</u>	<u>674,788</u>	<u>1,649,651</u>	
Total 2018	<u>882,371</u>	<u>420,030</u>	<u>1,302,401</u>	

**10. Net income/(expenditure)**

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	146,878	137,930
Auditors' remuneration - audit	5,850	5,600
Auditors' remuneration - other services	2,540	2,325
Operating lease rentals	6,722	6,722
	<u>151,990</u>	<u>152,577</u>

**11. Auditors' remuneration**

The Auditor's remuneration amounts to an Audit fee of £5,850 (2018 - £5,600), and accountancy and other services of £2,540(2018 - £3,215).

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**12. Staff costs**

**a. Staff costs**

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	769,943	742,230
Social security costs	62,649	56,364
Operating costs of defined benefit pension schemes	177,085	183,578
	<u>1,009,677</u>	<u>982,172</u>
Agency staff costs	5,639	20,945
	<u><u>1,015,316</u></u>	<u><u>1,003,117</u></u>

**b. Staff numbers**

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

	2019 No.	2018 No.
Teachers	11	11
Admin & Support	27	29
Management	6	5
	<u>44</u>	<u>45</u>

Average headcount expressed as a full time equivalent:

Teachers	7	9
Admin & Support	13	12
Management	5	5
	<u>25</u>	<u>26</u>

**c. Higher paid staff**

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

	2019 No.	2018 No.
In the band £80,001 - £90,000	1	1



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**12. Staff costs (continued)**

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2019 pension contributions for this staff member amounted to £11,885 (2018: £11,710).

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the Senior Management team on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £294,948 (2018: £291,260).

**13. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The Principal and other staff Trustees 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 Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2019 £	2018 £
Pamela Howell	Remuneration	70,000-75,000	65,000-70,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Sara Poole	Remuneration	45,000-50,000	40,000-45,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Carol Morgan	Remuneration	40,000-45,000	35,000-40,000
	Pension contributions paid	10,000-15,000	10,000-15,000

During the year ended 31 August 2019, expenses totalling £1,194 (2018 - £1,731) were reimbursed to 3 Trustees (2018 - 3).

**14. Trustees' and Officers' Insurance**

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**15. Other finance income**

	2019 £	2018 £
Interest income on pension scheme assets	25,000	20,000
Interest on pension scheme liabilities	(42,000)	(37,000)
	<u>(17,000)</u>	<u>(17,000)</u>

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**16. Tangible fixed assets**

	Freehold property £	Furniture and fixtures £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2018	1,613,231	65,174	12,101	82,943	1,773,449
Additions	-	56,782	-	2,414	59,196
Disposals	(190,000)	-	-	-	(190,000)
At 31 August 2019	1,423,231	121,956	12,101	85,357	1,642,645
<b>Depreciation</b>					
At 1 September 2018	568,060	25,587	6,560	49,250	649,457
Charge for the year	102,615	22,885	2,420	18,958	146,878
At 31 August 2019	670,675	48,472	8,980	68,208	796,335
<b>Net book value</b>					
At 31 August 2019	752,556	73,484	3,121	17,149	846,310
At 31 August 2018	1,045,171	39,587	5,541	33,693	1,123,992

During the course of the year ended 31 August 2019, the Academy sold freehold property for a value of £190,000 for which they had obtained prior permission.

Included in Land and Buildings is freehold land at valuation £74,000 (2018 - £74,000) which is not depreciated.

**17. Debtors**

	2019 £	2018 £
Trade debtors	5,360	3,363
Other debtors	55,591	23,802
Prepayments and accrued income	94,936	52,327
	<u>155,887</u>	<u>79,492</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	1,520	-
Social security and other taxes	33,168	29,111
Other creditors	150	4,057
Accruals and deferred income	44,606	71,958
	<u>79,444</u>	<u>105,126</u>

	2019 £	2018 £
<b>Deferred income</b>		
Deferred income at 1 September 2018	24,230	49,328
Resources deferred during the year	15,503	24,230
Amounts released from previous years	(24,230)	(49,328)
Deferred income at 31 August 2019	<u>15,503</u>	<u>24,230</u>

The above deferred income at the 31 August 2019 is in relation to Universal Infant Free of £12,746 (2018 - £17,845), PGL of £2,757 (2018 - £2,490) and rates relief of £nil (2018 - £3,895).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**19. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds - all funds	43,732	91,743	-	(4,713)	-	130,762
<b>Restricted funds</b>						
General Annual Grants (GAG)	-	947,798	(1,179,609)	266,127	-	34,316
Private Trip Fund	-	5,463	(5,463)	-	-	-
BHLP	486	-	(380)	-	-	106
Other DfE and ESFA	-	75,528	(75,528)	-	-	-
Other Govt Revenue	-	-	-	-	-	-
Grants	-	70,175	(70,175)	-	-	-
Pupil Premium	-	129,907	(129,907)	-	-	-
Donations	-	1,191	(1,191)	-	-	-
Reimbursements	-	4,080	(4,080)	-	-	-
Pension reserve	(589,000)	-	(37,000)	-	(349,000)	(975,000)
	<u>(588,514)</u>	<u>1,234,142</u>	<u>(1,503,333)</u>	<u>266,127</u>	<u>(349,000)</u>	<u>(940,578)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	1,123,993	-	(146,878)	(130,804)	-	846,311
CIF Income	27,426	-	-	(27,426)	-	-
Sale of School House	-	-	-	73,621	-	73,621
Devolved Formula Capital (DFC)	-	16,294	-	(7,034)	-	9,260
CIF roof and lights	-	194,130	-	(169,771)	-	24,359
	<u>1,151,419</u>	<u>210,424</u>	<u>(146,878)</u>	<u>(261,414)</u>	<u>-</u>	<u>953,551</u>
Total restricted funds	<u>562,905</u>	<u>1,444,566</u>	<u>(1,650,211)</u>	<u>4,713</u>	<u>(349,000)</u>	<u>12,973</u>
Total of funds	<u>606,637</u>	<u>1,536,309</u>	<u>(1,650,211)</u>	<u>-</u>	<u>(349,000)</u>	<u>143,735</u>

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

Restricted GAG Fund, Other DfE/EFA grants & Other Govt grants - This fund represents grants received for the Academy's operational activities and development.

Tuition fees - This is monies that has been paid to attend the nursery.

Private trips fund - This is income from students to pay for educational trips and school activities in the

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**19. Statement of funds (continued)**

future.

Welcome Project Fund - This is income used to provide family support workers across the Lydney network.

Fixed Asset fund - This is the fund value of assets brought into the academy, the appropriate depreciation is being charged to this fund on an annual basis.

Pension reserve - This fund relates solely to the LGPS pension reserve.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

**Statement of funds - prior year**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Funds - all funds	145,333	84,424	(123,000)	(63,024)	-	43,733
<b>Restricted funds</b>						
General Annual Grants (GAG)	-	843,610	(876,032)	32,422	-	-
Private Trip Fund	-	15,276	(15,276)	-	-	-
BHLP Income	246	750	(510)	-	-	486
Other EFA grants	-	14,710	(14,710)	-	-	-
Other Govt grants	-	94,382	(94,382)	-	-	-
Pupil Premium	-	128,716	(128,716)	-	-	-
Other revenue grants	-	59,749	(59,749)	-	-	-
Donations	4,000	2,002	(6,002)	-	-	-
Reimbursements	-	8,031	(8,031)	-	-	-
Pension reserve	(672,000)	-	(48,000)	-	131,000	(589,000)
	(667,754)	1,167,226	(1,251,408)	32,422	131,000	(588,514)
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	1,175,098	-	(137,930)	86,825	-	1,123,993
DfE Capital Grant	-	90,258	(6,105)	(56,727)	-	27,426
	1,175,098	90,258	(144,035)	30,098	-	1,151,419
Total restricted funds	507,344	1,257,484	(1,395,443)	62,520	131,000	562,905
Total of funds	652,677	1,341,908	(1,518,443)	(504)	131,000	606,638

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**20. Analysis of net assets between funds**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	846,309	846,309
Current assets	210,205	34,422	107,242	351,869
Creditors due within one year	(79,443)	-	-	(79,443)
Provisions for liabilities and charges	-	(975,000)	-	(975,000)
	<u>130,762</u>	<u>(940,578)</u>	<u>953,551</u>	<u>143,735</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	3,247	-	1,120,744	1,123,991
Current assets	40,485	105,612	30,675	176,772
Creditors due within one year	-	(105,126)	-	(105,126)
Provisions for liabilities and charges	-	(589,000)	-	(589,000)
	<u>43,732</u>	<u>(588,514)</u>	<u>1,151,419</u>	<u>606,637</u>

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(113,902)	(177,039)
<b>Adjustment for:</b>		
Depreciation charges	146,878	137,930
Increase in debtors	(76,395)	(20,790)
(Decrease)/increase in creditors	(25,682)	4,605
Capital grants from DfE and other capital income	(210,424)	(90,258)
Defined benefit pension scheme finance cost	37,000	48,000
<b>Net cash used in operating activities</b>	<u>(242,525)</u>	<u>(97,552)</u>

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**22. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	195,982	97,279
Total	<u>195,982</u>	<u>97,279</u>

**23. Capital commitments**

At 31 August 2019 the Academy had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	<u>29,514</u>	<u>-</u>

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**24. Pension commitments**

The Academy'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 Hymans Robertson LLP. 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.

Contributions amounting to £10,186 were payable to the schemes at 31 August 2019 (2018 - 10,212) 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.

**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 £78,902 (2018 - £77,588).



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**24. 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](http://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 2019 was £93,000 (2018 - £89,000), of which employer's contributions totalled £78,000 (2018 - £75,000) and employees' contributions totalled £15,000 (2017 - £14,000). The agreed contribution rates for future years are 30.5% for employers and 5.5-7.5% 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:

	2019	2018
Discount rate for scheme liabilities	1.80 %	2.80 %
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:

	2019	2018
Retiring today		
Males	22.4	22.4
Females	24.6	24.6
Retiring in 20 years		
Males	24.0	24.0
Females	26.4	26.4

	At 31 August 2019 £	At 31 August 2018 £
<b>Sensitivity analysis</b>		
Discount rate -0.5%	254,000	183,000
Salary increase rate +0.5%	43,000	35,000
Pension increase rate +0.5%	205,000	145,000

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**24. Pension commitments (continued)**

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

	Fair value at 31 August 2019 £	Fair value at 31 August 2018 £
Equities	657,000	601,000
Bonds	252,000	183,000
Corporate bonds	-	-
Property	81,000	70,000
Cash and other liquid assets	20,000	17,000
Total market value of assets	<u>1,010,000</u>	<u>871,000</u>

The actual return on scheme assets was £24,000 (2018 - £64,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2019 £	2018 £
Current service cost	(98,000)	(106,000)
Interest income	25,000	20,000
Interest cost	(42,000)	(37,000)
Total	<u>(115,000)</u>	<u>(123,000)</u>
Actual return on scheme assets	<u>24,000</u>	<u>24,000</u>

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

	2019 £	2018 £
Opening defined benefit obligation	1,460,000	1,422,000
Current service cost	98,000	106,000
Interest cost	42,000	37,000
Employee contributions	15,000	14,000
Actuarial losses/(gains)	383,000	(107,000)
Benefits paid	(13,000)	(12,000)
Closing defined benefit obligation	<u>1,985,000</u>	<u>1,460,000</u>

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**24. Pension commitments (continued)**

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

	2019 £	2018 £
Opening fair value of scheme assets	871,000	750,000
Interest income	25,000	20,000
Actuarial losses	34,000	24,000
Employer contributions	78,000	75,000
Employee contributions	15,000	14,000
Benefits paid	(13,000)	(12,000)
	<u>1,010,000</u>	<u>871,000</u>
Closing fair value of scheme assets	<u>1,010,000</u>	<u>871,000</u>

**25. Operating lease commitments**

At 31 August 2019 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
<b>Amounts payable:</b>		
Within 1 year	6,722	6,722
Between 1 and 5 years	8,103	14,825
	<u>14,825</u>	<u>21,547</u>
Total	<u>14,825</u>	<u>21,547</u>

**26. 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**27. Related party transactions**

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

**Expenditure Related Party Transactions**

Wayne Howell, husband of Pam Howell, head teacher and trustee, commenced employment with the academy during the year ended 31 August 2018. This appointment was made in open competition and Pam Howell was not involved in the decision making process regarding appointment. Wayne Howell is paid an hourly rate based on timesheets submitted and this contract is based on standard terms available to all employees on an hourly support contract. Payments totalling £745 were made to Mr Howell during the year ended 31 August 2019.

Kirstie McQueen-Oliver, spouse of Scott Bowen who was appointed as trustee in March 2018, is employed by the academy as a teacher and was employed by the academy prior to Mr Bowen's appointment as trustee. Kirstie McQueen-Oliver is employed on a standard teaching contract in line with all teaching staff with a contracted gross salary of £25,343.