

Company Registration No. 08628905 (England and Wales)

RAGLAN PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

**GOVERNORS' STRATEGIC REPORT AND AUDITED FINANCIAL
STATEMENTS**
FOR THE YEAR ENDED 31 AUGUST 2017

RAGLAN PRIMARY SCHOOL

CONTENTS

	Page
Reference and administrative details	1
Governors' report	2 - 8
Governance statement	9 - 12
Statement on regularity, propriety and compliance	13
Statement of Governors' responsibilities	14
Independent auditor's report on the financial statements	15 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities including income and expenditure account	20 - 21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements including accounting policies	24 - 41

RAGLAN PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members & Governors

J Cox
A Dumper
J Evans (Resigned 23 November 2016)
R Ezinwa
S George (Chair)
R Harris
K Margetts (Accounting Officer)
S Pinder (Resigned 13 September 2017)
H Smith
S Thompson (Resigned 6 June 2017)
P Vickers
M Ward
J Benning (Appointed 6 June 2017)
J Faiers (Appointed 22 November 2016)

Senior leadership team

K Margetts	- Headteacher
D Wood	- Deputy Headteacher
C Burgess	- Inclusion manager
R Rao	- Chief Financial Officer

Company registration number

08628905 (England and Wales)

Registered office

Raglan Primary School
Raglan Road
Bromley
Kent
BR2 9NL

Independent auditor

Wilkins Kennedy LLP
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Bankers

Lloyds Bank plc
6-8 Market Square
Bromley
Kent
BR1 1NA

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

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

The Trust operates an Academy for pupils aged 4 to 11 servicing a catchment area in Bromley Town Ward. It has a pupil capacity of 420 in addition to 24 in the Speech and Language Provision. It had a roll as of 21 September 2017 of 414 plus 24 in the Speech and Language Provision at the beginning of the Academic year 2017. The Trust also runs a Day Nursery on the Raglan school site.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors are the trustees of Raglan Primary School and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

Raglan Primary School was incorporated on 29 July 2013 and obtained Academy status from 1 September 2013.

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.

Principal activities

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum.

Method of recruitment and appointment or election of Governors

The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. Subject to Articles 48 and 49, the Academy Trust shall have the following Governors - up to five Governors appointed under Article 50; a minimum of two Parent Governors appointed under Articles 53 - 58; up to two Staff Governors, subject to Article 50A; the Principal; any Governors appointed by The Academy Learning Collaborative, subject to Article 51.

Each Governor must be a Member or must have agreed in writing to become a Member and must become one without delay. The Academy Trust may also have any Co-opted Governor appointed under Article 59. The first Governors shall be those person named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

The Members may appoint up to five Governors, subject to Article 50A.

The total number of Governors (including the Principal) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

The Academy Learning Collaborative may appoint Governors, provided that the total number of Governors who are appointed by The Academy Learning Collaborative shall not at any time exceed 30% of the total number of Governors.

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Policies and procedures adopted for the induction and training of Governors

Induction

Each new Governor receives induction training through an external training provider. All Governors are provided with an induction pack and copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a Governor. Buddies are assigned to new Governors to assist with the initial significant increase in skill levels that is required.

Training

Governors have access to a range of sources of information to increase their skill levels including access to a training package from an external provider to take relevant courses.

The Governors carry out an annual Skills Audit to identify any areas where, as a collective Governing Body, they could improve and actions that can be taken. This also influences appointment of future Governors.

Organisational structure

The structure consists of three levels: the Governors, Senior Leadership Team, and the Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Governors are responsible for setting general policy, adopting an annual School Improvement Plan and budget, monitoring the Academy by the use of data and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team are the Head Teacher, the Deputy Head Teacher, the Inclusion Manager and the Chief Financial Officer. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for senior leader posts contain at least one Governor.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body has delegated its pay powers to the Pay Committee.

For appointments of the Senior Leadership Team members on or after 1 September 2013, the Governing Body will determine the pay range to be advertised and agree pay on appointment, taking account of their full roles and responsibilities.

The pay of the serving Senior Leadership Team members will be reviewed annually. The performance management of the headteacher is carried out by nominated governors, who, in turn reviews the performance of other senior leaders. The Governors can award an increase to the headteacher, subject to high performance and recommendation from the most recent appraisal. The headteacher puts forward recommendation to the Governors for increasing the salary of other senior leaders.

The pay range is specified in Raglan's Pay Policy. The procedure to award any discretionary pay is also set out in the same policy.

Related parties and other connected charities and organisations

The Academy Trust is a member of the Academy Learning Collaborative, an Umbrella Trust comprising nine academies all within the London Borough of Bromley and having similar or complementary aims and ethos. The Academy Learning Collaborative was established with the purpose of enabling member schools to benefit from focused school improvement, mutual support, shared ideas and experience, and potentially some financial economies of scale. The ALC is in the process of being wound down and the School is looking to form a Multi Academy Trust in 2018 to drive further improvement.

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Motto, Ethos and Vision

Raglan Primary School is proud to date originally from 1889 and yet provide enhanced facilities, including a Computing Lab, a modern library, a studio and a gymnasium to deliver today's modern, demanding and creative curriculum. The Trust also runs a day nursery on the Raglan site.

The School has received a number of awards which reflect the high quality of our work. These include: Healthy School Award, Travel Plan, Artsmark Gold and Eco Green Flag status.

Motto

We will encourage our whole School community to embrace the motto "Learning Is For Everyone @ Raglan (LIFE@Raglan)" as we believe, through learning, we all have an opportunity to improve the world around us.

Ethos

Raglan is an inclusive school at the heart of the local community. We provide a welcoming, safe, learning environment, built on mutual respect and trust, where we challenge all to reach their full potential.

Vision

Raglan is a forward thinking learning community where everyone makes outstanding progress and feels safe, included and valued. It is a place where staff, Governors and parents work collaboratively to provide a creative, aspirational and inspiring learning adventure.

Our children love to learn, welcome challenge and are not afraid to make mistakes. They are confident, curious and questioning and will become active and informed global citizens able to succeed in a complex, changing world.

Objectives and activities

Objects and aims

The main objectives of the Academy during the period ended 31 August 2017 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with our community; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Raglan Primary School community values diversity and seeks to give everyone in the School an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, socially, and culturally and to establish a community that is just and fair for all people who work at or visit Raglan Primary School.

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Pupils will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at School. They will be developing as independent learners in age appropriate ways, developing how to learn and the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success. Pupils will thrive and develop the skills they need for life-long learning.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers and support staff will enthuse and inspire others to explore new ideas.

Parents will fulfil their roles as true partners, recognising their role in the Student-School-Parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the School on a wider scale, providing robust governance to support the School in becoming a centre of excellence.

Objectives, strategies and activities

Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The criteria used to admit pupils to Raglan Primary School:-

- Looked after children
- Siblings
- Proximity to the School

In September 2017 the furthest offer made was 0.47 miles from the School. The School follows the London Borough of Bromley Admission Procedures (see LBB website).

Strategic report

Achievements and performance

The Academy continues to achieve the forecast numbers of pupils.

The Academy is a two form entry primary School with many strengths. The School is successful, popular and oversubscribed.

Pupils enter the School from a very wide range of social, cultural and economic backgrounds. The Academy prides itself on being an inclusive School.

Pupils enter the School from a very wide range of social, cultural and economic backgrounds. The Academy prides itself on being an inclusive school.

The Academy was inspected by OFSTED in July 2017 and was judged to be 'Good' with some outstanding features.

The percentage of pupils eligible for pupil premium is 7% well below the national average. The percentage of pupils from ethnic minority backgrounds is just above the national average at 25.5%. The percentage of pupils on SEN Register is 14.2%

To ensure that standards are continually raised the Academy operates a programme of internal and external reviews of curriculum areas.

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Key performance indicators

The main KPI is the Ofsted Framework for Inspection:

Inspectors must judge the quality of education provided in the School. This is the overarching judgement.

In order to make a judgement about the quality of education provided in the School, inspectors must first make four key judgements. These are:

- the achievement of pupils at the School;
- the quality of teaching in the School;
- the behaviour and safety of pupils at the School; and
- the quality of leadership in and management of the School.

In addition, inspectors must also consider:

- the spiritual, moral, social and cultural development of pupils at the School
- the extent to which the education provided by the School meets the needs of the range of pupils at the School, and in particular the needs of:
 - pupils who have a disability for the purposes of the Equality Act 2010
 - pupils who have special educational needs.

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 the Governing Body continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Financial report for the period

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2017, total expenditure of £2,670k(2016: £2,480k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £109k (2016: £165k income over expenditure).

At 31 August 2017 the net book value of fixed assets was £6,156k (2016: £6,145k). Movements in tangible fixed assets are shown in Note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Bromley Pension Fund, in which the Academy participates, showed a deficit of £415k at 31 August 2017 (2016: £543k) (based on Raglan Primary School's allocated share of assets and liabilities from the Local Government Pension Scheme). . Of this sum, £206k was inherited by Raglan Primary School from the London Borough of Bromley on 1 September 2013, the date the local authority's staff transferred to employment with the Academy.

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Reserves policy

The Governors have determined that the appropriate level of free reserves should be approximately £184k (2016 £184 k). However, given the uncertainty of increases in EFA funding, Governors have decided to carry forward additional reserves to cover future substantial increases in salary costs owing to rise in rates of employer contributions to pension schemes. The school also wishes to contribute to CIF project if the bid is accepted and in addition to this, the school is trying to save towards future capital projects.

The Academy's level of free reserves is £379k (2016: £350k) (total funds less the amount held in fixed assets and restricted funds) as at 31 August 2017.

Investment policy and powers

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial position

The Academy held fund balances at 31 August 2017 of £6,120k (2016: £5,966) comprising £5,741k (2016: £5,616k) of restricted funds and £379k (2016: £350k) of unrestricted general funds. Of the restricted funds, £6,156k (2016: £6,145k) is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was £415k (2016: £543k) in deficit.

Principal risks and uncertainties

The principal risks and uncertainties that Raglan Primary School faces are mitigated by the risk management process that the Academy Trust has in place.

Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces. These include:

- Operational areas (e.g. in relation to teaching and monitoring, health and safety)
- Finance
- Information technology and data protection
- Legislative and compliance risks.

The Governors have identified that key risks include information technology, finance (see below), health and safety, data monitoring and legislative risks.

The Governors have introduced systems, including operational procedures/policies and safeguards and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. Further detail is set out in the Academy's risk register.

Financial and Risk Management Objectives and Policies

The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 8. The main financial risks to which Raglan Primary School is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk also arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £415k (2016: £543k).

RAGLAN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Plans for future periods

The Academy will continue striving to improve the levels of achievement of its pupils.

The School has a good understanding of its strengths and areas for development based on analysis of data and monitoring of teaching and learning. The School also makes use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School Improvement Plan (SIP) has key areas identified for improvement and is based on regular analysis of data which is analysed by the Head Teacher and the Senior Leadership Team (SLT). The SIP is robustly monitored and continually amended by the SLT and Governors.

Auditor

In so far as the Governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 28 November 2017 and signed on its behalf by:

S George
Chair

RAGLAN PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The 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 Raglan Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met five times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governors	Meetings attended	Out of possible
J Cox	5	5
A Dumper	4	5
J Evans (Resigned 23 November 2016)	1	2
R Ezinwa	4	5
S George (Chair)	5	5
R Harris	4	5
K Margetts (Accounting Officer)	5	5
S Pinder (Resigned 13 September 2017)	5	5
H Smith	4	5
S Thompson (Resigned 6 June 2017)	1	4
P Vickers	4	5
M Ward	4	5
J Benning (Appointed 6 June 2017)	2	2
J Faiers (Appointed 22 November 2016)	2	2

The Governing Body has seen moderate change over the period with the addition of two new members to replace members leaving for personal reasons. New members were recruited to the Governing Body based on the skills they could offer.

RAGLAN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

During the academic year 2016-17, a review of Leadership was undertaken by an external consultant. The review stated that the leadership team set high expectations, which were embraced by the staff. It went on to outline the improvements that had been made to teaching, learning and assessment. It also acknowledged that there have been very good improvements in reading, writing and maths.

The Finance and Compliance Committee is a sub-committee of the main Governing Body. Its purpose is to approve the annual budget, review expenditure and forecast against the budget and approve larger items of expenditure. It receives and considers the findings of reports from the Responsible Officer.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
R Harris	6	6
K Margetts (Accounting Officer)	6	6
S Pinder (Resigned 13 September 2017)	6	6
P Vickers	4	6

Review of value for money

As Accounting Officer the Head Teacher 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 have provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Ensuring the academy has sound governance with a dedicated Finance and Compliance Committee which meets twice a term to set policy and monitor the financial performance of the school. There are also working parties of governors for areas like Premises development and Curriculum and Achievement.

Careful tracking of each child's progress and attainment has ensured we are able to provide focused, targeted intervention which has improved the educational outcomes of the children.

All purchasing is under taken by the finance manager and finance assistant who look at various suppliers to ensure they obtain the best price they can. The Head teacher has responsibility for authorising all purchase orders. Recent examples of effective purchasing include a review of the energy contract and choosing painting contractors.

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 on-going 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 Raglan Primary School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

RAGLAN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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 period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of 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 Governing Body;
- regular reviews by the Finance and Compliance 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; and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint a Responsible Officer. However, the Governors have appointed Wilkins Kennedy LLP, to complete the internal audit function. Wilkins Kennedy LLP's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

In particular the checks carried out in the current period include:

- Testing of control systems
- Testing of control account / bank reconciliation
- Review of policies and procedures and adherence thereon
- Review of governance and training of Governors

Wilkins Kennedy LLP reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The role is carried out by a separate office at Wilkins Kennedy LLP with no connection to the audit team, this is to ensure the reviews are carried out independently.

Wilkins Kennedy LLP has delivered their schedule of work as planned and no issues of significance were identified.

Review of effectiveness

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

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

RAGLAN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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 Compliance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Body on 28 November 2017 and signed on its behalf by:

S George
Chair

K Margetts
Accounting Officer

RAGLAN PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2017

As accounting officer of Raglan Primary School I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust's 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 2016.

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

K Margetts
Accounting Officer

28 November 2017

RAGLAN PRIMARY SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The Governors (who act as trustees for Raglan Primary School and are also the directors of Raglan Primary School 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 and 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 in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 that 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 Governing Body on 28 November 2017 and signed on its behalf by:

S George
Chair

RAGLAN PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAGLAN PRIMARY SCHOOL

Opinion

We have audited the financial statements of Raglan Primary School (the 'Academy Trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

RAGLAN PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAGLAN PRIMARY SCHOOL (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report, including the incorporated strategic report.

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

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

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities, the Governors 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 Trust'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 Trust, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

RAGLAN PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAGLAN PRIMARY SCHOOL (CONTINUED)

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

**Michelle Wilkes (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP**

20 December 2017

**Chartered Accountants
Statutory Auditor**

Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

RAGLAN PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAGLAN PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 July 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Raglan Primary School during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Raglan Primary School's funding agreement with the Secretary of State for Education dated 21 August 2013 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

RAGLAN PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAGLAN PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

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 period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Wilkins Kennedy LLP
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Dated: 20 December 2017

RAGLAN PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2017 £'000	Total 2016 £'000
Income and endowments from:						
Donations and capital grants	3	35	6	117	158	52
Charitable activities:						
- Funding for educational operations	4	-	2,310	-	2,310	2,381
Other trading activities	5	156	-	-	156	157
Investments	6	-	-	-	-	1
Total income and endowments		<u>191</u>	<u>2,316</u>	<u>117</u>	<u>2,624</u>	<u>2,591</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	37	2,579	54	2,670	2,480
Total expenditure	7	<u>37</u>	<u>2,579</u>	<u>54</u>	<u>2,670</u>	<u>2,480</u>
Net income/(expenditure)		154	(263)	63	(46)	111
Transfers between funds		(128)	180	(52)	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	200	-	200	(246)
Net movement in funds		26	117	11	154	(135)
Reconciliation of funds						
Total funds brought forward		350	(529)	6,145	5,966	6,101
Total funds carried forward		<u>376</u>	<u>(412)</u>	<u>6,156</u>	<u>6,120</u>	<u>5,966</u>

RAGLAN PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2016
		£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	32	4	16	52
Charitable activities:					
- Funding for educational operations	4	-	2,381	-	2,381
Other trading activities	5	157	-	-	157
Investments	6	1	-	-	1
Total income and endowments		<u>190</u>	<u>2,385</u>	<u>16</u>	<u>2,591</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	45	2,380	55	2,480
Total expenditure	7	<u>45</u>	<u>2,380</u>	<u>55</u>	<u>2,480</u>
Net income/(expenditure)		145	5	(39)	111
Transfers between funds		-	(17)	17	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	19	-	(246)	-	(246)
Net movement in funds		145	(258)	(22)	(135)
Reconciliation of funds					
Total funds brought forward		205	(271)	6,167	6,101
Total funds carried forward		<u>350</u>	<u>(529)</u>	<u>6,145</u>	<u>5,966</u>

RAGLAN PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2017

		2017		2016	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		6,156		6,145
Current assets					
Debtors	13	85		74	
Cash at bank and in hand		707		521	
		<u>792</u>		<u>595</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(413)		(231)	
Net current assets			<u>379</u>		<u>364</u>
Net assets excluding pension liability			6,535		6,509
Defined benefit pension liability	19		(415)		(543)
Net assets			<u>6,120</u>		<u>5,966</u>
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			6,156		6,145
- Restricted income funds			3		14
- Pension reserve			(415)		(543)
Total restricted funds			<u>5,744</u>		<u>5,616</u>
Unrestricted income funds	17		<u>376</u>		<u>350</u>
Total funds			<u>6,120</u>		<u>5,966</u>

The financial statements set out on pages 20 to 41 were approved by the Governing Body and authorised for issue on 28 November 2017 and are signed on its behalf by:

S George
Chair

Company Number 08628905

RAGLAN PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	20		137		138
Cash flows from investing activities					
Dividends, interest and rents from investments		-		1	
Capital grants from DfE and ESFA		117		-	
Capital funding from sponsors and others		-		16	
Payments to acquire tangible fixed assets		(68)		(33)	
			49		(16)
Change in cash and cash equivalents in the reporting period			186		122
Cash and cash equivalents at 1 September 2016			521		399
Cash and cash equivalents at 31 August 2017			<u>707</u>		<u>521</u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 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.

1.1 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA (other than in respect of the disclosure of remunerations received by staff governors under employment contracts - see note 10 for details), the Charities Act 2011 and the Companies Act 2006.

Raglan Primary School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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.

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

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

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

1.4 Expenditure

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 portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

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

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 or more or a group of similar items costing more than £5,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The property has been included at the valuation provided by the ESFA when completing their desktop valuation. The academy has a 125 year lease for the use of the land and buildings for the local authority.

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:

Land & buildings	Buildings - 2%: Land is not depreciated
Computer equipment	33.3%
Fixtures, fittings & equipment	20%

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 Liabilities

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

1.7 Leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust 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. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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 instrument.

1.9 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.

1.10 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 and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, 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 are 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 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.

1.11 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/donor and include grants from the Education and Skills Funding Agency/Department for Education.

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

2 Critical accounting estimates and areas of judgement

Accounting 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no other key assumptions concerning the future or the other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Capital grants	-	117	117	-
Other donations	35	6	41	52
	<u>35</u>	<u>123</u>	<u>158</u>	<u>52</u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	1,895	1,895	1,948
Other DfE / ESFA grants	-	146	146	148
	-	2,041	2,041	2,096
Other government grants				
Local authority grants	-	269	269	285
Total funding	-	2,310	2,310	2,381

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Hire of facilities	115	-	115	90
Catering income	37	-	37	45
Other income	4	-	4	22
	156	-	156	157

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Short term deposits	-	-	-	1

7 Expenditure

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2017 £'000	Total 2016 £'000
Academy's educational operations					
- Direct costs	1,493	28	181	1,702	1,663
- Allocated support costs	397	388	183	968	817
	1,890	416	364	2,670	2,480

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

7 Expenditure		(Continued)	
Net income/(expenditure) for the year includes:		2017	2016
		£'000	£'000
Fees payable to auditor for:			
- Audit		9	8
- Other services		3	2
Depreciation of tangible fixed assets		51	55
Loss on disposal of fixed assets		3	-
Net interest on defined benefit pension liability		11	10
		<u> </u>	<u> </u>
 8 Charitable activities			
	Unrestricted	Restricted	Total
	funds	funds	2017
	£'000	£'000	£'000
			Total
			2016
			£'000
Direct costs - educational operations	-	1,702	1,702
Support costs - educational operations	37	931	968
	<u> </u>	<u> </u>	<u> </u>
	37	2,633	2,670
	<u> </u>	<u> </u>	<u> </u>
			2017
			£'000
Analysis of support costs			
Support staff costs		395	335
Depreciation and amortisation		26	27
Technology costs		27	31
Premises costs		342	247
Other support costs		164	167
Governance costs		14	10
		<u> </u>	<u> </u>
		968	817
		<u> </u>	<u> </u>
 9 Staff costs			
		2017	2016
		£'000	£'000
Wages and salaries		1,472	1,356
Social security costs		113	97
Operating costs of defined benefit pension schemes		188	265
		<u> </u>	<u> </u>
Staff costs		1,773	1,718
Supply staff costs		104	74
Staff development and other staff costs		13	13
		<u> </u>	<u> </u>
Total staff expenditure		1,890	1,805
		<u> </u>	<u> </u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

Staff numbers

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

	2017 Number	2016 Number
Teachers	22	24
Administration and support	61	62
Management	3	4
	<u>86</u>	<u>90</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,000 - £70,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the Academy Trust was £265k (2016: £279k).

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

10 Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Governors.

The value of Governors' remuneration and other benefits was as follows:

K Margetts - Headteacher

- Remuneration £70,000 - £75,000 (2015: £65,000 - £70,000)
- Employer's pension contributions £10,000 - £15,000 (2015: £10,000 - £15,000)

A Dumper, R Ezinwa (staff):

- Remuneration £75,671 (2016: £74,532)
- Employer's pension contributions £12,470 (2016: £12,283)

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the year, travel & subsistence and equipment for school payments totalling £920 (2016: £291) were reimbursed or paid directly to three Governors (2016: five Governors).

Other related party transactions involving the Governors are set out within the related parties note.

11 Governors and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £ 500,000 on any one claim and the cost for the year ended 31 August 2017 and 31 August 2017 cannot be ascertained as it is included with all insurance.

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets

	Land & buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2016	6,117	58	136	6,311
Additions	-	18	50	68
Disposals	-	-	(8)	(8)
At 31 August 2017	6,117	76	178	6,371
Depreciation				
At 1 September 2016	84	17	65	166
On disposals	-	-	(5)	(5)
Charge for the year	28	4	22	54
At 31 August 2017	112	21	82	215
Net book value				
At 31 August 2017	6,005	55	96	6,156
At 31 August 2016	6,033	41	71	6,145

Included in land and buildings is land valued at £4,740k which is not depreciated.

13 Debtors

	2017 £'000	2016 £'000
Trade debtors	1	1
VAT recoverable	40	30
Prepayments and accrued income	44	43
	85	74

14 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade creditors	108	58
Other taxation and social security	28	29
Other creditors	31	32
Accruals and deferred income	246	112
	413	231

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

15 Deferred income	2017	2016
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	47	57
	<u> </u>	<u> </u>
Deferred income at 1 September 2016	57	48
Released from previous years	(57)	(48)
Amounts deferred in the year	47	57
	<u> </u>	<u> </u>
Deferred income at 31 August 2017	47	57
	<u> </u>	<u> </u>

At the balance sheet date the academy trust was holding funds for school trips, dinner money, universal infant free school meals and the nursery grant relating to the financial year 2017/18.

16 Financial instruments	2017	2016
	£'000	£'000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	65	54
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	372	174
	<u> </u>	<u> </u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant	11	1,895	(2,086)	180	-
Other DfE / ESFA grants	-	146	(146)	-	-
Other government grants	3	269	(269)	-	3
Other restricted funds	-	6	(6)	-	-
	<u>14</u>	<u>2,316</u>	<u>(2,507)</u>	<u>180</u>	<u>3</u>
Funds excluding pensions	14	2,316	(2,507)	180	3
Pension reserve	(543)	-	(72)	200	(415)
	<u>(529)</u>	<u>2,316</u>	<u>(2,579)</u>	<u>380</u>	<u>(412)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	-	117	-	(117)	-
General fixed assets	6,145	-	(54)	65	6,156
	<u>6,145</u>	<u>117</u>	<u>(54)</u>	<u>(52)</u>	<u>6,156</u>
Total restricted funds	<u>5,616</u>	<u>2,433</u>	<u>(2,633)</u>	<u>328</u>	<u>5,744</u>
Unrestricted funds					
General funds	350	191	(37)	(128)	376
	<u>350</u>	<u>191</u>	<u>(37)</u>	<u>(128)</u>	<u>376</u>
Total funds	<u>5,966</u>	<u>2,624</u>	<u>(2,670)</u>	<u>200</u>	<u>6,120</u>

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017 .

Other DfE/ESFA grants: This includes the pupil premium, insurance grant, rates grant and sports funding..

Other government grants: This includes SEN funding, additional pupil premium, early years funding received from the Local Authority.

Other restricted funds: This includes donations from the voluntary fund.

The transfer of funds relate to the purchase of fixed assets during the period and to cover the additional costs spent out of GAG funding.

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

(Continued)

Movements in funds - previous year

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2016 £'000
Restricted general funds					
General Annual Grant	-	1,948	(1,920)	(17)	11
Other DfE / ESFA grants	3	148	(151)	-	-
Other government grants	3	285	(285)	-	3
Other restricted funds	-	4	(4)	-	-
	<u>6</u>	<u>2,385</u>	<u>(2,360)</u>	<u>(17)</u>	<u>14</u>
Funds excluding pensions					
Pension reserve	(277)	-	(20)	(246)	(543)
	<u>(271)</u>	<u>2,385</u>	<u>(2,380)</u>	<u>(263)</u>	<u>(529)</u>
	<u><u>6,167</u></u>	<u><u>16</u></u>	<u><u>(55)</u></u>	<u><u>17</u></u>	<u><u>6,145</u></u>
Restricted fixed asset funds					
General fixed assets	6,167	16	(55)	17	6,145
	<u>5,896</u>	<u>2,401</u>	<u>(2,435)</u>	<u>(246)</u>	<u>5,616</u>
Total restricted funds	<u><u>5,896</u></u>	<u><u>2,401</u></u>	<u><u>(2,435)</u></u>	<u><u>(246)</u></u>	<u><u>5,616</u></u>
Unrestricted funds					
General funds	205	190	(45)	-	350
	<u>6,101</u>	<u>2,591</u>	<u>(2,480)</u>	<u>(246)</u>	<u>5,966</u>
Total funds	<u><u>6,101</u></u>	<u><u>2,591</u></u>	<u><u>(2,480)</u></u>	<u><u>(246)</u></u>	<u><u>5,966</u></u>

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	6,156	6,156
Current assets	376	416	-	792
Creditors falling due within one year	-	(413)	-	(413)
Defined benefit pension liability	-	(415)	-	(415)
	<u>376</u>	<u>(412)</u>	<u>6,156</u>	<u>6,120</u>
	<u><u>376</u></u>	<u><u>(412)</u></u>	<u><u>6,156</u></u>	<u><u>6,120</u></u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2016 £'000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	6,145	6,145
Current assets	350	245	-	595
Creditors falling due within one year	-	(231)	-	(231)
Defined benefit pension liability	-	(543)	-	(543)
	<u>350</u>	<u>(529)</u>	<u>6,145</u>	<u>5,966</u>

19 Pensions and similar obligations

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

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

Contributions amounting to £32k (2016: £Nil) were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates to increase to 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 may be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £126k (2016: £138k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.3% for employers and 5.5% to 12.8% for employees. The estimated value of employer contributions for the forthcoming year is £122k.

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.

Total contributions made	2017	2016
	£'000	£'000
Employer's contributions	127	111
Employees' contributions	30	24
	<hr/>	<hr/>
Total contributions	157	135
	<hr/> <hr/>	<hr/> <hr/>
Principal actuarial assumptions	2017	2016
	%	%
Rate of increases in salaries	3.7	3.3
Rate of increase for pensions in payment	2.2	1.9
Discount rate	2.5	2.1
Inflation assumption (CPI)	2.2	1.8
	<hr/> <hr/>	<hr/> <hr/>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

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

	2017	2016
	Years	Years
Retiring today		
- Males	23.3	23.2
- Females	26.0	25.6
Retiring in 20 years		
- Males	25.9	25.5
- Females	28.3	28.5
	<u> </u>	<u> </u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	2017	2016
	£'000	£'000
Discount rate + 0.1%	(30)	(28)
Mortality assumption + 1 year	22	21
CPI rate + 0.1%	30	28
Pay growth + 0.1%	6	11
	<u> </u>	<u> </u>

The Academy Trust's share of the assets in the scheme

	2017	2016
	Fair value	Fair value
	£'000	£'000
Equities	662	517
Other bonds	122	107
Cash	12	6
Other assets	72	62
	<u> </u>	<u> </u>
Total market value of assets	868	692
	<u> </u>	<u> </u>
Actual return on scheme assets - gain/(loss)	26	123
	<u> </u>	<u> </u>

Amounts recognised in the statement of financial activities

	2017	2016
	£'000	£'000
Current service cost	184	118
Interest income	(16)	(20)
Interest cost	27	30
Benefit changes, curtailments and settlements gains or losses	4	3
	<u> </u>	<u> </u>
Total operating charge	199	131
	<u> </u>	<u> </u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations	(Continued)	
	2017	2016
	£'000	£'000
Changes in the present value of defined benefit obligations		
Obligations at 1 September 2016	1,235	714
Current service cost	184	118
Interest cost	27	30
Employee contributions	30	24
Actuarial (gain)/loss	(190)	349
Benefits paid	(3)	-
	<u>1,283</u>	<u>1,235</u>
	<u><u>1,283</u></u>	<u><u>1,235</u></u>
Changes in the fair value of the Academy Trust's share of scheme assets		
	2017	2016
	£'000	£'000
Assets at 1 September 2016	692	437
Interest income	16	20
Actuarial gain	10	103
Employer contributions	127	111
Employee contributions	30	24
Benefits paid	(3)	-
Administration expenses	(4)	(3)
	<u>868</u>	<u>692</u>
	<u><u>868</u></u>	<u><u>692</u></u>
20 Reconciliation of net income/(expenditure) to net cash flows from operating activities		
	2017	2016
	£'000	£'000
Net (expenditure)/income for the reporting period	(46)	111
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(117)	(16)
Investment income receivable	-	(1)
Defined benefit pension costs less contributions payable	61	10
Defined benefit pension net finance cost	11	10
Depreciation of tangible fixed assets	54	55
Loss on disposal of fixed assets	3	-
(Increase)/decrease in debtors	(11)	29
Increase/(decrease) in creditors	182	(60)
	<u>137</u>	<u>138</u>
Net cash provided by operating activities	<u><u>137</u></u>	<u><u>138</u></u>

RAGLAN PRIMARY SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22 Related party transactions

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

No related party transactions took place in the period of account.

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he or she ceases to be a member.