
ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/GOVERNORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members

Vicar General
Diocesan Financial Secretary
Chair of Governors

Governors

Izabela Bialas-Lecybyl, Chair
Christina Alexander, Vice Chair
Francis Akhigbe
Marina Armstrong (resigned 1 September 2018)
Roseline Chandler (resigned 1 August 2018)
Philip Dowling (resigned 31 October 2018)
Kirsty Everson
Reverend Cyriacus Okafor
Stephen Gregory Trimmer (appointed 16 November 2018)
Joanna Seymour, Principal
Ronnie Silva (resigned 23 November 2018)
Jenny Smith
Matthew Forsythe
Tracy Baines

Company registered number

08938098

Company name

St Peter and St Paul Catholic Primary Academy

Principal and registered office

St Paul's Wood Hill, Orpington, Kent, BR5 2SR

Company secretary

Ian Partington

Senior management team

Joanna Seymour, Principal
Kirsty Everson, Vice Principal - Assessment
Ria Henry, Vice Principal - Teaching and Learning

Independent auditor

Knill James, One Bell Lane, Lewes, East Sussex, BN7 1JU

Bankers

Lloyds Bank Plc, High Street, Orpington, Kent, BR6 0LJ

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Solicitors

Stone King, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

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

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of St Peter and St Paul Catholic Primary Academy, an Academy Trust, are also the directors of the charitable company for the purposes of company law and they are Governors of the Academy. The Academy Trust was incorporated as a company on 31 July 2014 and the predecessor school converted to Academy status on 1 August 2014. The charitable company is known as St Peter and St Paul Catholic Primary Academy.

Details of the Governors who served during the are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Related parties and other connected charities and organisations

The Academy Trust is a member of the Bromley Catholic Schools' Trust, an Umbrella Trust which includes each of the Catholic Primary Academies in the London Borough of Bromley. The Umbrella Trust has limited liability and St Peter and St Paul's liability is limited to £10. The Umbrella Trust may require members to pay a subscription but has not raised any subscription to date.

d. Method of Recruitment and Appointment or Election of Governors

In accordance with the articles, the trustees of the charitable company are the Governors. They are appointed as follows:

- The Archbishop shall appoint seven Foundation Governors
- The Governing Body may appoint one Parent Governor
- The Governing body may two appoint staff Governors through a process as they may determine
- The Governing Body may appoint one Local Governor
- The Principal shall be treated for all purposes as being an ex officio Governor.

In respect of those appointed by the Governors, when a vacancy arises, the Governors seek to make an appointment that would maximise the relevant skills and experience of the board as a whole.

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

e. Policies and Procedures adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters.

All Governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Governors.

In addition to purchasing Governor Training from Octavo, we also subscribe to Governor Courses provided by the Archdiocese of Southwark.

f. Pay policy for Key Management Personnel

The Academy follows the guidance set out in "School teachers' pay and conditions document 2016 and guidance on school teachers pay and conditions" as issued by the Department for Education when setting the remuneration of key management personnel.

g. Organisational structure

The board of Governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least six times a year and has an internal committee structure of the following:-

Finance and Premises
Curriculum and Standards
Personnel

Sub-committees are created ad-hoc when necessary, in addition to those reporting into the above. (i.e. Safeguarding, Pay, Admissions, Disciplinary, Appeals, and Principal's Performance).

All committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members. Governors delegate specific responsibilities to its committees, the activities of which are reported to and discussed at full Governing Body Meetings. Day to day management of the company is undertaken by the Principal, supported by the Senior Management Team.

The Principal is the Accounting Officer and the Business Manager is the Finance Officer.

The Register of Business Interests confirms that there are no relationships with related parties and any other charities/organisations with which the Academy co-operates in the pursuit of charitable activities.

Objectives and Activities

The main object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of St Peter and St Paul Catholic Primary Academy, the aim being to provide the highest possible standard of education and pastoral care, maximizing the life-chances of its students. The Academy underwent a Section 5 Ofsted inspection on the 3rd and 4th July 2017 and the outcome was Good with Outstanding features and a Section 48 Denominational Inspection in February 2017 and was identified as Good.

The main objectives during the year were;

- To increase the rate of pupil's progress further still across year groups and subjects by providing pupils,

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

- including the most able, with learning opportunities which challenge their thinking to deepen learning.
- To improve attendance so that it is in line with the national average.
- To develop opportunities for pupils to plan and lead collective worship throughout the Academy.
- To increase progress in reading by the end of Key Stage 2.

In setting the objectives and planning the associated activities, Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and performance

a. 2017-2018 Progress and Achievement

Key Stage 2 Achievement

Subject	St Peter and St Paul	National
Reading	Expected 93% Greater Depth 48%	Expected 75% Greater Depth 28%
Writing	Expected 97% Greater Depth 41%	Expected 78% Greater Depth 20%
Mathematics	Expected 93% Greater Depth 41%	Expected 76% Greater Depth 24%
Combined English and Mathematics	Expected 90% Greater Depth 21%	Expected 64% Greater Depth 10%

Key Stage 2 Progress

Subject	St Peter and St Paul	Confidence Interval	
Reading	+3.53	+1.3-5.7	Well above Average
Writing	+3.89	+1.8-6.0	Well above Average
Mathematics	+2.05	+0.5-4.5	Above Average

Key Stage 2 Average Scaled Score Per Pupil

Subject	St Peter and St Paul	National
Reading	109.6	105
Mathematics	107.7	104.4

Key Stage 1 Achievement

Subject	St Peter and St Paul	National
Reading	Expected 82% Greater depth 32%	Expected 75% Greater depth 26%
Writing	Expected 71% Greater depth 32%	Expected 70% Greater depth 16%
Mathematics	Expected 86% Greater depth 25%	Expected 76% Greater depth 22%

Year 1 Phonic Check Result

Subject	St Peter and St Paul	National
Phonics	97%	83%
Average Score	39	33.9

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

Financial review

a. Key Financial Performance Indicators

To monitor the financial performance of the Academy the Governor's use key financial indicators.

- The Current Ratio is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities and we believe is an appropriate measure of the financial health of the Academy.
- Our Current Assets exceed our Current Liabilities by a ratio 2.08:1 which is an indication of the strength of the liquidity position of the Academy. Going forward we would like this ratio to remain in the range of 1.5:1 to 3.5:1.
- The most effective Cost Control Measure we monitor is Total Staff Costs as a percentage of Total Grant Income. Total Grant Income includes GAG, SEN Matrix Funding, Sports Premium and Pupil Premium. The current figure is 91.4% (2017 - 82.4%).

These financial figures are recorded as per our Annual Accounts:

- Total incoming resources amounted to £1,438,746
- Total resources expended were £1,336,564
- Total fund balances at 31 August 2018 amounted to £3,963,512
- Fixed asset fund of £3,851,808 reflects the value of the fixed assets of the academy at 31 August 2018
- Other restricted funds, amounted to £(1,251)
- The Academy's share of the LGPS deficit amounted to £148,000
- Unrestricted funds stood at £260,955

b. Reserves Policy

The principal policy on reserves is that accumulation of unspent GAG balances should not breach any limits thereon set out in the Funding agreement. The level of reserves should never be in deficit. Each year the Governors review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

c. Going concern

After making appropriate enquiries, the Board has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

d. Principal Risks and Uncertainties

The Governors have assessed the major risks to which the company is exposed, in particular those relating to academic performance/finances/child welfare. The Governors have implemented a number of systems to assess risks that the company faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The company has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. The risk management process has been codified in a risk register implemented by the Senior Management Team and overseen by Governors.

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that

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

deficits may be experienced. The budgeting and reporting process, including scrutiny by the Governors of actual financial performance, mitigates the risk. As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and creditors), Governors consider the associated risk in this area to be minimal. The risk resulting from the company's share of the LGPS (Local Government Pension Scheme) deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice, financial and risk management objectives and policies.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

e. Investment Policy and Powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Plans for future periods

The principal task facing the company is to maintain and improve on the excellent educational standards achieved by the Academy. Through our strong family and Catholic ethos, our staff, parents, Governors and Parent Teacher Association, are committed to working together in the future to ensure we meet the needs and aspirations of every single child who attends the Academy.

In addition there are number key tasks for the year ahead:

Increase the rates of pupils' progress further still across year groups and subjects by providing pupils, including the most able, with learning opportunities that challenge their thinking to deepen their learning.

Improve attendance, particularly for those pupils who are eligible for free school meals and those who have special educational needs and/or disabilities, so that it is in line with the national average.

Funds held as custodian trustee on behalf of others

The Academy Trust does not act as a Custodian Trustee and therefore does not hold any funds on behalf of others.

Disclosure of information to auditor

Insofar as the Governors are aware:

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

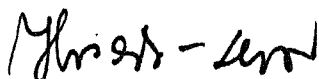
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Auditor

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

The Governors' report was approved by order of the board of Governors, as the company directors, on 4 December 2018 and signed on its behalf by:



Izabela Bialas-Lecybyl
Chair of Governors

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that St Peter and St Paul Catholic Primary Academy 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 Governors has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Peter and St Paul Catholic Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 6 times during the year, as a minimum. Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Izabela Bialas-Lecybyl	6	6
Christina Alexander	5	6
Francis Akhigbe	5	6
Marina Armstrong	2	6
Roseline Chandler	5	6
Philip Dowling	1	6
Kirsty Everson	6	6
Reverend Cyriacus Okafor	1	6
Stephen Gregory Trimmer	6	6
Joanna Seymour, Principal	3	6
Ronnie Silva	4	6
Jenny Smith	6	6
Matthew Forsythe	5	6
Tracy Baines	0	0

REVIEW OF VALUE FOR MONEY

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

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

Application of the four principles of best value:

- Challenge - Is the Academy Trust's performance high enough? Why and how is a service provided? Do we still require it? Can it be delivered differently?
- Compare - How does the Academy Trust's pupil performance and financial performance compare with all schools and academies?
- Consult - How does the Academy Trust seek the views of stakeholders about services the academy provides? What do parents want?
- Compete - How does the Academy Trust secure efficient and effective services? Are services of

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GOVERNANCE STATEMENT (continued)

appropriate quality, economic?

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Governors;
- regular reviews by the Governing Body 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 Governors has considered the need for a specific internal audit function and has decided to appoint Liberata as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

On a three monthly basis, the auditor reports to the board of Governors on the operation of the systems of control and on the discharge of the board of Governors' financial responsibilities.

The reviews took place at the Academy where original documents were provided. All was found to be as expected.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;

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GOVERNANCE STATEMENT (continued)

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

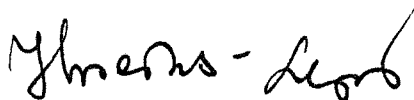
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Mission Statement

Promoting high quality education, love, care and forgiveness of others as taught to us by Jesus and our Patron Saints.

Website: <http://www.saintpeterandsaintpaulcatholicprimary.co.uk>

Approved by order of the members of the board of Governors on 4 December 2018 and signed on their behalf, by:



Izabela Bialas-Lecybyl
Chair of Trustees



Joanna Seymour
Accounting Officer

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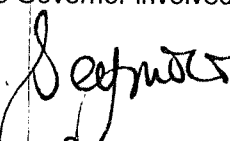
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

The Academy has entered into a contract with a connected party to carry out grounds maintenance services, however no statement of assurance has been prepared as defined in the Academies Financial Handbook 2017. The Governor involved in the grounds maintenance contract has subsequently resigned.



Joanna Seymour
Accounting Officer

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

The Governors (who act as trustees of St Peter and St Paul Catholic Primary Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of Governors on 4 December 2018 and signed on its behalf by:



Izabela Bialas-Lecybyl
Chair of Governors

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY**

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy'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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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
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OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' 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 Governors' report.

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

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

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY**

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Governors are responsible for assessing the academy'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 Governors either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Susan Foster FCA (Senior statutory auditor)

for and on behalf of

Knill James

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU
17 December 2018

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST PETER
AND ST PAUL CATHOLIC PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 August 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Peter and St Paul Catholic Primary Academy during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of St Peter and St Paul Catholic Primary Academy's funding agreement with the Secretary of State for Education dated 30 July 2014, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST PETER
AND ST PAUL CATHOLIC PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**
(continued)

Our normal audit procedures do provide assurance with regard to the regularity engagement, however some additional testing has been undertaken. This included:

- direct consideration and corroboration of evidence used to inform the Accounting Officer's statements;
- extension of procedures to assess compliance with the funding agreement and Academies Financial Handbook from those already performed as part of the audit;
- consideration of whether expenditure outside of the academies delegated authorities (if any) has received departmental approval;
- evaluation and assessment of the operating effectiveness of the general control environment and operational level which are intended to reduce the risk of irregularity;
- assessment of the adequacy of policies and procedures to ensure compliance with the framework of authorities;
- consideration of whether the absence of a control (if any) represents a breach of authorities;
- review of accounts or transactions susceptible to a greater risk of impropriety such as credit cards and cash accounts;
- extension of testing to other funds, activities conducted, consideration of propriety, or the review of high level financial controls.

CONCLUSION

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

As noted in the Accounting Officer's statement on regularity, propriety and compliance the Academy has entered into a contract for grounds maintenance services with a connected party. The at cost requirements of the Academies Financial Handbook 2017 have not been met with respect to this contract.



Susan Foster FCA

Knill James

Chartered Accountants

One Bell Lane
Lewes
East Sussex
BN7 1JU

17 December 2018

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	-	-	162,002	162,002	-
Charitable activities	3	-	1,171,077	-	1,171,077	1,157,633
Other trading activities	4,5	103,800	1,637	-	105,437	103,856
Investments	6	230	-	-	230	295
TOTAL INCOME		104,030	1,172,714	162,002	1,438,746	1,261,784
EXPENDITURE ON:						
Raising funds	5	48,361	-	-	48,361	51,576
Charitable activities		-	1,260,492	27,711	1,288,203	1,235,705
TOTAL EXPENDITURE	8	48,361	1,260,492	27,711	1,336,564	1,287,281
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	20	55,669	(87,778)	134,291	102,182	(25,497)
		-	(23,072)	23,072	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		55,669	(110,850)	157,363	102,182	(25,497)
Actuarial gains on defined benefit pension schemes	24	-	99,000	-	99,000	-
NET MOVEMENT IN FUNDS		55,669	(11,850)	157,363	201,182	(25,497)
RECONCILIATION OF FUNDS:						
Total funds brought forward		205,286	(137,401)	3,694,445	3,762,330	3,787,827
TOTAL FUNDS CARRIED FORWARD		260,955	(149,251)	3,851,808	3,963,512	3,762,330

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08938098

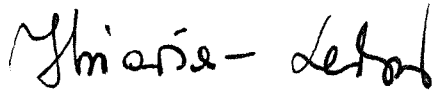
BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		3,851,808		3,694,445
CURRENT ASSETS					
Stocks	15	2,330		1,974	
Debtors	16	62,658		45,220	
Cash at bank and in hand		482,294		411,637	
		<u>547,282</u>		<u>458,831</u>	
CREDITORS: amounts falling due within one year	17	(262,968)		(150,183)	
NET CURRENT ASSETS			<u>284,314</u>		<u>308,648</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,136,122</u>		<u>4,003,093</u>
CREDITORS: amounts falling due after more than one year	18		(24,610)		(30,763)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>4,111,512</u>		<u>3,972,330</u>
Defined benefit pension scheme liability	24		(148,000)		(210,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>3,963,512</u></u>		<u><u>3,762,330</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	20	(1,251)		72,599	
Restricted fixed asset funds	20	3,851,808		3,694,445	
Restricted income funds excluding pension liability		<u>3,850,557</u>		<u>3,767,044</u>	
Pension reserve		<u>(148,000)</u>		<u>(210,000)</u>	
Total restricted income funds			<u>3,702,557</u>		<u>3,557,044</u>
Unrestricted income funds	20		<u>260,955</u>		<u>205,286</u>
TOTAL FUNDS			<u><u>3,963,512</u></u>		<u><u>3,762,330</u></u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements on pages 19 to 45 were approved by the Governors, and authorised for issue, on 4 December 2018 and are signed on their behalf, by:



Izabela Bialas-Lecybyl
Chair of Governors

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	255,501	(39,013)
Cash flows from investing activities:			
Dividends, interest and rents from investments		230	295
Purchase of tangible fixed assets		(185,074)	(21,446)
Net cash used in investing activities		(184,844)	(21,151)
Change in cash and cash equivalents in the year		70,657	(60,164)
Cash and cash equivalents brought forward		411,637	471,801
Cash and cash equivalents carried forward	23	482,294	411,637

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the academy. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy Trust 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 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 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.

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.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

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

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

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

Leasehold property	-	over the term of the lease
Furniture and fixtures	-	15% reducing balance
Computer equipment	-	33% reducing balance

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

1.6 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 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.

1.9 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.

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 17 and 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.

1.12 Taxation

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.14 Fund accounting

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

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

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

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Depreciation

The Academy exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Capital Grants	-	162,002	162,002	-

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants			
General Annual Grant (GAG)	1,010,707	1,010,707	997,083
Other DfE/EFA grants	136,332	136,332	142,157
	<u>1,147,039</u>	<u>1,147,039</u>	<u>1,139,240</u>
Other government grants			
Local authority grants	13,320	13,320	15,002
	<u>13,320</u>	<u>13,320</u>	<u>15,002</u>
Other funding			
Specialist educational projects	10,718	10,718	3,391
	<u>10,718</u>	<u>10,718</u>	<u>3,391</u>
	<u>1,171,077</u>	<u>1,171,077</u>	<u>1,157,633</u>
<i>Total 2017</i>	<u>1,157,633</u>	<u>1,157,633</u>	

4. FUNDRAISING

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Charitable collections and parental contributions	10,808	1,637	12,445	10,629
	<u>10,808</u>	<u>1,637</u>	<u>12,445</u>	<u>10,629</u>
<i>Total 2017</i>	<u>7,514</u>	<u>3,115</u>	<u>10,629</u>	

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

5. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income			
Educational visits/school journeys	20,595	20,595	17,079
School clubs income	39,169	39,169	31,624
School meals & sale of materials	29,457	29,457	31,193
Lettings income	1,114	1,114	2,542
Other income	2,657	2,657	10,789
	<u>92,992</u>	<u>92,992</u>	<u>93,227</u>
Expenditure			
Educational visits/school journeys	19,836	19,836	19,897
School clubs expenditure	3,362	3,362	2,915
School meals & purchase of trading items	25,163	25,163	28,764
	<u>48,361</u>	<u>48,361</u>	<u>51,576</u>
Net income from other trading activities	<u>44,631</u>	<u>44,631</u>	<u>41,651</u>

In 2017, of the net income from other trading activities, £41,651 was to unrestricted funds and £Nil was to restricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	230	230	295
	<u>230</u>	<u>230</u>	<u>295</u>
<i>Total 2017</i>	<u>295</u>	<u>295</u>	

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

7. CHARITABLE ACTIVITIES

	Total funds 2018 £	<i>Total funds 2017 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	708,848	642,190
National insurance	54,527	54,374
Pension cost	153,350	135,446
Depreciation	27,711	27,893
Technology costs	29,878	27,800
Educational supplies	16,884	20,349
Educational consultancy	4,801	12,280
Other direct costs	3,036	1,892
	<u>999,035</u>	<u>922,224</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	110,120	88,493
National insurance	9,207	6,991
Pension cost	24,839	23,639
LGPS - Net interest cost	4,000	4,000
Recruitment and support	5,924	8,670
Maintenance of premises and equipment	3,092	31,311
Cleaning	22,550	21,806
Rent & rates	5,285	5,132
Energy costs	17,297	18,004
Insurance	5,451	8,296
Security and transport	693	579
Catering	40,724	44,319
Bank interest and charges	1,654	1,604
Other support costs	12,688	17,327
Professional fees	22,933	31,494
Internal audit fees	2,400	1,200
Governors expenses	311	616
	<u>289,168</u>	<u>313,481</u>
	<u><u>1,288,203</u></u>	<u><u>1,235,705</u></u>

ST PETER AND ST PAUL CATHOLIC PRIMARY ACADEMY
(A company limited by guarantee)

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

8. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	-	-	48,361	48,361	51,576
Support costs	-	-	-	-	-
Educational operations:					
Direct costs	916,725	-	82,310	999,035	922,224
Support costs	144,166	48,224	96,778	289,168	313,481
	<u>1,060,891</u>	<u>48,224</u>	<u>227,449</u>	<u>1,336,564</u>	<u>1,287,281</u>
<i>Total 2017</i>	<u>951,133</u>	<u>64,464</u>	<u>271,684</u>	<u>1,287,281</u>	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	27,711	25,348
Auditor's remuneration - audit	8,000	7,700
Auditor's remuneration - other services	1,625	1,850
Internal audit costs	2,400	1,030
Operating lease rentals	1,395	1,395
Stocks recognised as an expense	5,852	4,129
	<u>47,983</u>	<u>42,452</u>

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10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	781,873	699,529
Social security costs	63,734	61,365
Operating costs of defined benefit pension schemes	178,189	159,085
	<u>1,023,796</u>	<u>919,979</u>
Agency staff costs	37,095	31,154
	<u>1,060,891</u>	<u>951,133</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teaching	14	12
Support	21	19
	<u>35</u>	<u>31</u>

c. Higher paid staff

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

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

Pension contributions paid on behalf of higher paid staff in the period amounted to £11,735 (2017 - £11,620).

d. Key management personnel

The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £188,499 (2017 - £221,451).

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11. GOVERNORS' REMUNERATION AND EXPENSES

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

		2018	2017
		£'000	£'000
Joanna Seymour	Remuneration	75-80	75-80
	Pension contributions paid	10-15	10-15
Kirsty Everson	Remuneration	55-60	55-60
	Pension contributions paid	5-10	5-10

During the year ended 31 August 2018, expenses totalling £48 (2017 - £nil) were reimbursed to 1 Governor (2017 - nil).

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £56 (2017 - £148). The cost of this insurance is included in the total insurance cost.

13. OTHER FINANCE INCOME

	2018	2017
	£	£
Interest income on pension scheme assets	10,000	6,000
Interest on pension scheme liabilities	(14,000)	(10,000)
	(4,000)	(4,000)

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14. TANGIBLE FIXED ASSETS

	Leasehold property £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	3,707,838	23,999	15,290	3,747,127
Additions	170,808	11,568	2,698	185,074
At 31 August 2018	3,878,646	35,567	17,988	3,932,201
Depreciation				
At 1 September 2017	38,584	6,016	8,082	52,682
Charge for the year	20,010	4,431	3,270	27,711
At 31 August 2018	58,594	10,447	11,352	80,393
Net book value				
At 31 August 2018	3,820,052	25,120	6,636	3,851,808
At 31 August 2017	3,669,254	17,983	7,208	3,694,445

Included in leasehold property is land valued at £1,377,000 (2017 - £1,377,000) which is not depreciated.

The ESFA notified the Academy Trust of the Fair Value of the land and buildings occupied. As of the 21 July 2015 this value was £2,519,000; divided as land £1,377,000 and buildings £1,142,000.

The Academy Trust company occupies buildings which are owned by its Trustee; The Southwark Roman Catholic Diocesan Corporation. The Trustee is the provider of the academy on the same basis as when the academy was a maintained school. The Academy Trust occupies the buildings under a mere licence. This continuing permission of their Trustee is pursuant to, and subject to, the Trustee's charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the buildings to the Academy Trust for the time being, but does not vest any rights over the buildings in the Academy Trust. The Trustee has given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the buildings. Having considered the substance of the transaction and reviewed best practice as detailed in the Academies Accounts Direction 2017-18, the Governors have decided the full value of the assets should be included on the balance sheet.

15. STOCKS

	2018 £	2017 £
Goods for resale	2,330	1,974

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16. DEBTORS

	2018 £	2017 £
Trade debtors	1,337	1,285
VAT recoverable	18,387	6,179
Prepayments and accrued income	42,934	37,756
	<u>62,658</u>	<u>45,220</u>

17. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	103,893	794
Other taxation and social security	38,301	28,411
Other creditors	4,102	2,050
Accruals and deferred income	116,672	118,928
	<u>262,968</u>	<u>150,183</u>

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	20,717	17,428
Resources deferred during the year	17,355	20,717
Amounts released from previous years	(20,717)	(17,428)
Deferred income at 31 August 2018	<u>17,355</u>	<u>20,717</u>

At the balance sheet date the academy was holding funds received in advance in respect of the Universal Infant Free School Meals and school journeys.

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18. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Other creditors	24,610	30,763
	<u>24,610</u>	<u>30,763</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2018 £	2017 £
Repayable by instalments	8,203	14,356
	<u>8,203</u>	<u>14,356</u>

Included within other creditors is a loan of £28,712 from the Education and Skills Funding Agency which is provided interest-free and is repayable by six monthly instalments over eight years.

19. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	502,018	419,101
Financial liabilities measured at amortised cost	146,296	31,255
Financial liabilities measured at cost less impairment	28,712	32,813
	<u>175,008</u>	<u>64,068</u>

Financial assets measured at amortised cost comprise cash and debtors, excluding prepayments and accrued income.

Financial liabilities measured at amortised cost comprise creditors, excluding accruals and deferred income.

Financial liabilities measured at cost less impairment comprise the salix loan.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds - all funds	205,286	104,030	(48,361)	-	-	260,955
Restricted funds						
General Annual Grant (GAG)	72,599	1,171,077	(1,221,855)	(23,072)	-	(1,251)
Charitable collections	-	1,637	(1,637)	-	-	-
Pension reserve	(210,000)	-	(37,000)	-	99,000	(148,000)
	<u>(137,401)</u>	<u>1,172,714</u>	<u>(1,260,492)</u>	<u>(23,072)</u>	<u>99,000</u>	<u>(149,251)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	3,694,445	162,002	(27,711)	23,072	-	3,851,808
Total restricted funds	<u>3,557,044</u>	<u>1,334,716</u>	<u>(1,288,203)</u>	<u>-</u>	<u>99,000</u>	<u>3,702,557</u>
Total of funds	<u><u>3,762,330</u></u>	<u><u>1,438,746</u></u>	<u><u>(1,336,564)</u></u>	<u><u>-</u></u>	<u><u>99,000</u></u>	<u><u>3,963,512</u></u>

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 Trust at the discretion of the Governors. The transfer to GAG funds represents an allocation of expenditure against the unrestricted fund.

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. Transfers to the restricted fixed asset fund represent fixed assets purchased from GAG funds.

Restricted general funds comprise all other restricted funds and include grants from the Department for Education and Local Authority which must be applied for educational purposes.

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

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20. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General Funds	155,826	101,036	(51,576)	-	-	205,286
Restricted funds						
General Annual Grant (GAG)	107,109	1,157,633	(1,170,697)	(21,446)	-	72,599
Charitable collections	-	3,115	(3,115)	-	-	-
Pension reserve	(176,000)	-	(34,000)	-	-	(210,000)
	(68,891)	1,160,748	(1,207,812)	(21,446)	-	(137,401)
Restricted fixed asset funds						
Restricted fixed asset funds	3,700,892	-	(27,893)	21,446	-	3,694,445
Total restricted funds	3,632,001	1,160,748	(1,235,705)	-	-	3,557,044
Total of funds	3,787,827	1,261,784	(1,287,281)	-	-	3,762,330

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	155,826	205,066	(99,937)	-	-	260,955
Restricted funds						
General Annual Grant (GAG)	107,109	2,328,710	(2,392,552)	(44,518)	-	(1,251)
Charitable collections	-	4,752	(4,752)	-	-	-
Pension reserve	(176,000)	-	(71,000)	-	99,000	(148,000)
	(68,891)	2,333,462	(2,468,304)	(44,518)	99,000	(149,251)

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20. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Restricted fixed asset funds	-	162,002	(27,711)	23,072	-	157,363
Restricted fixed asset funds	3,700,892	-	(27,893)	21,446	-	3,694,445
	<u>3,632,001</u>	<u>2,495,464</u>	<u>(2,523,908)</u>	<u>-</u>	<u>99,000</u>	<u>3,702,557</u>
Total of funds	<u>3,787,827</u>	<u>2,700,530</u>	<u>(2,623,845)</u>	<u>-</u>	<u>99,000</u>	<u>3,963,512</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	3,851,808	3,851,808
Current assets	260,955	286,328	-	547,283
Creditors due within one year	-	(262,969)	-	(262,969)
Creditors due in more than one year	-	(24,610)	-	(24,610)
Provisions for liabilities and charges	-	(148,000)	-	(148,000)
	<u>260,955</u>	<u>(149,251)</u>	<u>3,851,808</u>	<u>3,963,512</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	3,694,445	3,694,445
Current assets	205,286	253,545	-	458,831
Creditors due within one year	-	(150,183)	-	(150,183)
Creditors due in more than one year	-	(30,763)	-	(30,763)
Provisions for liabilities and charges	-	(210,000)	-	(210,000)
	<u>205,286</u>	<u>(137,401)</u>	<u>3,694,445</u>	<u>3,762,330</u>

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

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	102,182	(25,497)
Adjustment for:		
Depreciation charges	27,711	25,348
Dividends, interest and rents from investments	(230)	(295)
Loss on the sale of fixed assets	-	2,545
Increase in stocks	(356)	(777)
(Increase)/decrease in debtors	(17,438)	148,425
Increase/(decrease) in creditors	106,632	(222,762)
Defined benefit pension scheme cost less contributions payable	31,000	28,000
Defined benefit pension scheme finance cost	4,000	4,000
Defined benefit pension scheme administration expenses	2,000	2,000
Net cash provided by/(used in) operating activities	255,501	(39,013)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	482,294	411,637
Total	482,294	411,637

24. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Bromley. Both are Multi-employer defined benefit pension schemes.

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

Contributions amounting to £18,658 were payable to the schemes at 31 August 2018 (2017 - £16,554) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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24. PENSION COMMITMENTS (continued)

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £76,678 (2017 - £61,056).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £85,000 (2017 - £84,000), of which employer's contributions totalled £68,000 (2017 - £68,000) and employees' contributions totalled £17,000 (2017 - £16,000). The agreed contribution rates for future years are 24.3% for employers and 6.1% 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.

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24. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.90 %	2.50 %
Rate of increase in salaries	3.70 %	3.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.20 %
Inflation assumption (CPI)	2.20 %	2.20 %

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

	2018	2017
Retiring today		
Males	23.4	23.3
Females	26.1	26.0
Retiring in 20 years		
Males	26.1	25.9
Females	28.4	28.3

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

	Fair value at 31 August 2018 £	<i>Fair value at 31 August 2017 £</i>
Equities	304,000	<i>259,000</i>
Gilts	30,000	<i>-</i>
Corporate bonds	30,000	<i>48,000</i>
Property	16,000	<i>-</i>
Cash and other liquid assets	-	<i>5,000</i>
Other	90,000	<i>28,000</i>
Total market value of assets	470,000	<i>340,000</i>

The actual return on scheme assets was £34,000 (2017 - £62,000).

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24. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Current service cost	(99,000)	(96,000)
Interest income	10,000	6,000
Interest cost	(14,000)	(10,000)
Total	<u>(103,000)</u>	<u>(100,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	550,000	418,000
Current service cost	99,000	96,000
Interest cost	14,000	10,000
Employee contributions	17,000	16,000
Actuarial (gains)/losses	(75,000)	10,000
Benefits paid	13,000	-
Closing defined benefit obligation	<u>618,000</u>	<u>550,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	340,000	242,000
Interest income	10,000	6,000
Actuarial losses	24,000	10,000
Employer contributions	68,000	68,000
Employee contributions	17,000	16,000
Benefits paid	13,000	-
Administration expenses	(2,000)	(2,000)
Closing fair value of scheme assets	<u>470,000</u>	<u>340,000</u>

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25. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	1,395	1,395
Between 1 and 5 years	1,976	4,883
Total	<u>3,371</u>	<u>6,278</u>

26. MEMBERS' LIABILITY

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

27. RELATED PARTY TRANSACTIONS

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

Mr T Alexander, husband of Christina Alexander, governor, is employed by the academy. During the year he was paid a wage of £21,069 (2017 - £21,042).

During the year the academy contracted Fix and Trim, a business owned and controlled by P Dowling, a trustee, to undertake grounds maintenance services. No amounts have been paid under this contract in the year under review, however payments were made to Fix and Trim on an ad-hoc basis during the year for grounds maintenance services amounting to £3,004. An amount of £210 was outstanding at the year end and is included within creditors.

The total amount of donations received from Governors' during the year was £100 (2017 - £250).