

Company Registration Number: 09801986 (England and Wales)

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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**LENT RISE SCHOOL**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**Members**

Ms Gillian Bonette-Wade  
Dr Andrew Gillespie  
Mrs Margaret Young  
Mr William Stringer  
Mr Richard Holliday

**Trustees**

Mrs Margaret Young, Chair of Trustees  
Mrs Catherine Beaton  
Mr Matthew Farr (resigned 31 August 2017)  
Mrs Judith Foster (resigned 2 February 2017)  
Mrs Carolyn Price (resigned 31 August 2017)  
Mr Fabian Saberimuttu (resigned 10 March 2017)  
Mr William Stringer  
Dr Bernadette Sweeney  
Mrs Jillian Watson  
Mrs Nalini Milligan  
Mr Peter Stride (appointed 13 June 2017)  
Mrs Eleanor Joyce (appointed 31 January 2017)

**Company registered number**

09801986

**Company name**

Lent Rise School

**Principal and registered office**

Coulson Way  
Burnham  
Slough  
SL1 7NP

**Company secretary**

Brian Twomey

**Senior management team**

Jill Watson, Head  
Robert Jenkins, Assistant Head  
Carol Wilson, Deputy Head

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Advisers (continued)**

**Independent auditors**

Landau Baker Limited  
Chartered Accountants  
Statutory Auditors  
Mountcliff House  
154 Brent Street  
London  
NW4 2DR

**Bankers**

Lloyds Bank  
123 High Street  
Slough  
SL1 1DH

**Solicitors**

Stone King Boundary House  
91 Charterhouse Street  
London  
EC1M 6HR

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area of Lent Rise, Burnham. It has a PAN of 420 and due to admission of a bulge class in September 2015 currently had 449 on the roll on the census on 5th October 2017.

### **Objectives and Activities**

#### **Objects and aims**

The principal object and activity of the academy is the operation Lent Rise School to provide a broad and balanced education for pupils of all abilities in the Lent Rise Catchment area. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that Lent Rise School will be at the heart of their community promoting community cohesion and sharing facilities; the basis for admitting students to the school, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN.

#### **Objectives, strategies and activities**

The Trustees Vision:

The Trustees regularly review their vision for the school which on it's last review in March 2016 was:  
To create and sustain an outstanding school through strategic leadership.

Lent Rise School continually undertakes self evaluation to identify objectives. These are included in the development plan which is designed to support the Lent Rise School's vision.

Lent Rise School's vision:

- All pupils to achieve their full potential
- High expectations for all pupils and staff
- All pupils to achieve expected levels of progress with many exceeding expectations
- All teaching to be good or better, leading to outstanding learning and progress
- All pupils to feel safe and to exhibit good behaviour supporting good learning and attitudes
- All pupils to receive an enriched curriculum, including the inspirational use of ICT, to inspire a love of learning and to develop children as confident and well rounded individuals

To achieve this vision we exercise the following morals and values:

- Happy, Safe, Healthy
- Respect
- Tolerance
- Friendship
- Care
- Responsibility

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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- Trust
- Citizenship
- Resilience

**Public benefit**

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

Supporting the local food bank during our annual harvest collection period

Providing opportunity of community groups to use our Parent Partnership room

Providing sports leadership programmes

Welcoming work experience students from local secondary school and FE colleges

Raising money for local, national and international charities

Providing community events

Providing business enterprise opportunities

**Strategic Report**

**Achievements and Performance**

The 2017 Key Stage 2 assessments are the second which assess the new, more challenging national curriculum which was introduced in 2014. New tests and interim frameworks for teacher assessment have been introduced to reflect the revised curriculum. Results are no longer reported as levels, and each pupil will now receive their test results as a scaled score and teacher assessments based on the standards in the interim framework.

Because of these changes, figures for 2016 and 2017 are not comparable to those for earlier years. The expectations for the pupils at the end of Key Stage 2 have been raised. Given the differences in the curriculum and assessments, levels are not comparable with scaled scores or teacher assessment outcomes.

The number of eligible pupils is 59

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Test Results**

The table below show the positive increase in SATS scores and pupil progress from 2016 to 2017 and the school's results compared to National figures

KS2 SATS APS	Reading (test)		Reading National	GPS		GPS National	Maths (test)		Maths National 2017
	2016	2017	2017	2016	2017	2017	2016	2017	2017
All pupils	103.8	106	103	104	107	104	102.4	105	104

KS2 SATS PROGRESS	Reading (test)		Writing (teacher assessment)		Maths (test)	
	2016	2017	2016	2017	2016	2017
All pupils	+0.67	+ 0.9	+0.10	+0.5	-0.87	+0.8

KS2 SATS Combined Scores	2016	2017	Greater Depth 2016	Greater Depth 2017	National 2016	National 2017
All pupils	56.7%	71%	5%	8.5%	53%	61%

Key Stage One SATs results:

Phonics Screening Results:

KS1 SATS	Reading			Writing			Maths		
Number of pupils (60)	Combined	Above	National (2016)	Combined	Above	National (2016)	Combined	Above	National (2016)
All pupils	78%	27%	74%	55%	12%	65%	80%	18%	73%

Y1 phonics	Met threshold 2016	National	Met threshold 2017	National
All pupils (89)	78%	81%	87%	81%

**Going concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that Lent Rise School 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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Financial review**

During the period, ESFA/LA grants received totalled to £1,705,430. Other income included within restricted funds totalled to £10,070. Restricted fund expenditure totalled to £1,719,979.

The main source of unrestricted income is from fundraising activities totaling £83,195. Fundraising activities during the period included school trip income, breakfast club income and after school club.

Most of the Academy's income is obtained from the Education and Skills Funding Agency (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 2017 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

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

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

Following conversion to academy status, the Academy appointed a Finance Office with a Certified Accountancy qualification with a background in financial reporting and audit. The Finance Officer has subsequently been reviewing the financial processes and controls and one of the changes accounting to improve reporting the reporting to the finance committee. The Governors through the Finance Committee and Head Teacher receive financial progress reports throughout the year and compare against budgets submitted to the Education Funding Agency. The Finance Committee also review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the aims of the Academy.

**Reserves policy**

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- o permanent endowment funds
- o expendable endowment funds
- o restricted income funds
- o any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees'



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**TRUSTEES' REPORT (continued)**  
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discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each finance committee meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £123,069. This balance includes unrestricted funds (free reserves) of £73,774, which is considered appropriate for the Academy Trust, and restricted funds of £49,295.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy recognises a significant pension fund deficit totaling to £676,000. This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

### **Principal risks and uncertainties**

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2017.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**Investment policy**

It should be noted that the Academy has substantial power with regards to investments due to cash balances held. Investment policies are determined by the Governing Body. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Academy to additional risk. Should any potential investment opportunity arise this would be escalated to the Governing Body for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2017, no investments were held.

**Structure, governance and management**

**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association 30th September 2015 are the primary governing documents of the academy trust. The trustees of Lent Rise Academy School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lent Rise School.

Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

**Members' liability**

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

**Trustees' indemnities**

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

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

The management of the academy is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association and funding agreement as follows:

- o The Head Teacher
- o Up to 2 parent trustees, elected by the parents
- o Up to 13 Co Opted Trustees, appointed by the members
- o Up to 2 staff trustees appointed by the members, provided that the maximum number of staff trustees does not exceed one third of the total number of trustees

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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- o Any trustees appointed by the Secretary of State for Education

The term of office for any trustee is 4 years. The Head Teacher's term of office runs parallel with her term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re elected.

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

During the period under review, the governors held 3 full governing body meetings. In addition there were regular meetings covering finance (includes audit), standards, health and safety, premises, pay and personnel, chairman and pastoral (includes admissions). The training and induction provided for new governors will depend on their experience. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new governors are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy. Governors visit the school regularly during the school day, usually with a focus to report on eg. SENCO .

All trustees complete Governor induction training.

**Arrangement for setting pay and remuneration of key management personnel**

The School operated a performance management review annually for each staff member. The pay structure and revision to pay grades are laid out in the school Pay Policy. All material changes to pay must be agreed by the pay and personal committee.

**Organisational structure**

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

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

The Head Teacher assumes the accounting officer role and the finance officer acts a company secretary.

**Related Parties and other Connected Charities and Organisations**

The academy is the founding member of the Lent Rise School which is a separate Trust where Lent Rise School is the only member. The Trust undertakes educational support activities.

**Plans for future periods**

The academy will continue to strive to enhance attainment and progress of all pupils and to equipment them for their future lives.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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Lent Rise School is working with Bucks County Council to provide facilities to accommodate an additional bulge class (taken intake Sept 2015) and for the duration of the additional pupils to be education at Lent Rise School.

The Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan, for which we will be applying for capital grants from the Department of Education, EFA and ACMF. Over the coming year priority will be given to general improvements and long term improvement to the infrastructure as recommended in the Site conditions Survey prepared by external advisors in conjunction with school staff (i.e. the resurfacing of the playground area).

**Funds Held as Custodian Trustee on Behalf of Others**

The Academy trustees did not act as custodian trustee during the current or previous period.

**Auditor**

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.

Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2017 and signed on its behalf by:

**Margaret Young**  
**Chair of Trustees**



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**GOVERNANCE STATEMENT**

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### **Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Lent Rise 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lent Rise 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 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Margaret Young, Chair of Trustees	3	3
Mrs Catherine Beaton	1	3
Mr Matthew Farr	3	3
Mrs Judith Foster	1	1
Mrs Carolyn Price	3	3
Mr Fabian Saberimuttu	0	1
Mr William Stringer	2	3
Dr Bernadette Sweeney	3	3
Mrs Jillian Watson	3	3
Mrs Nalini Milligan	2	3
Mrs Eleanor Joyce	2	2

Governors typically also serve on a number of other sub committees, as set out on the school website.

The impact of each Governing Body Committee is reviewed and on a termly basis. The Governing body uses self evaluation model which is reviews regularly and a formal review and strategy day was held in March 2017.

Key findings were noted with regards to internal controls and good management practice, actions taken and their impact are noted below:

A school purchase card would enhance the ability of the school to make purchases with additional suppliers without the staff having to use their own funds and be reimbursed subsequently. This was actioned in the autumn term.

Any VAT on meals taken by staff members from the catering suppliers to the school must not be claimed. This has now been actioned.

The school appointment a temporary Deputy Head, following 3 recruitment rounds for a permanent Deputy Headteacher.

The finance committee, which includes the audit committee function, is a sub-committee of the main board of trustees. Its purpose is to make sure that the Academy is following the EFA's financial regulations.

No significant issues to note were dealt with during the period.

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**GOVERNANCE STATEMENT (continued)**

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Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr William Stringer (Chair)	5	5
Mrs Jillian Watson	5	5
Mrs Judith Foster	2	2
Mr Fabian Saberimuttu	0	4
Mr Matthew Farr	4	5

The audit committee purpose is to:

- o monitor the integrity of the financial statements;
- o review internal financial controls and review the Academy's internal control and risk management systems;
- o make recommendations to the Governing Body in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor; and
- o review the auditor's independence and objectivity.

No significant issues to note were dealt with during the period.

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

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

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

- o Review of Staff Structure
- o New insurance policy
- o New Cleaning contract
- o Photocopier contracts
- o Introduction of Breakfast and Afterschool care clubs

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Lent Rise School for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is

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**GOVERNANCE STATEMENT (continued)**

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of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Landau Baker Limited, the external auditors, to perform additional checks. In particular the checks carried out in the current period included:

- o testing of payroll systems
- o testing of purchase systems
- o testing of control account/bank reconciliation

On a twice yearly basis, Landau Baker will be appointed to the Board of Trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Board can confirm that Landau Baker has delivered their schedule of work as planned, provided details of any material control issues arising as a result of their work in the period at the pre audit visit in May 2017. During the current and previous period, there were no material control issues noted and thus no remedial action was required to be taken.

**Review of Effectiveness**

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

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

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**GOVERNANCE STATEMENT (continued)**

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

Approved by order of the members of the board of trustees on 7 December 2017 and signed on their behalf, by:

**Margaret Young**  
**Chair of Trustees**



**Jill Watson**  
**Accounting Officer**





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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Lent Rise School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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 non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



**Jill Watson**  
**Accounting Officer**

Date: 7 December 2017

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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The Trustees (who act as governors of Lent Rise School and 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

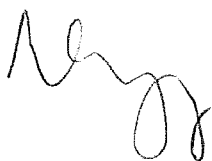
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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 7 December 2017 and signed on its behalf by:

**Margaret Young**  
**Chair of Trustees**



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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LENT RISE SCHOOL**

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### **Opinion**

We have audited the financial statements of Lent Rise School for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy 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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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LENT RISE 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 Auditor's report thereon. Our opinion on the financial statements does not cover the 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 for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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.

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' remunerations specified by law 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.

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's or to cease operations,

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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LENT RISE SCHOOL**

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or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

*Mike for Landau Baker Limited*

Michael Durst (Senior Statutory Auditor)

for and on behalf of

**Landau Baker Limited**

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London  
NW4 2DR  
7 December 2017

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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LENT RISE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 22 July 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lent Rise School during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Lent Rise School's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Lent Rise School's funding agreement with the Secretary of State for Education dated 1 November 2015, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and verification of evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Review of the Academy Trust's internal control procedures, specifically in respect to regularity, propriety and compliance.
- Focussed testing, driven by our audit of the financial statements, principally checking that:
  - o Grant income received has been expensed on prescribed expenditure; and
  - o Expenditure has been appropriately authorised in accordance with the procedures outlined in the

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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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

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- Academy Trust's financial procedures manual.
- Discussions and written representations from the Accounting Officer and other key management personnel (where applicable).

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

*Landau Baker Limited*

Reporting Accountant

**Landau Baker Limited**

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London  
NW4 2DR

7 December 2017

**LENT RISE SCHOOL**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>Income from:</b>						
Donations and capital grants	2	14,668	10,070	1,227,170	1,251,908	4,931,138
Charitable activities	3	-	1,705,430	-	1,705,430	1,310,264
Other trading activities	4	55,100	28,095	-	83,195	39,707
Investments	5	170	-	-	170	144
<b>Total income</b>		<b>69,938</b>	<b>1,743,595</b>	<b>1,227,170</b>	<b>3,040,703</b>	<b>6,281,253</b>
<b>Expenditure on:</b>						
Raising funds		13,517	31,166	-	44,683	33,953
Charitable activities		-	1,799,979	43,341	1,843,320	1,384,376
<b>Total expenditure</b>	6	<b>13,517</b>	<b>1,831,145</b>	<b>43,341</b>	<b>1,888,003</b>	<b>1,418,329</b>
<b>Net income / (expenditure) before other recognised gains and losses</b>						
		56,421	(87,550)	1,183,829	1,152,700	4,862,924
Actuarial gains/(losses) on defined benefit pension schemes	23	-	91,000	-	91,000	(581,000)
<b>Net movement in funds</b>		<b>56,421</b>	<b>3,450</b>	<b>1,183,829</b>	<b>1,243,700</b>	<b>4,281,924</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		20,424	(633,226)	4,894,726	4,281,924	-
<b>Total funds carried forward</b>		<b>76,845</b>	<b>(629,776)</b>	<b>6,078,555</b>	<b>5,525,624</b>	<b>4,281,924</b>



**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09801986**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Intangible assets	15		-		3,306
Tangible assets	16		6,078,488		4,891,420
			<u>6,078,488</u>		<u>4,894,726</u>
<b>Current assets</b>					
Debtors	17	33,685		34,831	
Cash at bank and in hand		222,924		156,841	
		<u>256,609</u>		<u>191,672</u>	
<b>Creditors:</b> amounts falling due within one year	18	(133,473)		(117,474)	
<b>Net current assets</b>			<u>123,136</u>		<u>74,198</u>
<b>Total assets less current liabilities</b>			<u>6,201,624</u>		<u>4,968,924</u>
Defined benefit pension scheme liability	23		(676,000)		(687,000)
<b>Net assets including pension scheme liabilities</b>			<u><u>5,525,624</u></u>		<u><u>4,281,924</u></u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	19	46,224		53,774	
Restricted fixed asset funds	19	6,078,555		4,894,726	
Restricted income funds excluding pension liability		6,124,779		4,948,500	
Pension reserve		<u>(676,000)</u>		<u>(687,000)</u>	
Total restricted income funds			<u>5,448,779</u>		<u>4,261,500</u>
Unrestricted income funds	19		<u>76,845</u>		<u>20,424</u>
<b>Total funds</b>			<u><u>5,525,624</u></u>		<u><u>4,281,924</u></u>

The financial statements on pages 22 to 44 were approved by the Trustees, and authorised for issue, on 7 December 2017 and are signed on their behalf, by:

  
**Margaret Young**  
**Chair of Trustees**

**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	66,016	171,474
<b>Cash flows from investing activities:</b>			
Purchase of intangible fixed assets		-	(5,825)
Purchase of tangible fixed assets		(1,227,103)	(17,510)
Capital grants from DfE/ESFA		1,227,170	8,702
<b>Net cash provided by/(used in) investing activities</b>		67	(14,633)
<b>Change in cash and cash equivalents in the year</b>		66,083	156,841
Cash and cash equivalents brought forward		156,841	-
<b>Cash and cash equivalents carried forward</b>	22	222,924	156,841

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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. Accounting Policies**

**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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Lent Rise 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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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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

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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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. Accounting Policies (continued)**

**1.5 Intangible fixed assets and amortisation**

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Long-term leasehold property	-	125 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 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.

**1.8 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.

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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. Accounting Policies (continued)**

**1.9 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.

**1.10 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.

**1.11 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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**LENT RISE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. Accounting Policies (continued)**

**1.12 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 23, 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.

**1.13 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 the Department for Education 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 and include grants from the Department for Education.

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

**LENT RISE SCHOOL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**1. Accounting Policies (continued)**

**1.14 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 23, 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 August 2017 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	14,668	10,070	1,218,152	1,242,890	14,686
Gifted from predecessor school	-	-	-	-	4,907,750
Capital Grants	-	-	9,018	9,018	8,702
	<u>14,668</u>	<u>10,070</u>	<u>1,227,170</u>	<u>1,251,908</u>	<u>4,931,138</u>
<i>Total 2016</i>	<u>14,526</u>	<u>20,910</u>	<u>4,895,702</u>	<u>4,931,138</u>	



**LENT RISE SCHOOL**  
(A Company Limited by Guarantee)

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

**Lent Rise School**

	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>DfE/ESFA grants</b>			
General annual grant	1,531,300	1,531,300	1,236,093
Pupil premium	70,175	70,175	28,100
Other ESFA income	63,341	63,341	37,588
	<u>1,664,816</u>	<u>1,664,816</u>	<u>1,301,781</u>
<b>Other government grants</b>			
Local authority grants	17,073	17,073	-
Other government grants	9,780	9,780	-
SEN income	13,761	13,761	8,483
	<u>40,614</u>	<u>40,614</u>	<u>8,483</u>
	<u>1,705,430</u>	<u>1,705,430</u>	<u>1,310,264</u>
<i>Total 2016</i>	<u>1,310,264</u>	<u>1,310,264</u>	

**4. Other trading activities**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Trips Income	-	28,095	28,095	30,070
Lettings Income	1,843	-	1,843	1,497
Other Income	53,257	-	53,257	8,140
	<u>55,100</u>	<u>28,095</u>	<u>83,195</u>	<u>39,707</u>
<i>Total 2016</i>	<u>9,637</u>	<u>30,070</u>	<u>39,707</u>	

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**5. Investment income**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income	170	-	170	144
<i>Total 2016</i>	<i>144</i>	<i>-</i>	<i>144</i>	

**6. Expenditure**

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Raising funds	-	-	44,683	44,683	33,953
Educational Activities:					
Direct costs	911,526	-	166,047	1,077,573	883,553
Support costs	504,419	41,366	219,962	765,747	500,823
	<b>1,415,945</b>	<b>41,366</b>	<b>430,692</b>	<b>1,888,003</b>	<b>1,418,329</b>
<i>Total 2016</i>	<i>1,068,862</i>	<i>37,720</i>	<i>311,747</i>	<i>1,418,329</i>	

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Educational Activities	1,077,573	765,747	1,843,320	1,418,329
<i>Total 2016</i>	<i>917,506</i>	<i>500,823</i>	<i>1,418,329</i>	

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**8. Direct costs**

	Educational Activities £	Total 2017 £	Total 2016 £
Teaching supply costs	105,852	105,852	41,051
Technology costs	29,567	29,567	18,249
Educational supplies	61,455	61,455	52,998
Training and development	19,038	19,038	14,660
Educational consultancy	13,539	13,539	10,020
Other direct costs	42,448	42,448	34,759
Wages and salaries	639,679	639,679	571,347
National insurance	65,257	65,257	48,535
Pension cost	100,738	100,738	91,934
	<u>1,077,573</u>	<u>1,077,573</u>	<u>883,553</u>
<i>At 31 August 2016</i>	<u>883,553</u>	<u>883,553</u>	

**9. Support costs**

	Educational Activities £	Total 2017 £	Total 2016 £
Pension finance costs	14,000	14,000	9,000
Maintenance of premises and equipment	41,366	41,366	37,720
Cleaning	28,085	28,085	21,306
Rent and rates	8,942	8,942	10,354
Energy costs	15,651	15,651	11,604
Insurance	21,494	21,494	9,073
Catering	56,677	56,677	54,682
Other support costs	25,289	25,289	7,630
Governance costs	6,483	6,483	7,850
Wages and salaries	344,842	344,842	249,440
National insurance	18,578	18,578	9,749
Pension cost	140,999	140,999	56,806
Depreciation	43,341	43,341	15,609
	<u>765,747</u>	<u>765,747</u>	<u>500,823</u>
<i>At 31 August 2016</i>	<u>500,823</u>	<u>500,823</u>	

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

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	40,035	13,090
Amortisation of intangible fixed assets	3,306	2,519
Auditors' remuneration - audit	4,000	4,000
Auditors' remuneration - other services	2,470	3,850
	<u>49,811</u>	<u>23,459</u>

**11. Staff costs**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	984,521	820,787
Social security costs	83,835	58,284
Operating costs of defined benefit pension schemes	241,737	148,740
	<u>1,310,093</u>	<u>1,027,811</u>
Supply teacher costs	105,852	41,051
	<u>1,415,945</u>	<u>1,068,862</u>

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

	2017 No.	2016 No.
Management	3	3
Teaching	19	20
Support	17	17
	<u>39</u>	<u>40</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	0

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £189,576 (2016: £198,696) during the period.

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FOR THE YEAR ENDED 31 AUGUST 2017**

**12. Related Party Transactions- Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and 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:

		2017 £	2016 £
Jill Watson	Remuneration	80,000-85,000	65,000-70,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Katie Penney	Remuneration	NIL	50,000-55,000
	Pension contributions paid	NIL	5,000-10,000
Carolyn Price	Remuneration	10,000-15,000	10,000-15,000
	Pension contributions paid	0-5,000	0-5,000

During the year ended 31 August 2017, expenses totalling £144 (2016 - £847) were reimbursed to 2 Trustees (2016 - 3).

**13. 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.

**14. Pension finance costs**

	2017 £	2016 £
Interest income on pension scheme assets	(23,000)	(21,000)
Interest on pension scheme liabilities	9,000	12,000
	<u>(14,000)</u>	<u>(9,000)</u>

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**15. Intangible fixed assets**

	Software Licence £
<b>Cost</b>	
At 1 September 2016 and 31 August 2017	5,825
<b>Amortisation</b>	
At 1 September 2016	2,519
Charge for the year	3,306
At 31 August 2017	5,825
<b>Carrying amount</b>	
At 31 August 2017	-
At 31 August 2016	3,306

**16. Tangible fixed assets**

	Long-term leasehold property £	Computer equipment £	Total £
<b>Cost</b>			
At 1 September 2016	4,887,000	17,510	4,904,510
Additions	1,218,152	8,951	1,227,103
At 31 August 2017	6,105,152	26,461	6,131,613
<b>Depreciation</b>			
At 1 September 2016	11,251	1,839	13,090
Charge for the year	32,157	7,878	40,035
At 31 August 2017	43,408	9,717	53,125
<b>Net book value</b>			
At 31 August 2017	6,061,744	16,744	6,078,488
At 31 August 2016	4,875,749	15,671	4,891,420

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**17. Debtors**

	2017 £	2016 £
Other debtors	2,558	14,865
Prepayments and accrued income	31,127	19,966
	<u>33,685</u>	<u>34,831</u>

**18. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	12,651	5,258
Other taxation and social security	44,604	42,663
Other creditors	-	1,134
Accruals and deferred income	76,218	68,419
	<u>133,473</u>	<u>117,474</u>

	2017 £	2016 £
<b>Deferred income</b>		
Deferred income at 1 September 2016	39,767	-
Resources deferred during the year	40,150	39,767
Amounts released from previous years	(39,767)	-
Deferred income at 31 August 2017	<u>40,150</u>	<u>39,767</u>

At the balance sheet date the academy trust was holding funds received in advance for ESFA Grants of £40,150 (2016: £39,767) relating to UIFSM.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Statement of funds**

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>Unrestricted funds</b>					
General Funds - all funds	20,424	69,938	(13,517)	-	76,845
<b>Restricted funds</b>					
Restricted Funds - all funds	53,774	1,743,595	(1,751,145)	-	46,224
Pension reserve	(687,000)	-	(80,000)	91,000	(676,000)
	<u>(633,226)</u>	<u>1,743,595</u>	<u>(1,831,145)</u>	<u>91,000</u>	<u>(629,776)</u>
<b>Restricted fixed assets fund</b>					
Restricted Fixed Asset Funds - all funds	4,894,726	1,227,170	(43,341)	-	6,078,555
Total restricted funds	<u>4,261,500</u>	<u>2,970,765</u>	<u>(1,874,486)</u>	<u>91,000</u>	<u>5,448,779</u>
Total of funds	<u><u>4,281,924</u></u>	<u><u>3,040,703</u></u>	<u><u>(1,888,003)</u></u>	<u><u>91,000</u></u>	<u><u>5,525,624</u></u>

**Statement of funds - prior year**

	Balance at 1 November 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2016 £
<b>Unrestricted funds</b>					
General Funds - all funds	-	54,377	(33,953)	-	20,424
	<u>-</u>	<u>54,377</u>	<u>(33,953)</u>	<u>-</u>	<u>20,424</u>
<b>Restricted funds</b>					
Restricted Funds - all funds	-	1,443,174	(1,389,400)	-	53,774
Pension reserve	-	(112,000)	6,000	(581,000)	(687,000)
	<u>-</u>	<u>1,331,174</u>	<u>(1,383,400)</u>	<u>(581,000)</u>	<u>(633,226)</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Statement of funds (continued)**

**Restricted fixed assets fund**

Restricted Fixed Asset Funds - all funds	-	4,895,702	(976)	-	4,894,726
	-	4,895,702	(976)	-	4,894,726
Total restricted funds	-	6,226,876	(1,384,376)	(581,000)	4,261,500
Total of funds	-	6,281,253	(1,418,329)	(581,000)	4,281,924

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

Unrestricted 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 general funds are resources for educational purposes.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes.

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 2017.

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	6,078,488	6,078,488
Current assets	76,845	179,697	67	256,609
Creditors due within one year	-	(133,473)	-	(133,473)
Provisions for liabilities and charges	-	(676,000)	-	(676,000)
	76,845	(629,776)	6,078,555	5,525,624

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**20. Analysis of net assets between funds (continued)**

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

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2016</i>	<i>2016</i>	<i>2016</i>	<i>2016</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Intangible fixed assets	-	-	3,306	3,306
Tangible fixed assets	-	-	4,891,420	4,891,420
Current assets	20,424	171,248	-	191,672
Creditors due within one year	-	(117,474)	-	(117,474)
Provisions for liabilities and charges	-	(687,000)	-	(687,000)
	<u>20,424</u>	<u>(633,226)</u>	<u>4,894,726</u>	<u>4,281,924</u>

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

	<i>2017</i>	<i>2016</i>
	<i>£</i>	<i>£</i>
Net income for the year (as per Statement of Financial Activities)	<b>1,152,700</b>	4,862,924
<b>Adjustment for:</b>		
Depreciation charges	<b>43,340</b>	15,609
Assets gifted by predecessor school	-	(4,887,000)
Decrease/(increase) in debtors	<b>1,147</b>	(34,831)
Increase in creditors	<b>15,999</b>	117,474
Capital grants from DfE and other capital income	<b>(1,227,170)</b>	(8,702)
Defined benefit pension scheme obligation inherited	-	90,000
Defined benefit pension scheme cost less contributions payable	<b>66,000</b>	7,000
Defined benefit pension scheme finance cost	<b>14,000</b>	9,000
<b>Net cash provided by operating activities</b>	<u><b>66,016</b></u>	<u>171,474</u>

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

	<i>2017</i>	<i>2016</i>
	<i>£</i>	<i>£</i>
Cash in hand	<b>222,924</b>	156,841
<b>Total</b>	<u><b>222,924</b></u>	<u>156,841</u>

**23. 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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Pension commitments (continued)**

(LGPS) for non-teaching staff, which is managed by Buckinghamshire County Council Pension Fund. 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 August 2017.

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

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- 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%.

During the previous year the employer contribution rate was 14.1%. 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 £93,814 (2016 - £88,723).

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

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**23. Pension commitments (continued)**

([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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £93,000 (2016 - £66,000), of which employer's contributions totalled £74,000 (2016 - £53,000) and employees' contributions totalled £19,000 (2016 - £13,000). The agreed contribution rates for future years are 22.8% for employers and between 5.5%-12.5% depending on staff pensionable pay 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.  
 Buckinghamshire County Council Local Government Pension Scheme

Principal actuarial assumptions:

	<b>2017</b>	<i>2016</i>
Discount rate for scheme liabilities	<b>2.60 %</b>	<i>2.20 %</i>
Rate of increase in salaries	<b>4.20 %</b>	<i>4.10 %</i>
Rate of increase for pensions in payment / inflation	<b>2.70 %</b>	<i>2.30 %</i>

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

	<b>2017</b>	<i>2016</i>
Retiring today		
Males	<b>23.9</b>	<i>23.8</i>
Females	<b>26.0</b>	<i>26.2</i>
Retiring in 20 years		
Males	<b>26.2</b>	<i>26.1</i>
Females	<b>28.3</b>	<i>28.5</i>

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**23. Pension commitments (continued)**

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	287,000	196,000
Debt instruments	116,000	90,000
Property	38,000	29,000
Cash	18,000	12,000
Other	55,000	31,000
	<u>514,000</u>	<u>358,000</u>
Total market value of assets	<u>514,000</u>	<u>358,000</u>

The actual return on scheme assets was £51,000 (2016 - £41,000).

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

	2017 £	2016 £
Current service cost	(140,000)	(58,000)
Interest income	(23,000)	(21,000)
Interest cost	9,000	12,000
Admin expenses	-	(2,000)
	<u>(154,000)</u>	<u>(69,000)</u>
Total	<u>(154,000)</u>	<u>(69,000)</u>
Actual return on scheme assets	<u>51,000</u>	<u>41,000</u>

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

	2017 £	2016 £
Opening defined benefit obligation	1,045,000	-
Upon conversion	-	344,000
Current service cost	140,000	58,000
Interest cost	23,000	19,000
Employee contributions	19,000	13,000
Actuarial (gains)/losses	(37,000)	612,000
Benefits paid	-	(1,000)
	<u>1,190,000</u>	<u>1,045,000</u>
Closing defined benefit obligation	<u>1,190,000</u>	<u>1,045,000</u>

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**23. Pension commitments (continued)**

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

	2017 £	2016 £
Opening fair value of scheme assets	358,000	-
Upon conversion	-	254,000
Interest income	9,000	10,000
Actuarial losses	54,000	31,000
Employer contributions	74,000	53,000
Employee contributions	19,000	13,000
Benefits paid	-	(1,000)
Administrative expenses	-	(2,000)
Closing fair value of scheme assets	<u>514,000</u>	<u>358,000</u>

**24. Members' liability**

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

**25. Related party transactions**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

No related party transactions took place during the period, other than certain trustees' remuneration and expenses already disclosed in note 12.