

**St John's Church of England Primary School, Rishworth**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**For the year ended 31 August 2016**

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## Reference and Administrative Details

Members:	Mr Stephen Byrne Mrs Leah Boyd Mr Tom Green
Trustees:	Mr Stephen Byrne Mrs Leah Boyd Mr Tom Green Mr Daniel Needham Mrs Patricia Bassano Mrs Clare Douglas Rev Chris Ball Mr Jonny Steel Mrs Jenny Stead Mrs Joanna Wasyliw Miss Rebecca Bell Mrs Diane Haigh
Senior Leadership Team:	Mrs Joanna Wasyliw (Headteacher) Miss Rebecca Bell (Assistant Headteacher) appointed 11 April 2016) Mrs Diane Haigh (Key Stage Manager)
Registered Office:	Godly Lane Rishworth Nr Sowerby Bridge West Yorkshire HX6 4QR
Company number:	08296540 (England and Wales)
Bankers:	Lloyds Bank Commercial Street Halifax HX1 1AD
Solicitors:	Ramsdens Solicitors Oakley House 1 Hungerford Road Huddersfield HD3 3AL
Auditors:	Simpson Wood Limited Bank Chambers Market Street Huddersfield HD1 2EW

## **Trustees' report**

The trustees present their annual report together with the financial statements and independent auditor's report of the Charitable Company for the period 1 September 2015 to 31 August 2016. The Trust operates a primary academy in Rishworth, Calderdale, West Yorkshire. It has a pupil capacity of 140 and had 131 pupils on roll at the end of the academic year 2015-16.

### **Structure, Governance and Management**

The Academy Trust was incorporated on 16th November 2012 and opened as an Academy on 1st December 2012.

### **Constitution**

The Academy is a 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. The trustees of St John's Church of England Primary School, Rishworth are also the directors of the charitable company for the purposes of company law.

### **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.

### **Method of recruitment and appointment / election of governors**

Governors are recruited in accordance with the following procedure:

- Foundation Governors are appointed through a nomination/ratification process by the PCC of St John's Church, Rishworth.
- Parent Governors are appointed through a process of nomination and election by the parents of registered pupils at the Academy in order to represent their views on the Governing body.
- Staff Governors are appointed through a process of nomination and election by the staff in order to represent their views on the Governing body.
- Local Authority Governors are appointed by Calderdale LA.

### **Governors**

In accordance with the Academy's articles and funding agreements there are currently a total of 14 governors. Three governors act as members for the charitable activities of St John's, and are also directors of the Charitable Company for the purposes of company law. The Charitable Company is known as St John's Church of England Primary School, Rishworth.

Governors are appointed for a 4 year term of office. Details of governors who served throughout this period can be seen below.

Rev Chris Ball (Vicar, ex-officio)

Mr Stephen Byrne (Foundation, Chair and trustee)

Mrs Leah Boyd (Foundation and trustee)

Mr David Kenworthy (Foundation; resigned July 2016)

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## **Trustees' report (continued)**

Mrs Claire Douglas (Foundation)

Mrs Pat Bassano (Foundation)

Mr Tom Green (Foundation and trustee)

Mrs Catherine Hankinson (Local Authority Governor; resigned March 2016)

Mrs Joanna Wasyliw (Headteacher)

Mrs Diane Haigh (Staff)

Miss Rebecca Bell (Staff)

Mr Dan Needham (Parent)

Mr Jonny Steel (Parent)

Mrs Jenny Stead (Foundation; appointed 24 September 2015)

During this time, the governors held four full governing body meetings.

### **Policy and procedure adopted for the induction and training of new governors**

The initial training and induction provided for new governors is based upon the school's Code of Conduct for Governors. Further training will depend on their existing experience and skill set. During the period, the Academy has utilised the Governor's Training programme provided by the local authority. All governors are provided with copies of minutes, accounts, budgets, school development and school self-evaluation plans together with DfE Ofsted documents such as Raise on Line plus any other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally.

### **Organisational Structure**

The academy has a leadership structure that consists of the members, governors, and the senior leadership team (SLT). The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Headteacher is the Accounting Officer.

The members and the governors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academy by use of budgets and other data, and making major decisions about the direction of the academy, capital expenditure and staff appointments.

The SLT consists of the Headteacher, the Assistant Headteacher and the Key Stage Manager. The SLT controls the academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Headteacher and Resources Committee are responsible for the authorisation of spending within agreed budgets. (Some spending control is devolved to budget holders which must be authorised within the scheme of delegation). The Headteacher is responsible for the appointment of staff, although appointment panels for teaching staff will always include a trustee or governor.

## **Trustees' report (continued)**

### **Arrangements for setting pay and remuneration of key management personnel**

The Headteacher's annual performance management is conducted by the Headteacher's performance management committee together with an independent School Effectiveness Officer. Any pay recommendations are brought to the FGB for ratification.

The Assistant Headteacher's and Key Stage Manager's annual performance management is conducted by the Headteacher. Any pay recommendations are brought to the Resources committee for ratification.

Pay for members of the SLT falls in line with LA policy and is based upon performance against their performance management objectives, responsibilities of the post and size of the school.

### **Objectives and Activities**

The principal activity of the academy is to provide free education for pupils between the ages of four and eleven to advance for the public benefit, education in the United Kingdom, in particular, but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a Church of England school designated as such, (the Academy) which shall offer a broad and balanced curriculum, and shall be conducted in accordance with the principles, practices, and tenets of the Church of England, including, any trust deed governing the use of land used by the academy both generally and in particular, in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education.

The academy's main strategy is encompassed in its philosophy statement that is:

'We believe that children learn best when they are happy and have the confidence to respond to the challenges within a caring Christian environment where adults lead by example.

We value the role of parents, families and the community in the education of our children, and we endeavour to keep our practices under systematic review, with the aim of continuing improvement.'

Our overall aims are:

'To maximise the academic attainment of each child, and to maximise the personal, social and spiritual development of each child.'

### **Strategic report**

#### **Targets for Achievement and Performance**

The school's targets for the academic year 2015-2016 were:

1. All children to make good to outstanding progress in relation to their starting points.
2. To ensure a robust and rigorous assessment system is in place to track all the children's progress
3. To continue the good to outstanding leadership and management of the school
4. To further strengthen the Christian character of the school
5. To continually improve curriculum areas to enhance children's experiences

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**Trustees' report (continued)****Achievements and performance (continued)****Key Performance Indicators**

The academy is in its third year of operation. The total number of students on roll at the end of July 2016 was 131 (July 2015 – 132); this is split between the year groups as follows:

Rec	19
Y1	20
Y2	21
Y3	16
Y4	19
Y5	18
Y6	18
Total	131

The academy has 5 classes, 4 of which are mixed age. All classes have a teaching assistant for at least 0.5 of the timetable. The academy had 45 registers of interest (July 2015 – 60) for 20 reception places for September 2016.

**Attendance**

Attendance at St John's CE Primary School is high 97.7% for the academic year 2015-16 (academic year 2014-15 - St John's: 96.6%, National: 96%).

**Foundation Stage:**

The children in our Reception year group follow the Early Years Foundation Stage Framework. The percentage of children achieving a 'good level of development' in 2016 was as follows:

Personal, social and emotional development (PSED)	100% (95% 2015)
Communication and language (CL)	100% (95% 2015)
Physical development (PD)	100% (100% 2015)
Literacy	74% (75% 2015)
Maths	89.5% (100% 2015)

The percentage of children achieving a good level of development across the 3 prime areas together with literacy and mathematics was 74%, (2015 80%, NA 2016 69%). The school was moderated in EYFS this year.

**Trustees' report (continued)****KS1**

Y1: The national phonics test was taken in June 2016. 80% of St John's children passed this test compared with 85% in 2015 and 81% nationally 2016.

**Y2 SATs**

The new SAT tests were taken this year for all Y2 children. The results show that the percentage of KS1 children working at the expected standard or above is higher than the national average in reading and maths and slightly below in writing. The combined figure for reading, writing and maths is slightly above the national figure.

Year 2 2016 SATs (21 pupils)	Has not met the expected standard %	At the expected standard or above %	Working at a higher level %
Reading	19%	81% (74%)	19% (24%)
Writing	38%	62% (66%)	14% (13%)
Maths	14%	86% (73%)	14% (18%)
Reading, writing and maths combined	38% (40%)	62% (60%)	

(National 2016)

**KS2****Y6 SATs**

The new SAT tests were taken this year for 18 out of our 20 Y6 children. The remaining 2 children (10%) were disapplied from the SATs as they were not working at the standard required; they were both on the SEN register and were in receipt of an EHCP at the time of the SATs.

The results show that the percentage of KS2 children working at the expected standard or above is higher than the national average in reading, EGPS and maths and slightly below in writing. The combined figure for reading, writing and maths is considerably above the national figure.

At the end of KS2, the 2015-16 cohort of 20 (1 child = 5%) achieved success as follows:

**Trustees' report (continued)****Attainment**

Year 6 2016 SATs (20 pupils)	Disapplied from SATs %	At the expected standard or above %	Has achieved a high standard %	Average scaled score
Reading	10%	90% (66%)	15% (19%)	106 (103)
Writing	10%	70% (74%)	5% (15%)	N/A
Maths	10%	85% (70%)	60% (17%)	111 (103)
EGPS	10%	85% (72%)	45% (23%)	111 (104)
Reading writing and maths	10%	70% (53%)	5% (5%)	N/A

(National 2016)

**Progress**

KS1 to KS2 progress			
	Reading	Writing	Maths
Whole cohort ( 20 children)	0.0	-3.6	4.1

In order to be above Government floor standards in 2016, schools had to have at least 65% of Y6 pupils at the expected standard in reading, writing and maths or a progress score of above -5 in reading, -5 in maths and -7 in writing. St John's meets all these requirements.

As previously, maths, reading and EGPS tests are externally marked, with writing being teacher assessed. It is worth noting that writing progress figures for the LA are being affected by the high national levels of writing teacher assessment at KS2 in 2016.

**Inspections**

The school had two inspections during the academic year 2014-2015. In January 2015, the statutory inspection of Anglican and Methodist schools (SIAMs) was undertaken and the "distinctiveness and effectiveness" of St John's as a C of E school was graded as good. In March 2015, St John's had its Ofsted inspection and was graded as good overall, with the behaviour and safety of pupils graded as outstanding.

## **Trustees' report (continued)**

### **Going concern**

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

### **Financial Review**

#### **Statement of financial position.**

The academy held fund balances at 31 August 2016 of £1,585,008, comprising £1,501,230 restricted funds and £83,778 unrestricted funds.

Most of the academy's income is obtained from the Department for Education (DfE), via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ending 31 August 2016 and the associated expenditure are shown as restricted funds on the statement of financial activities.

As at 31 August 2016, the net book value of fixed assets was £1,540,725 and movements in tangible fixed assets are shown in note 11 in the financial statements.

The assets were used exclusively for providing education and the associated support services to pupils of the academy. The academy also receives grants for fixed assets from the EFA in accordance with the Charity's statement of recommended practice 'Accounting and reporting by charities', such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The buildings and other assets were transferred to the academy on conversion. The land is leased from Diocese of Leeds, for 125 years on a peppercorn rent of £0.00 per annum. The playing field is leased from Calderdale Council for 25 years at nil cost. Land and buildings were valued for rebuild purposes at £2,805,000.

Other assets have been included in the financial statements at our best estimate, taking into account purchase price and remaining useful life.

The excess of income over expenditure for this period, including one-off transfers (excluding restricted fixed asset funds and pension deficit) was £728.

This balance is budgeted to be largely utilised for the education benefit of pupils on roll at the academy for the 2016 – 2019 budget cycle.

The academy has taken on the deficit from the local government pension scheme for non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities, as detailed in note 24.

Key financial policies adopted or reviewed during the period include the policies which lay out the financial management, including the financial responsibilities of governors, budget holders and other staff, as well as delegated authority for spending. Others include Lettings policy, Statement of Internal Control, and Depreciation and Capitalisation policies.

The Governors have adopted a Responsible Officer Policy and have continued with the services of Eileen Bamford to undertake a programme of internal checks on financial controls. During the year, the governors received three reports from the Responsible Officer, which contained no matters of significance.

## **Trustees' report (continued)**

### **Reserves Policy**

The governors review the reserves each term. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of any reserves. The governors take into consideration the future plans of the academy, the uncertainty of future income streams and any other key risks identified. The governors anticipate using a large proportion of these reserves over a 5 year period to maintain and enhance educational standards and provision for children.

### **Investment policy**

The academy has no current investment policy but it is the intention to transfer any surplus funds to a high interest account with instant access if interest rates make this a worthwhile proposition.

### **Principal Risks and Uncertainties**

The governors have assessed the major risks to which the academy is exposed and a system has been implemented to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety and educational visits) 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 grounds, health and safety and child protection policies and procedures) in order to minimise risk.

The academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control (attached here at p13). Where any financial risk remains, they have ensured that they have adequate insurance cover under the RPA , as from November 2015.

### **Plans for future period**

The Academy plans to:

- continue the good to outstanding leadership of the school, particularly through enhancing the role of the middle and subject leaders.
- review and further develop the quality of teaching, learning and assessment through reviewing its whole-school curriculum.
- enhance the personal development, behaviour and welfare of all pupils with a particular focus on pupil voice and improving site security.
- ensure all pupil groups make progress which is expected or exceeding in relation to their starting points.
- move EYFS provision towards outstanding.
- strengthen the Christian ethos of the school by reviewing the whole-school values.

### **Funds held as custodian trustee on behalf of others**

The Academy and its governors do not act as custodians or trustees for any other charity.

**Trustees' report (continued)**

**Auditors**

The Auditors, Simpson Wood Limited Chartered Accountants, Huddersfield, were re-appointed during the period and will be proposed for re-appointment at the forthcoming FGM. In so far as the governors are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware
- the governors have taken all steps that they ought to have taken in respect of any relevant audit information and established that the auditors are aware of that information

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 1 December 2016 and signed on the board's behalf by:

Signed.....

**Mr S Byrne**  
**Chair**

## **Governance Statement and Statement of Internal Control**

### **Scope of Responsibility**

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

The Governing Body has delegated the day to day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St John's Church of England Primary School, Rishworth and the Secretary of State for Education. She is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The full governing body has met 4 times during the academic year. Attendance during this period was as follows:

Name	Meetings attended	Out of a possible
Mr Stephen Byrne	4	4
Rev Chris Ball	3	4
Mrs Leah Boyd	2	4
Mr David Kenworthy (Resigned July 2016)	0	4
Mr Tom Green	4	4
Mrs Claire Douglas	3	4
Mrs Catherine Hankinson (Resigned March 2016)	1	3
Mr Jonny Steel	4	4
Mrs Joanna Wasyliw	4	4
Mrs Diane Haigh	4	4
Miss Rebecca Bell	4	4
Mrs Pat Bassano	4	4
Mrs Jenny Stead (Appointed September 2015)	4	4
Mr Dan Needham	4	4

## **Governance Statement and Statement of Internal Control (continued)**

### **Governance reviews**

The Governing body has not carried out a Governance review during the academic year 2015/16. It intends to undertake a review of governance during the academic year 2016/17.

The Resources Committee is a sub-committee of the main governing body. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, to ensure compliance with reporting and regulatory requirements, to receive reports from the Responsible Officer and work with the school to draft the annual budget including staffing levels. It also incorporates the role of an audit committee.

Attendances at meetings in this period were, as follows:

Name	meetings attended	out of a possible
Mr Stephen Byrne	2	3
Mrs Joanna Wasyliw	3	3
Mrs Clare Douglas	1	3
Mr David Kenworthy	0	3
Mr Dan Needham	2	3
Mr Tom Green	2	3
Miss Rebecca Bell	3	3

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

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of bench-marking data where available.

The accounting officer for the academy trust has delivered improved value for money during the year by:

- the majority of indicators for pupil achievement show that pupils at the school are performing at a standard that is above the national average, whilst still carrying forward a healthy surplus.

This is demonstrated by the results for the 2015/2016 academic year being broadly in line with and in many cases above National averages.

The School has implemented a new tracking system for individual pupils which tracks levels of progress from Reception through to Year 6. This means that any underperforming pupils can be quickly and easily targeted with a range of intervention strategies.

## **Governance Statement and Statement of Internal Control (continued)**

Attainment and progress in EYFS and KS1 is broadly in line with and in many cases above National averages.

Attainment in KS2 is significantly above National averages for all subjects except for writing which is broadly in line. Progress figures for KS1 to KS2 progress show that reading is in line with the national figure, writing is below the national figure and maths is above the national figure.

Although numbers are small, students eligible for the pupil premium continue to achieve well compared to National figures, with 100% of KS2 disadvantaged children achieving the expected level or higher in reading, EGSP and maths. For writing 50% of the children achieved the expected level and 50% were below expected. Progress figures show that disadvantaged children make progress that is broadly in line with non-disadvantaged children in the cohort at St John's.

- Robust governance and oversight of Academy Trust finances

The school has governors who are highly skilled in the area of finance and both support and challenge the headteacher.

The school benefits from a suitably qualified Responsible Officer (RO). The RO reviews key financial policies, systems and procedures, including the use of tenders and presents reports on compliance to the Resources Committee.

The school receives support throughout the year from its External Auditors on compliance and accounting practices.

The Resources Committee receives regular financial monitoring reports. The Governors approve the budget each year and are mindful of the need to balance expenditure against income to ensure the school remains a 'going concern'.

- Ensuring the operation of the Trust demonstrates good value for money and efficient and effective use of resources

The school benchmarks financial performance against other academy trusts to demonstrate that the Trust provides good value for money.

During academic year 2015-16, the school moved its insurance provision to the RPA, as this provided very good cover at a reduced rate.

Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace. Long term contracts (3 to 5 years) are also assessed in the same way to ensure that they remain competitive.

For purchases between £2,000 and £25,000; 3 quotes are required. For purchases above £25,000 formal tendering procedures are applied ie the involvement of project managers.

- Maximising income generation

The school explores every opportunity to generate income through the hire of its facilities.

- Reviewing controls and managing risks

Full Governors, the Resources Committee and the Senior Leadership Team review expenditure within each budget heading regularly and make adjustments based on the effectiveness of strategies introduced in previous years and any new strategies identified in the School Development Plan.

The school works with other schools collaboratively to ensure that procurement costs are kept to a minimum.

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## **Governance Statement and Statement of Internal Control (continued)**

The school aims to maximise its resources by having regard for environmental concerns: energy consumption, recycling and reducing waste and procurement.

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

The system of internal control is designed to manage risk at 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 on-going process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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 for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The governing body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

### **The Risk and Control Framework**

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

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

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Eileen Bamford (April 2013) as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities. In particular, the checks carried out in the current period include:

- testing of the payroll systems
- testing of the purchase systems
- testing of bank reconciliations

**Governance Statement and Statement of Internal Control (continued)**

**Review of Effectiveness**

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

- the work of the Responsible Officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer of St John's Church of England Primary School, Rishworth has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address any identified weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 1 December 2016 and signed on its behalf by:

.....  
**Mr S Byrne**  
**Chair**

.....  
**Mrs J Wasyliw**  
**Accounting Officer**

**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of St John's Church of England Primary School, Rishworth I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA 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 2015.

I confirm that I and the academy trust governing body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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 academy trust governing body and EFA.

.....

Date: 1 December 2016

**Mrs J Wasyliw**  
**Accounting Officer**

## **Statement of Trustees' Responsibilities**

The governors (who act as trustees for charitable activities of St John's Church of England Primary School, Rishworth 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 Funding Agency, United Kingdom, Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable laws 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 in the Charities SORP 2015 and the Academies Accounts Direction 2015-2016
- 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 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Governing Body on 1 December 2016 and signed on its behalf by:

.....  
**Mr S Byrne**  
**Chair**

## **Independent Auditors Report on the Financial Statements to the Members of St John's Church of England Primary School, Rishworth.**

We have audited the accounts of St John's Church of England Primary School, Rishworth, for the period ended 31 August 2016 on pages 24 to 44. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the EFA.

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

### **Respective responsibilities of governors and auditor**

As explained more fully in the Governors' Responsibilities Statement set out on page 19, the governors, who are also the directors of St John's Church of England Primary School, Rishworth for the purposes of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on accounts**

In our opinion the accounts: -

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and

**Independent Auditors Report on the Financial Statements**  
**Members of St John's Church of England Primary School,**  
**Rishworth.**  
**(Continued)**

- have been prepared in accordance with the Academies Accounts Direction 2015 to 2016.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial period for which the financial statements are prepared is consistent with the accounts.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

.....  
**Daniel McAllister FCA (Senior statutory auditor)**

for and on behalf of Simpson Wood Limited

Chartered Accountants

Statutory Auditor

Bank Chambers

Market Street

Huddersfield

HD1 2EW

Date: 1 December 2016

**Independent Reporting Accountant's Assurance Report on Regularity to St John's Church of England Primary School, Rishworth and the Education Funding Agency.**

In accordance with the terms of our engagement letter dated 4 October 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Johns' Church of England Primary School, Rishworth during the period 1 September 2015 to 31 August 2016 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 John's Church of England Primary School, Rishworth and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St John's Church of England Primary School, Rishworth, and the EFA 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 John's Church of England Primary School, Rishworth and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of St John's Church of England Primary School, Rishworth, accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St John's Church of England Primary School, Rishworth, funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. 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.

**Independent Reporting Accountant's Assurance Report on Regularity to St John's Church of England Primary School, Rishworth and the Education Funding Agency (continued).**

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:-

- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent;
- evaluation of the general control environment of the academy, extending the procedures required for financial statements to include regularity;
- assessment and testing of a sample of the specific control activities over regularity of a particular activity;
- when performing sample testing of expenditure, considering whether the activity is permissible within the academy's framework of authorities.

**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 period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....

**Daniel McAllister FCA**

Reporting Accountant

Simpson Wood Limited

Bank Chambers

Market Street

Huddersfield

HD1 2EW

Date: 1 December 2016

An Academy Trust working with the Diocese of Leeds  
Company number 08296540 (England and Wales)

**Statement of Financial Activities for the year ended 31 August 2016**  
**(including Income and Expenditure Account)**

Comparative year information

Year ended 31 August 2015

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £
<b>Income and endowments from:</b>					
Donations and Capital grants	2	4,624	-	99,462	<b>104,086</b>
Charitable Activities					
. Funding for the Academy's educational operations	3	-	586,151	-	<b>586,151</b>
Other Trading Activities	4	24,959	-	-	<b>24,959</b>
Investments	5	247	-	-	<b>247</b>
<b>Total</b>		<b>29,830</b>	<b>586,151</b>	<b>99,462</b>	<b>715,443</b>
<b>Expenditure on:</b>					
Raising Funds	6	31,397	-	-	<b>31,397</b>
Charitable activities					
. Academy's educational operations	7	-	533,353	29,776	<b>563,129</b>
<b>Total resources expended</b>		<b>31,397</b>	<b>533,353</b>	<b>29,776</b>	<b>594,526</b>
<b>Net income / (expenditure)</b>		<b>(1,567)</b>	<b>52,798</b>	<b>69,686</b>	<b>120,917</b>
<b>Transfers between funds</b>		<b>(13,490)</b>	<b>-</b>	<b>13,490</b>	<b>-</b>
<b>Net Income /(expenditure for the year)</b>		<b>(15,057)</b>	<b>52,798</b>	<b>83,176</b>	<b>120,917</b>
<b>Other recognised gains and losses</b>					
Actuarial (losses)/gains on defined benefit pension schemes	15,24	-	1,000	-	<b>1,000</b>
<b>Net movement in funds</b>		<b>(15,057)</b>	<b>53,798</b>	<b>83,176</b>	<b>121,917</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September 2014	15	102,351	(58,787)	1,522,071	<b>1,565,635</b>
<b>Total funds carried forward at 31 August 2015</b>		<b>87,294</b>	<b>(4,989)</b>	<b>1,605,247</b>	<b>1,687,552</b>

All of the Academy's activities derive from continuing operations during the above financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

**Statement of Financial Activities for the year ended 31 August 2016**  
**(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
<b>Income and endowments from:</b>						
Donations and Capital grants	2	2,294	-	40,369	<b>42,663</b>	104,086
Charitable Activities						
. Funding for the Academy's educational operations	3	2,665	588,598	-	<b>591,263</b>	586,151
Other Trading Activities	4	23,977	-	-	<b>23,977</b>	24,959
Investments	5	259	-	-	<b>259</b>	247
<b>Total</b>		<b>29,195</b>	<b>588,598</b>	<b>40,369</b>	<b>658,162</b>	<b>715,443</b>
<b>Expenditure on:</b>						
Raising Funds	6	32,711	-	-	<b>32,711</b>	31,397
Charitable activities						
. Academy's educational operations	7	-	584,354	32,641	<b>616,995</b>	563,129
<b>Total resources expended</b>		<b>32,711</b>	<b>584,354</b>	<b>32,641</b>	<b>649,706</b>	<b>594,526</b>
<b>Net income / (expenditure)</b>		<b>(3,516)</b>	<b>4,244</b>	<b>7,728</b>	<b>8,456</b>	<b>120,917</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income /(expenditure for the year)</b>		<b>(3,516)</b>	<b>4,244</b>	<b>7,728</b>	<b>8,456</b>	<b>120,917</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses)/gains on defined benefit pension schemes	15,24	-	(111,000)	-	<b>(111,000)</b>	1,000
<b>Net movement in funds</b>		<b>(3,516)</b>	<b>(106,756)</b>	<b>7,728</b>	<b>(102,544)</b>	<b>121,917</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2015	15	87,294	(4,989)	1,605,247	<b>1,687,552</b>	<b>1,565,635</b>
<b>Total funds carried forward at 31 August 2016</b>		<b>83,778</b>	<b>(111,745)</b>	<b>1,612,975</b>	<b>1,585,008</b>	<b>1,687,552</b>

All of the Academy's activities derive from continuing operations during the above financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

**Balance sheet as at 31 August 2016**

		Company Number		08296540
	Notes	2016 £	2016 £	2015 £
<b>Fixed assets</b>				
Tangible assets				
Total fixed assets	11		<b>1,540,725</b>	1,488,627
<b>Current assets</b>				
Stock	12	<b>560</b>		1,238
Debtors	13	<b>21,828</b>		22,123
Cash at bank and in hand		<b>249,160</b>		<b>280,977</b>
Total current assets		<b>271,548</b>		304,338
<b>Liabilities:</b>				
<b>Creditors:</b> Amounts falling due within one year	14	<b>(41,265)</b>		<b>(38,413)</b>
<b>Net current assets</b>			<b>230,283</b>	<b>265,925</b>
Total assets less current liabilities			<b>1,771,008</b>	1,754,552
<b>Net assets excluding pension liability</b>				
Pension scheme liability	24		<b>(186,000)</b>	<b>(67,000)</b>
<b>Net assets including pension liability</b>			<b>1,585,008</b>	<b>1,687,552</b>
<b>Funds of the academy:</b>				
<b>Restricted income funds</b>				
. Fixed asset fund(s)	15		<b>1,612,975</b>	1,605,247
. General fund(s)	15		<b>74,255</b>	62,011
. Pension Reserve	15		<b>(186,000)</b>	<b>(67,000)</b>
<b>Total restricted funds</b>			<b>1,501,230</b>	<b>1,600,258</b>
<b>Unrestricted funds</b>				
. General fund(s)	15		<b>83,778</b>	87,294
<b>Total unrestricted funds</b>			<b>83,778</b>	<b>87,294</b>
<b>Total Funds</b>			<b>1,585,008</b>	<b>1,687,552</b>

The financial statements on pages 24 to 44 were approved by the Trustees, authorised for issue on 1 December 2016 and signed on their behalf by:

**Mr S Byrne**  
Chair of Trustees

**Cash Flow Statement for the Year ended 31 August 2016**

	Notes	2016 £	2015 £
<b>Net cash inflow from operating activities</b>	19	<b>12,294</b>	51,029
Returns on investments and servicing of finance	20	<b>259</b>	247
Capital expenditure	21	<b>(44,370)</b>	49,246
<b>Increase / (Decrease) in cash in the year</b>		<b><u>(31,817)</u></b>	<b><u>100,522</u></b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2015		<b>280,977</b>	180,455
<b>Net funds at 31 August 2016</b>	22	<b><u>249,160</u></b>	<b><u>280,977</u></b>

All of the cash flows are derived from acquisitions in the current financial period.

## **Notes to the Financial Statements for the Year ended 31 August 2016**

### **1 Statement of Accounting Policies**

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

#### **Basis of Preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

#### **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 company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

#### **Incoming Resources**

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received but not expended during the period is shown in the relevant funds on the balance sheet. GAG funding and grants with specific performance conditions are included in the SOFA on a receivable basis. The balance of the income received but not expended in the period is shown in the restricted funds on the balance sheet. Grants received for fixed assets are credited to the fixed asset fund in the SOFA and carried forward in 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.

- Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

- Donations

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

## **Notes to the Financial Statements for the Year ended 31 August 2016**

### **1 Statement of Accounting Policies (continued)**

- Other income

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

- Donated Services and gifts in kind

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

- Transfer of Property

The Premises are occupied by the school on a 100 year lease at a rent of a peppercorn per annum. Due to the nature of the lease the buildings have been capitalised at their estimated value and the same amount treated as incoming resources within the SOFA.

### **Resources Expended**

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

- Costs of generating funds

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

- Charitable activities

These are costs incurred on the academy trust's educational operations.

- Governance Costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governors meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

### **Tangible Fixed Assets**

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

## **Notes to the Financial Statements for the Year ended 31 August 2016**

### **1 Statement of Accounting Policies (continued)**

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long leasehold buildings	2%
Fixtures, fittings and equipment	20%
ICT equipment	33%

For assets transferred from the predecessor school, depreciation is calculated on the original cost rather than the value at which the asset was transferred.

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

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

### **Leased Assets**

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

### **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.

### **Pensions Benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS').

These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the academy trust.

## **Notes to the Financial Statements for the Year ended 31 August 2016**

### **1 Statement of Accounting Policies (continued)**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest.

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

### **Fund Accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency, Department for Education and donations held for a specific purpose.

### **Critical accounting estimates and areas of judgement**

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

#### *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

**Notes to the Financial Statements for the Year ended 31 August 2016**

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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

<b>2 Donations and Capital Grants</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2016</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital Grants	-	40,369	<b>40,369</b>	99,462
Donations from Parents	2,294	-	<b>2,294</b>	4,624
	<b><u>2,294</u></b>	<b><u>40,369</u></b>	<b><u>42,663</u></b>	<b><u>104,086</u></b>

The income from donations and capital grants was £42,663 (2015 £104,086) of which £2,294 was unrestricted (2015 £4,624), and £40,369 was restricted fixed assets (2015 £99,462).

**Notes to the Financial Statements for the Year ended 31 August 2016****3 Funding for Academy's educational operations**

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
<b>DfE / EFA revenue grants</b>				
General Annual Grant (GAG)	-	523,423	<b>523,423</b>	527,547
Pupil Premium	-	22,210	<b>22,210</b>	23,006
Other DfE / EFA grants	-	34,267	<b>34,267</b>	35,158
	<u>-</u>	<u>579,900</u>	<u>579,900</u>	<u>585,711</u>

**Other Government Grants**

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Local Authority Grants	-	3,476	<b>3,476</b>	440
Statemented Support	-	5,222	<b>5,222</b>	-
	<u>-</u>	<u>8,698</u>	<u>8,698</u>	<u>440</u>

**Other Income**

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Insurance	671	-	<b>671</b>	-
School Trip	1,994	-	<b>1,994</b>	-
	<u>2,665</u>	<u>-</u>	<u>2,665</u>	<u>-</u>

**4 Other Trading Activities**

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Lettings Income	1,879	-	<b>1,879</b>	1,654
Catering Income	13,942	-	<b>13,942</b>	16,205
Rent from Caretaker's House	5,799	-	<b>5,799</b>	5,728
Sales and Services	112	-	<b>112</b>	197
After Care Rent and Services	2,245	-	<b>2,245</b>	-
Services to Other Schools	-	-	-	120
Income for Graduate Student	-	-	-	1,055
	<u>23,977</u>	<u>-</u>	<u>23,977</u>	<u>24,959</u>

**5 Investment Income**

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Interest received	259	-	<b>259</b>	247
	<u>259</u>	<u>-</u>	<u>259</u>	<u>247</u>

**Notes to the Financial Statements for the Year ended 31 August 2016****6 Expenditure**

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other Costs	2016	2015
	£	£	£	£	£
Expenditure on raising funds	21,543	-	11,168	32,711	31,397
Academy's educational operations					
. Direct costs	384,216	5,283	47,826	437,325	396,011
. Allocated support costs	68,156	59,420	52,094	179,670	167,118
	<b>473,915</b>	<b>64,703</b>	<b>111,088</b>	<b>649,706</b>	<b>594,526</b>

**Net Income/(expenditure) for the year include:**

	2016	2015
	£	£
Operating leases	2,218	2,218
Fees payable to auditor - audit	1,641	1,547
- other services	800	600

The expenditure from educational operations was £616,995 (2015 £563,129) of which £584,354 is restricted (2015 £533,353) and £32,641 restricted fixed assets (2015 £29,776).

**7 Charitable Activities**

	Total	Total
	2016	2015
	£	£
Direct costs	437,325	396,011
Allocated support costs	179,670	167,118

**Analysis of support costs**

	Educational	Total	Total
	operations	2016	2015
		£	£
Support staff costs	68,156	68,156	61,621
Depreciation	27,358	27,358	25,600
Technology costs	-	-	-
Premises Costs	33,374	33,374	32,023
Other Support costs	34,806	34,806	34,548
Governance Costs	15,976	15,976	13,326
	<b>179,670</b>	<b>179,670</b>	<b>167,118</b>

**Notes to the Financial Statements for the Year ended 31 August 2016****8 Staff costs**

Staff costs during the period were:

	Total 2016 £	Total 2015 £
Wages and salaries	374,235	351,390
Social security costs	22,980	19,788
Other pension costs	<u>58,978</u>	<u>47,575</u>
	<b>456,193</b>	<b>418,753</b>
Supply teacher costs	17,722	16,199
Compensation payments	<u>-</u>	<u>-</u>
	<b><u>473,915</u></b>	<b><u>434,952</u></b>

The average number of persons (including senior management team) employed by the Academy during the year were as follows:

	2016 No.	2015 No.
<b>Charitable Activities</b>		
Teachers	5	4
Administration and support	13	13
Management	<u>2</u>	<u>2</u>
	<b><u>20</u></b>	<b><u>14</u></b>

The number of employees whose emoluments fell within the following bands was:

	2016 No.	2015 No.
£60,001 - £70,000	<u>1</u>	<u>1</u>

Of the employees above, the number participating in pension schemes and the employers contributions paid on their behalf were as follows:

		2016	2015
Teachers Pension Scheme	No.	1	1
	£	<u>7,963</u>	<u>7,472</u>
Local Government Pension Scheme	No.	-	-
	£	<u>-</u>	<u>-</u>

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £147,752 (2015: £103,156).

**Notes to the Financial Statements for the Year ended 31 August 2016****9 Remuneration and expenses of Trustees and Trustees who are Staff Governors**

Principal and staff governors who are trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees.

The value of trustees who are staff governors remuneration including pension contributions was as follows:

Mrs J Wasyliw (principal and trustee)	Remuneration: £65,000 - £70,000
	Pension: £ 5,000 - £10,000
Mrs D Haigh (staff trustee)	Remuneration: £50,000 - £55,000
	Pension: £ 5,000 - £10,000
Miss R Bell (staff trustee)	Remuneration: £40,000 - £45,000
	Pension: £ 5,000 - £10,000

During the period ended 31 August 2016, there were no travel and subsistence expenses paid to trustees.

Related party transactions involving the trustees are set out in note 25.

**10 Governors' and Officers' Insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers. The cost of this insurance is included in the total insurance cost.

**11 Tangible Fixed Assets**

	Leasehold Land and Buildings	Furniture and Equipment	Computer Equipment	Long Life Fixtures	Assets Under Construction	Total
	£	£	£	£	£	£
<b>Cost</b>						
Additions	74,633	-	10,106	-	-	<b>84,739</b>
Transfers	475	-	-	-	(475)	-
At 1 September 2015	1,519,200	32,851	20,336	-	475	<b>1,572,862</b>
At 31 August 2016	<b>1,594,308</b>	<b>32,851</b>	<b>30,442</b>	-	-	<b>1,657,601</b>
<b>Depreciation</b>						
Charged in period	23,061	4,297	5,283	-	-	<b>32,641</b>
At 1 September 2015	56,447	12,607	15,181	-	-	<b>84,235</b>
At 31 August 2016	<b>79,508</b>	<b>16,904</b>	<b>20,464</b>	-	-	<b>116,876</b>
<b>Net book values</b>						
At 31 August 2016	<b>1,514,800</b>	<b>15,947</b>	<b>9,978</b>	-	-	<b>1,540,725</b>
At 1 September 2015	1,462,753	20,244	5,155	-	475	1,488,627

**Notes to the Financial Statements for the Year ended 31 August 2016****12 Stock**

	2016	2015
	£	£
Catering Supplies (Dry Food / Frozen)	440	1,168
Cleaning Supplies	<u>120</u>	<u>70</u>
	<b><u>560</u></b>	<b><u>1,238</u></b>

**13 Debtors**

	2016	2015
	£	£
Trade debtors	-	-
Prepayments	17,100	17,462
Sundry debtors	3,449	3,689
Grant and other income	-	-
VAT recoverable	<u>1,279</u>	<u>972</u>
	<b><u>21,828</u></b>	<b><u>22,123</u></b>

**14 Creditors: amounts falling due within one year**

	2016	2015
	£	£
Accruals and deferred income	<u>41,265</u>	<u>38,413</u>
	<b><u>41,265</u></b>	<b><u>38,413</u></b>
<b>Deferred income</b>	<b>2016</b>	
	£	
Resources deferred in the period	<u>23,198</u>	
Deferred Income at 31 August 2016	<b><u>23,198</u></b>	

At the balance sheet date the academy trust was holding funds in advance for Universal Free School Meals and paid school meals which relate to the following financial period.

**Notes to the Financial Statements for the Year ended 31 August 2016****15 Funds**

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	62,011	545,633	(533,389)	-	74,255
Other DfE/EFA grants	-	34,267	(34,267)	-	-
Pension Reserve	(67,000)	-	(8,000)	(111,000)	(186,000)
Other	-	8,698	(8,698)	-	-
	<b>(4,989)</b>	<b>588,598</b>	<b>(584,354)</b>	<b>(111,000)</b>	<b>(111,745)</b>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	191,402	40,369	-	-	231,771
Donated Asset Fund	1,330,186	-	(27,358)	-	1,302,828
Capital expenditure from Unrestricted Funds	20,446	-	-	-	20,446
Other Capital Grants	63,213	-	(5,283)	-	57,930
	<b>1,605,247</b>	<b>40,369</b>	<b>(32,641)</b>	<b>-</b>	<b>1,612,975</b>
<b>Total restricted funds</b>	<b>1,600,258</b>	<b>628,967</b>	<b>(616,995)</b>	<b>(111,000)</b>	<b>1,501,230</b>
<b>Unrestricted funds</b>					
Unrestricted funds	87,294	29,195	(32,711)	-	83,778
Pension reserve	-	-	-	-	-
<b>Total unrestricted funds</b>	<b>87,294</b>	<b>29,195</b>	<b>(32,711)</b>	<b>-</b>	<b>83,778</b>
<b>Total funds</b>	<b>1,687,552</b>	<b>658,162</b>	<b>(649,706)</b>	<b>(111,000)</b>	<b>1,585,008</b>

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

- i) 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 31st August 2016
  - ii) Other DfE/ EFA Grants were received for pupil premium . Pupil premium was used to address underlying inequalities between pupils eligible for free school meals and their wealthier peers by ensuring that funding was used to tackle disadvantages and reach the pupils who need it most.
  - iii) Pension Reserve is a defined benefit scheme reserve from the Local Government Pension Scheme.
  - iv) Restricted fixed assets were funded by the transfer from the predecessor school, devolved formula capital grants from the EFA and capital money held by the Diocese of West Yorkshire and the Dales.
  - v) Unrestricted Funds were funds transferred from the predecessor school, funds received from insurance claims and funds raised from Catering and Lettings income.
- These funds can be expended on any purpose of the Academy Trust at the discretion of the Governors.

**Notes to the Financial Statements for the Year ended 31 August 2016****16 Analysis of net assets between funds**

Fund balances at 31 August 2016 are

	Unrestricted general fund £	Restricted general fund £	Restricted fixed asset £	Total 2016 £
Tangible fixed assets	-	-	1,540,725	<b>1,540,725</b>
Current assets	83,778	115,520	72,250	<b>271,548</b>
Current liabilities	-	(41,265)	-	<b>(41,265)</b>
Pension scheme liability	-	(186,000)	-	<b>(186,000)</b>
<b>Total net assets</b>	<b>83,778</b>	<b>(111,745)</b>	<b>1,612,975</b>	<b>1,585,008</b>

**17 Capital commitments**

	2016 £	2015 £
Contracted for, but not provided in the financial statements	-	-

**18 Financial commitments*****Operating leases***

At 31 August 2016 the Academy had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
<u>Land and buildings</u>		
Amounts due within one year	-	-
Amounts due between one and five years	-	-
Amounts due after five years	-	-
	<b>-</b>	<b>-</b>
<u>Other</u>		
Amounts due within one year	2,218	2,218
Amounts due between one and five years	2,218	4,436
Amounts due after five years	-	-
	<b>4,436</b>	<b>6,654</b>

**Notes to the Financial Statements for the Year ended 31 August 2016**

<b>19 Reconciliation of net income/(expenditure) to net cash inflow from operating activities</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Net Income	8,456	120,917
Depreciation	32,641	29,776
Capital grants and other capital income	(40,369)	(99,462)
Interest receivable	(259)	(247)
FRS 17 pension cost less contributions payable	8,000	2,000
(Increase)/decrease in stocks	678	138
(Increase)/decrease in debtors	295	2,269
Increase/(decrease) in creditors	2,852	(4,362)
<b>Net cash inflow from operating activities</b>	<b>12,294</b>	<b>51,029</b>
<b>20 Returns on investments and servicing of finance</b>		
Interest received	259	247
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>259</b>	<b>247</b>
<b>21 Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(84,739)	(50,216)
Capital grants from DfE/EFA	40,369	99,462
<b>Net cash (outflow)/inflow from capital expenditure and financial investment</b>	<b>(44,370)</b>	<b>49,246</b>
<b>22 Analysis of cash and cash equivalents</b>	<b>At 31 August</b>	<b>At 31 August</b>
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	249,160	280,977
	<b>249,160</b>	<b>280,977</b>

**23 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.

## **Notes to the Financial Statements for the Year ended 31 August 2016**

### **24 Pension and similar obligations**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

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

#### **Teachers' Pension Scheme**

##### **Introduction**

The 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 in 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 Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public 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 return of real earnings growth is assumed to be 2.75%. The assumed nominal rate is 5.06%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% which was payable from September 2015. The next valuation of the TPS will be as at 31 March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The Pension costs paid to TPS in the period amounted to £38,437 (2015 £29,671).

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

Under the definitions set out in FRS102, 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.

**Notes to the Financial Statements for the Year ended 31 August 2016****24 Pension and similar obligations (continued)****Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £31,000 of which employer's contributions totalled £23,000 and employees' contributions totalled £8,000. The agreed contribution rates for future years are 16.1% per cent for employers.

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.

The LGPS is currently in deficit, the trustees of the academy trust have agreed to make additional contributions in addition to the normal funding levels for the next financial year, the contribution will be £2,600.

**Principal Actuarial Assumptions**

	<b>At 31 August 2016</b>	<b>At 31 August 2015</b>	<b>At 31 August 2014</b>	<b>At 31 August 2013</b>
Discount Rate	2.00%	3.80%	3.70%	4.50%
RPI Inflation	3.10%	3.10%	3.10%	3.70%
CPI Inflation	2.00%	2.00%	2.10%	2.80%
Rate of increase to pensions in payment	2.00%	2.00%	2.10%	2.80%
Rate of revaluation of pension accounts	2.00%	2.00%	2.10%	n/a
Rate of increase to deferred pensions	n/a	n/a	2.10%	2.80%
Rate of general increase in salaries	3.50%	3.50%	3.60%	4.70%

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

	<b>At 31 August 2016</b>	<b>At 31 August 2015</b>
<i>Retiring today</i>		
Males	22.7	22.6
Females	25.6	25.5
<i>Retiring in 20 years</i>		
Males	24.9	24.8
Females	28.0	27.9

**Notes to the Financial Statements for the Year ended 31 August 2016****24 Pension and similar obligations (continued)****Local Government Pension Scheme (Continued)**

The academy's share of the assets and liabilities in the scheme and the expected rates of return

	<b>Asset Allocation at 31 August 2016</b>	<b>Fair value at 31 August 2016</b>	<b>Asset Allocation at 31 August 2015</b>	<b>Fair value at 31 August 2015</b>
	%	£	%	£
Equities	75.10%	230,557	75.90%	179,883
Government Bonds	11.20%	34,384	10.40%	24,648
Corporate Bonds	4.20%	12,894	4.60%	10,902
Property	4.80%	14,736	4.50%	10,665
Cash	1.40%	4,298	1.50%	3,555
Other	3.30%	10,131	3.10%	7,347
<b>Total market value of assets</b>		<b>307,000</b>		<b>237,000</b>
Present value of scheme liabilities				
- Funded		(493,000)		(304,000)
<b>Surplus/(deficit) in the scheme</b>		<b>(186,000)</b>		<b>(67,000)</b>

The actual return on the scheme assets was £48,000 (2015: £2,000)

**Total expenditure recognised in the Statement of Financial Activities**

	<b>2016</b>	<b>2015</b>
	£	£
Current service cost (net of employee contributions)	28,000	28,000
Past service cost	-	-
<b>Total operating charge</b>	<b>28,000</b>	<b>28,000</b>

**Notes to the Financial Statements for the Year ended 31 August 2016****24 Pension and similar obligations (continued)**

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

	2016 £	2015 £
<b>At 1 September 2015</b>	304,000	309,000
Current service cost	28,000	27,000
Interest cost	12,000	12,000
Employee contributions	8,000	8,000
Actuarial loss	150,000	(14,000)
Benefits paid	(9,000)	(38,000)
Past Service cost	-	-
Curtailments and settlements	-	-
Liabilities assumed in a business combination	-	-
<b>At 31 August 2016</b>	<b>493,000</b>	<b>304,000</b>

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

	2016 £	2015 £
<b>At 1 September 2015</b>	237,000	243,000
Expected return on assets	9,000	9,000
Actuarial gain	39,000	(7,000)
Employer contributions	23,000	22,000
Employee contributions	8,000	8,000
Benefits paid	(9,000)	(38,000)
Assets acquired in a business combination	-	-
<b>At 31 August 2016</b>	<b>307,000</b>	<b>237,000</b>

**25 Related Party Transactions**

Owing to the nature of the academy trust'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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

Adoofa - a company in which C Douglas, a trustee, has an interest. Transactions totalling £400.