

Registered number: 09154494 (England and Wales)

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**LANESEND PRIMARY**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Members**

Peter Almond (appointed 30 July 2014, resigned 24 April 2016)  
Scott Raven (appointed 30 July 2014)  
Kenneth Burns (appointed 30 July 2014)  
Katherine Palfrey (appointed 1 December 2015)

**Trustees**

Peter Almond, Trustee (resigned 24 March 2016)  
Scott Raven, Trustee (resigned 15 December 2015)  
Kenneth Burns, Trustee (appointed 30 July 2014)<sup>1</sup>  
David Cooper, Staff Trustee (resigned 16 May 2016)<sup>1</sup>  
Neil Domoney, Trustee (resigned 10 October 2015)  
Lauren Elliott, Trustee (appointed 28 November 2014)  
Andrea Flux, Staff Trustee (appointed 30 July 2014)  
Karen Herbert-Duff, Trustee (appointed 15 October 2014)  
Joanna Hunter, Trustee (appointed 30 July 2014)  
Emma Norton, Trustee (appointed 30 July 2014)<sup>1</sup>  
Katherine Palfrey, Chair of Trustees (appointed 30 July 2014)<sup>1</sup>  
Jeremy Robinson, Trustee (appointed 17 June 2015)  
Caroline Sice, Head Teacher (appointed 30 July 2014)<sup>1</sup>  
Tara Hopkinson, Staff Trustee (appointed 16 May 2016)<sup>1</sup>

<sup>1</sup> Money Group

**Company registered number**

09154494

**Company name**

Lanesend Primary

**Principal and registered office**

Love Lane, Cowes, Isle of Wight, PO31 7ES

**Company secretary**

Carrie Almond

**Progression team**

Caroline Sice, Headteacher  
David Cooper, Deputy Headteacher and YR 5&6 Phase Leader  
Tara Hopkinson, Early Years Phase Leader  
Sally Coppen, Yr 1 & 2 Phase Leader  
Graham Andre, Yr 3 & 4 Phase Leader

**Independent auditors**

Clifford Fry & Co LLP, St Mary's House, Netherhampton, Salisbury, Wiltshire, SP2 8PU

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
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**Advisers (continued)**

**Bankers**

Lloyds Bank, 22 St Thomas' Square, Newport, Isle of Wight, PO30 1SQ

**Solicitors**

Paris Smith, 1 London Road, Southampton, Hampshire, SO15 2AE

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' report of Lanesend Primary (the academy) for the period starting 1 September 2015 to 31 August 2016. 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 4-11 serving the local area of Cowes and has families from across the Isle of Wight too. It has a pupil capacity of 420 and had a roll of 300 as at the school census date, October 2015.

**Structure, governance and management**

**a. CONSTITUTION**

The academy is a company limited by guarantee and an exempt charity and was set up by a Trust deed on 30 July 2014

The academy is constituted under a Trust deed. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Lanesend Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lanesend Primary.

The principal object of the academy is to provide education within a Primary school setting.

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

**b. MEMBERS' LIABILITY**

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

**c. TRUSTEES' INDEMNITIES**

Trustees third party indemnity is covered by a policy of insurance with the DFE through their RPA approved insurance scheme.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

The number of Trustees will not be less than three but (unless otherwise determined by ordinary resolution) will not be subject to any maximum. The Members may appoint up to 10 Trustees, including Staff Trustees through any such process as they may determine. The total number of Trustees (including the Headteacher) who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

Parent Trustees are elected by parents of registered pupils at the Academy and must be a parent of a pupil at the Academy at the time they are elected. The number of Parent Trustees required shall be made up by Parent Trustees appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

The Trustees may also appoint Co-opted Trustees. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if the number of Trustees who are employees of the academy trust would then exceed one third of the total number of Trustees (including the Headteacher).

The term of office for any Trustee shall be four years and, subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. A Trustee shall cease to hold office if he resigns his office by notice to the Academy Trust (but only if at least three Trustees will remain in office when the notice of resignation is to take effect). A Trustee shall cease to hold office if he is removed by the person or persons who appointed him, however this does not apply in respect of a Parent Trustee.

Each school year the Trustees shall elect a chairman and a vice-chairman from among their number. A Trustee who is employed by the Academy Trust shall not be eligible for election as chairman or vice-chairman.

**e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

All new Trustees complete in-house induction training and are given the opportunity to attend the Local Authority new Trustee training sessions. Each new Trustee is paired with an experienced Trustee who will provide additional support. All Trustees are provided with access to policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as Trustees. All Trustees are invited to external and in-house training throughout the year. We also provide access to the Hampshire Trustee Portal for all trustees and the school subscribes to Hampshire Trustee Services.

**f. ORGANISATIONAL STRUCTURE**

The Academy has a leadership structure which consists of the Trustees and the Progression Team. The aim of the leadership structure is to devolve responsibility and to encourage involvement in the decision making at all levels. The Trustees are responsible for establishing general policy, adopting the School Improvement Plan and budget, approving the statutory accounts, monitoring the Academy budget and school data both at local and national level. Trustees lead the strategic development about the direction of the Academy, capital expenditure and staffing appointments. The Progression Team consists of the Headteacher, Deputy Headteacher and Phase Leaders. The Progression Team and Trustees with support from the School Development Manager implement the policies laid down by the Trustees and report back to them. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee. The Academy also has Phase Leaders who assist with the day to day operation of the Academy, in particular overseeing teaching and learning quality, staff, and pupils. The Principal/Headteacher is the Accounting Officer.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**g. PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

Pay and remuneration for key management is determined under the Performance Management Policy. The Headteacher's pay is determined by a performance management panel which is made up of 3 Trustees and an independent consultant (who acts as an advisor to the panel). The panel decides the Headteacher's pay and is put forward for ratification to the Money Group who have been delegated powers by the Full Governing Body. All other staff are invited to a Performance Management review against targets set and overall school performance. The Headteacher will present the evidence from these meetings to the Money Group at a Performance Management and Pay review meeting. The members of the Money Group will then decide pay changes for staff. These decisions have been delegated to the Money Group by the Full Governing Body.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Objectives and Activities**

**a. OBJECTS AND AIMS**

The company was incorporated on 30 July 2014 and commenced as an Academy on the 1 September 2014. The principal objective and activity of the Charitable Company is the operation of Lanesend Primary School. Our school ethos is to embed a love of learning; we want our children to foster a lifelong love of learning and truly believe that every member of staff within our team is responsible for supporting the children in this goal. For this to be achieved:

- Children should feel safe and secure in a caring and stimulating environment
- Have access to the whole curriculum and more
- The personal wellbeing and all round development of our children is given high priority
- ICT use to support children's learning and access to the curriculum
- Opportunities to help them engage in their learning and play
- A highly skilled and dedicated team
- Standout teaching and learning
- An outward looking school
- Strong parental partnerships
- Strategic vision and development from Members and Trustees through clear communication and insight into the school's strengths and development areas

**b. OBJECTIVES, STRATEGIES AND ACTIVITIES**

The main objectives for the year ended 31 August 2016 were as follows:

- To raise the percentage of children achieving 6 points progress in Reading, Writing and Maths across the school
- To continue to raise Good Level Development at the end of Reception, showing a rising trend and closing the gap between identified groups.
- To reach national expectation or above in Year 1 Phonics in 2015 (77%)
- To improve results at KS1 closing the gap between the school's % in writing and national expectation.
- To be above floor expectations in the new KS2 assessments.
- To develop knowledge and understanding of the new national assessments, so that it brings consistency and continuity across the school progression in all areas and outcomes so that pupils are at age expectations and above.
- To improve writing across the school with a particular focus on boys, Pupil Premium children without AEN and summer born children.
- To develop a programme to support British Values across the school to raise self-esteem, self-respect and life skills for all children, for all of life.
- Increase our level of participation in sporting activities and events and achieve the School Games Silver Award
- To develop the outside areas so that a continuous provision can be provided across the school.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

Six terms of every day intervention for five weeks to close the gap between vulnerable groups.  
Planned data tracking through staff meetings to ensure attainment in Reading, Writing and Maths so that children achieve six points or more across the year.  
Further develop our Remarkable Pupil programme to give opportunities outside of school or through planned competitions and activities that enhance their skills and interest.  
Learning Consultants procured to help support the School Improvement Plan through staff training days and twilights.  
Pupil Progress meetings half termly with teaching staff to identify children not on target of 6 points progress.  
Writing lessons across the school that support the new standards and expectations for the end of KS1 and 2.  
Half termly writing moderation alongside the use of consistent writing assessment.  
Purchased new online writing lesson plans and organised author workshops to engage and extend writing opportunities for all pupils.  
Boys Literacy project being developed and will continue into the next year.  
A series of British Values assemblies to support democracy, we held a debating assembly every week. The rule of Law, is taught through school rewards, rules and class etiquette. Individual liberty is supported through PHSE lessons. The mutual respect for tolerance and different faiths and beliefs had a half termly focus on different concepts of faith.  
Parents updated through the newsletter regarding the British Values focus and certificates awarded for etiquette champions weekly.  
Pupil Council consulted and purchased equipment to add to the outside area, specific funds allocated to the pond, the gym, musical equipment, provisions sheds and extra resources to ensure continuous provision. We held an Empty Classroom Day to plan for outdoor learning.  
LSA employed to run a sport club every day after school. PE lead organised new events such as triathlon and multi skills for KS1 as well as KS2. An Olympic Week embraced a full range of sporting activities. Children attended a range of clubs including a Remarkable Children club in the local area. We were successful in a bid for 30 scooters and helmets, and all teaching staff received training to enable them to hold scooter lessons.

**d. PUBLIC BENEFIT**

Every activity that Lanesend Primary engages in is always for the sole purpose of benefiting the children and enhancing the academy's reputation for delivering outstanding learning and extra-curricular experiences for all our children.  
The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**Strategic report**

**a. GOING CONCERN**

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**b. KEY FINANCIAL PERFORMANCE INDICATORS**

Early Years achievements

Achievement for the 2015-16 cohort was good overall at 71%, in line with the previous year and from a very low on entry expectation of 12%. Children attain at a level that was five per cent higher than the National Good Level of Development (GLD) in 2015, with girls outperforming boys by a slightly higher percentage than the national picture: 19% at Lanesend, compared to 15% nationally in 2015. Attainment for the 2015-16 cohort was also in line with or above National figures for 2015 for all areas of learning, except Physical Development. Attendance for the 2014-15 cohort was 96.5%, slightly lower than the previous year due to one persistent medical absence.

<i>EYFS Comparative Data 2015</i>				
Measure	Grouping	<i>Lanesend</i>	<i>National</i>	<i>Difference</i>
GLD	All	71%	66%	+5%
	Boys	62%	59%	+3%
	Girls	81%	74%	+7%
	FSM (14)	53%	51%	+2%
CL	All	84%	80%	+4%
PD	All	77%	87%	-10%
PSED	All	93%	84%	+9%
Literacy	All	71%	70%	+1%
Mathematics	All	88%	76%	+12%

**b. Gap Data**

We are currently awaiting our gap data for 2016, however, gap data for 2015 continues to show a closing of the percentage gap between the lowest 20% of children and the mean, which now represents a three year positive trend in EYFS. We have managed to close the gap by 6.5% in 2015, compared to the previous year. In 2015, our gap data is significantly lower than both Isle of Wight and National data and again shows an improvement on the difference between the 2013 and 2014 gap data both on the Isle of Wight and nationally.

<i>EYFS gap data 2013, 2014 and 2015</i>								
<i>2013</i>			<i>2014</i>			<i>2015</i>		
<i>Lanesend</i>	<i>National</i>	<i>IOW</i>	<i>Lanesend</i>	<i>National</i>	<i>IOW</i>	<i>Lanesend</i>	<i>National</i>	<i>IOW</i>
34.3%	36.6%	39.2%	26.8%	33.9%	33.2%	20.3%	32.1%	31.9%
<i>Difference</i>	-2.3%	-4.9%	<i>Difference</i>	-7.1%	-6.4%	<i>Difference</i>	-11.8%	-11.6%

**c. Progress**

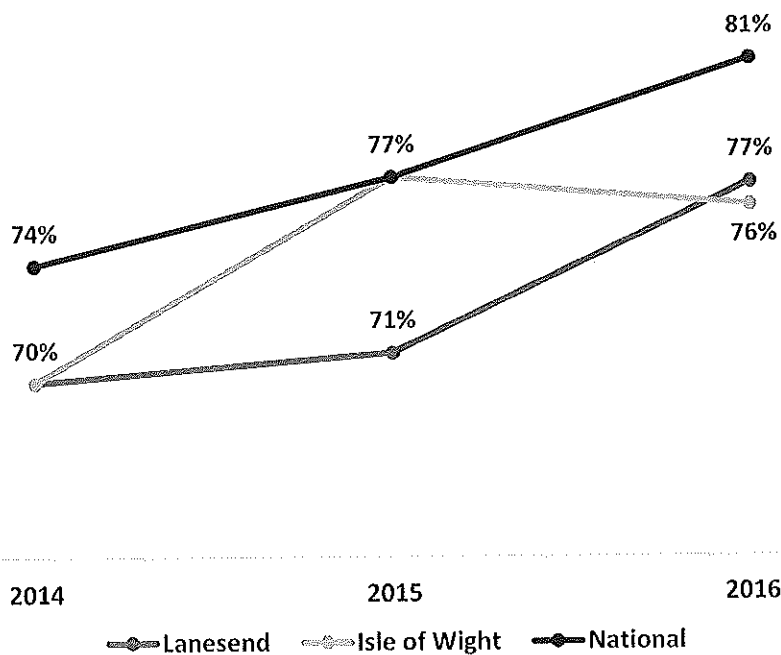
The following table demonstrates the increase in the percentage of children who were at the expected level of development or better, from their on entry judgement to the end of year assessment during the Summer Term. In 2016, an additional 59% of the cohort were attaining in line with, or greater than, expectation at the end of the year compared to at the start of the year.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

Area of Learning and Development		Aspect	On Entry	July	Change since OE
PRIME AREAS	Communication and language	Listening and Attention	50%	91%	+41%
		Understanding	47%	86%	+39%
		Speaking	47%	91%	+44%
	All CL		40%	84%	+44%
	Physical development	Moving and Handling	57%	77%	+20%
		Health and Self-care	32%	95%	+63%
	All PD		30%	77%	+47%
	Personal, social and emotional development	Self-confidence and Self-awareness	52%	95%	+43%
		Managing Feelings and Behaviour	40%	95%	+55%
		Making Relationships	50%	97%	+47%
SPECIFIC AREAS	Literacy	Reading	25%	86%	+61%
		Writing	37%	71%	+34%
	All L		22%	71%	+49%
	Mathematics	Numbers	20%	93%	+73%
		Shape, Space & Measures	12%	88%	+76%
	All M		12%	88%	+76%
	All GLD measures		12%	71%	+59%

**Year 1 Phonics - % Working at the Expected Standard**

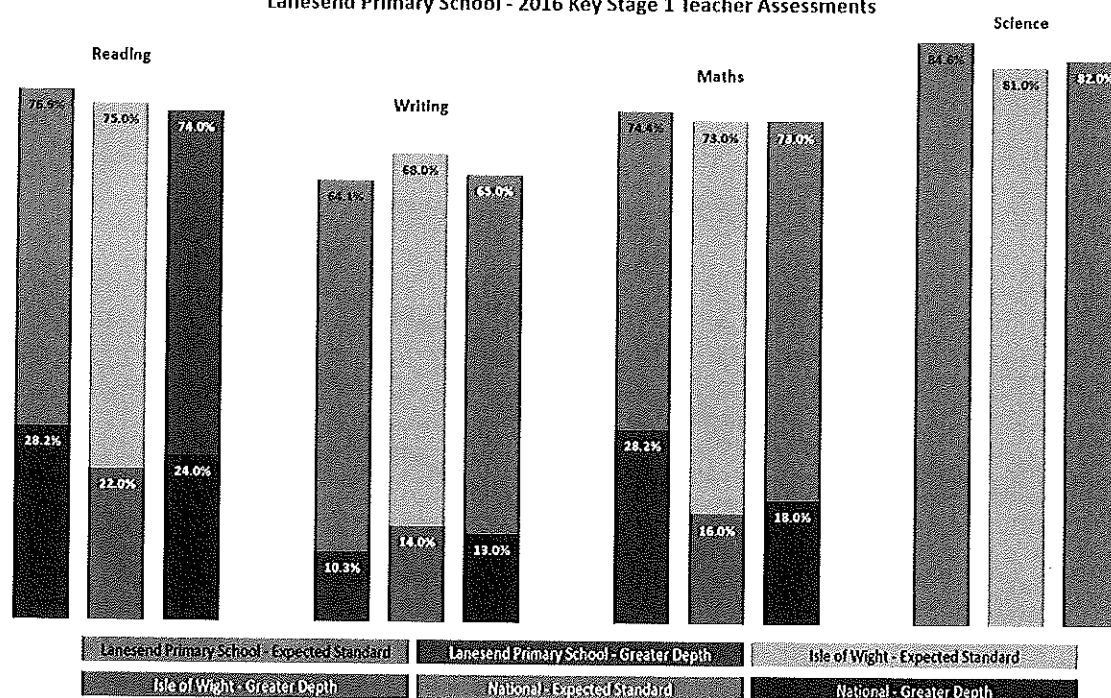


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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

Successes	Challenges
The percentage of Year 1 pupils achieving the phonics standard increased by 6% from 71% in 2015 to 77% in 2016.	The percentage of Year 1 Lanesend pupils achieving the phonics standard (77%) is 4% below the National average (81%)
The National average for percentage of pupils achieving the phonics standard increased 4% from 77% in 2015 to 81% in 2016. The Lanesend increase of 6% means that the gap to National has been reduced by 2% from 2015 to 2016.	
Lanesend's percentage of pupils achieving the phonics standard is above the Isle of Wight average for the first time in three years.	

**Lanesend Primary School - 2016 Key Stage 1 Teacher Assessments**



**KS1 summary**

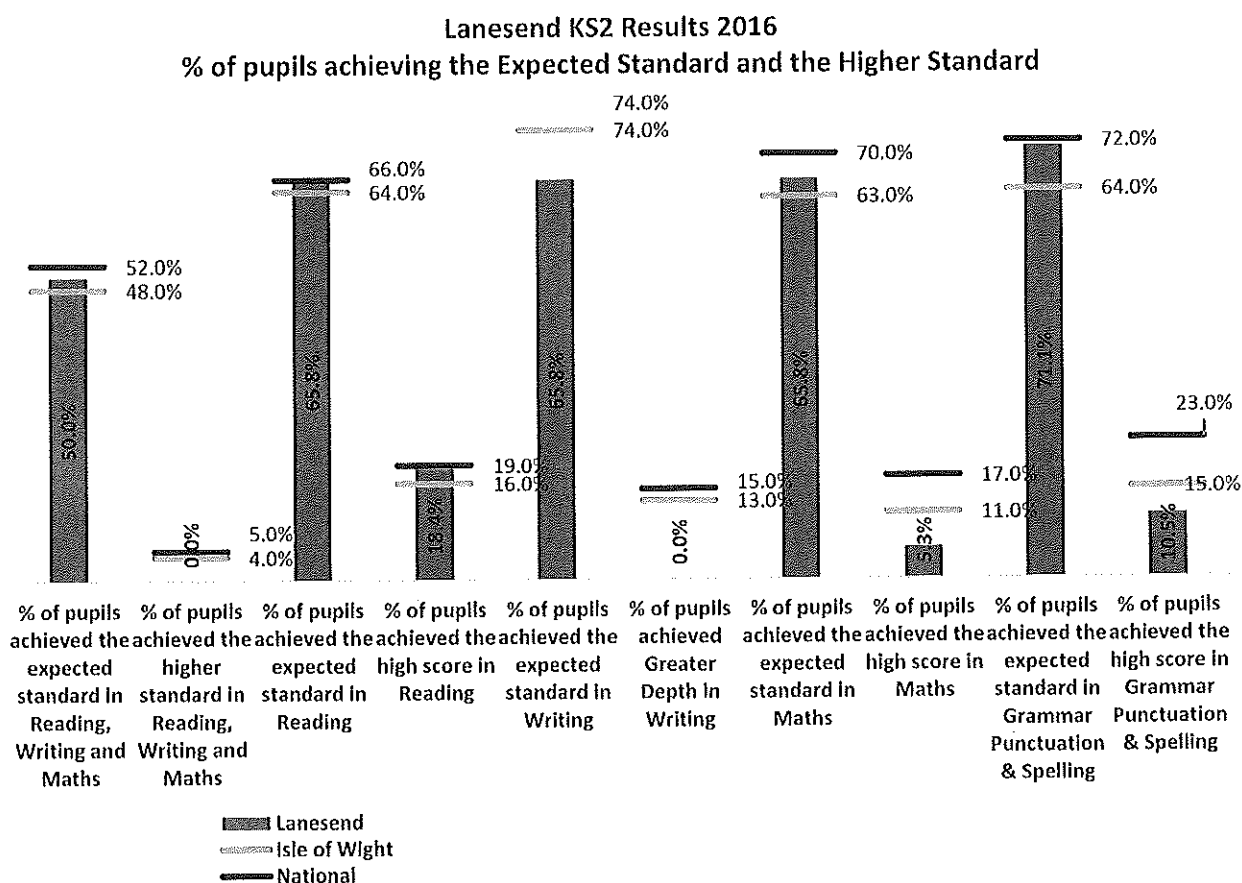
In 2016, Lanesend Primary School had a Key Stage 1 cohort of 39 pupils, each pupil counting for 2.6% in the overall performance figures. In Reading, Maths and Science, this Key Stage 1 cohort achieved better outcomes than those of the Isle of Wight and National for '% achieving the Expected Standard (EXS)' and '% working at Greater Depth within the Expected Standard (GDS)'. The percentage of pupils achieving GDS in Maths (28.2%) was the indicator showing the best performance relative to Local Authority (16%) and National (18%) averages which meant that at Lanesend, four more pupils achieved a GDS in Maths than would have from a class representing the National cohort.

Although the percentage of pupils achieving the Expected Standard in Reading (76.9%), Maths (74.4%) and Science (84.6%) all exceed the National comparators (Reading 74%, Maths 73%, Science 82%), the difference between Lanesend and the National figures is not represented by more than one pupil of the Lanesend cohort.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

28.2% of Lanesend pupils achieved a GDS in Reading which was 4.2% and 2.2% greater than the Isle of Wight (22%) and National (24%) comparators. Writing at Key Stage 1 proved to have the lowest performance outcomes relative to National comparisons and would be identified as the subject where Lanesend faces its greatest challenge. 64.1% of Lanesend pupils achieved the Expected Standard in Writing, 0.9% below the National average of 65%. Had only 1 additional pupil of the 8 who achieved a 'Working towards the Expected Standard' in Writing able to convert to 'Working at the Expected Standard' then Lanesend's Writing outcome, as was the case for Reading, Maths and Science, would have also been above the National average. The gap between Lanesend (10.3%) and National (13%) for the percentage of pupils achieving a GDS in Writing was 2.7%, again a representation of only 1 pupil within this cohort of 39.



**KS2 Reading Attainment and Progress**

66% of Lanesend's 2016 Key Stage 2 cohort achieved the Expected Standard in Reading, matching the National average and exceeding the Isle of Wight average (64%) by 2%. Despite matching the National for the Expected Standard threshold, Lanesend Primary's average scaled score (102.5) was 0.5 below the National average of 103, indicating that Lanesend had fewer higher scaled scores and more lower scaled scores than all pupils nationally.

18% of pupils achieved the high score in Reading, broadly in line with the National average and again, exceeding the Isle of Wight average (16%) by 2%. We are proud of this outcome as at Key Stage 1, this cohort had an APS of 15.8 (0.2 below National 16.0)), so matching the National for proportion achieving a high score

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**TRUSTEES' REPORT (continued)**  
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in Reading was a notable accomplishment.

The attainment outcomes in Reading were supported by our internal monitoring and tracking processes which assessed pupils as, on average, being in-line with the National Curriculum's age expectations for Reading at the time the pupils took their Key Stage 2 tests.

Key Stage 2 pupils at Lanesend made more progress in Reading than their peers nationally with a similar prior attainment scoring +0.67 for Reading progress. One particular pupil, who had a Level 1 in Reading at the end of Key Stage 1, achieved a Key Stage 2 Reading scaled score of 113, earning the pupil a positive value added score of +19.04.

***KS2 Writing Attainment and Progress***

In terms of attainment, Writing was Lanesend's lowest performing subject with 66% achieving the Expected Standard, 12% below the Isle of Wight and National averages of 74%. Lanesend needed for an additional 5 pupils to convert their teacher assessment to the Expected Standard to have matched National. Writing was the subject that had the most significant negative impact on the indicator for achieving a Higher Standard in Reading, Writing and Maths combined, as no pupil achieved a Greater Depth in Writing TA, which meant that no pupils could secure the combined measure.

Progress in Writing was calculated to be -1.61, indicating progress less than the progress made by similar pupils nationally, although the confidence intervals would suggest that the school's performance below National would not be statistically significant. Lanesend had 7 pupils with a Level 2 in Writing at Key Stage 1 (4 pupils at Level 2C, 2 pupils at Level 2B and 1 pupil at Level 2A), none of whom could achieve more than a teacher assessment of 'Working towards the Expected Standard' at Key Stage 2, which showed disappointing progress. Positively, one pupil who was working below National Curriculum levels at Key Stage 1, achieved a 'Working towards the Expected Standard' at Key Stage 2, representing Lanesend's top performing pupil for Writing progress.

Our internal tracking system correctly indicated that Writing would be our lowest attaining subject but also suggested that it would also be the lowest performing subject for progress too, which was not the case. The lowest performing subject for progress was Maths.

***KS2 Maths Attainment and Progress***

As was the case with Reading and Writing, 66% of Lanesend pupils achieved the Expected Standard in Maths which was 3% above the Isle of Wight average (63%) and 4% below the National average (70%). To have exceeded the National average, Lanesend required two more pupils to have achieved a scaled score of 100+ in Maths, a threshold to which the school had two pupils narrowly miss out on with scaled scores of 99.

Lanesend Primary School had a percentage of pupils achieving a high score in Maths (5%) which was much lower than both the Isle of Wight average (11%) and National average (17%). This performance below National is also reflected in the average scaled score for Maths with Lanesend achieving 100 and the National average being 104, a deficit largely attributed to the shortfall in high scores for Maths. Apart from the two pupils who did achieve a high score, only four pupils achieved a scaled score of above 105. This cohort's Key Stage 1 APS was 15.7 (0.2 below the National (15.9)) so gaining a high proportion of high scores in Maths at Key Stage 2 was always going to be a challenge.

Progress in Maths was the lowest across all three subjects with a negative value added score of -2.19 and as the upper confidence interval is below zero, this outcome is deemed to be statistically significant. The value added outcome would suggest that, on average, Lanesend pupils achieved more than two scaled scores less than those pupils with a similar Key Stage 1 prior attainment. One pupil achieved a Level 3 in Maths at Key Stage 1 but achieved a scaled score of 99, which was disappointing but more encouragingly, another pupil who was working below National Curriculum Levels at Key Stage 1, achieved a scaled score in Maths of 88.

Our internal tracking had forewarned us that the Progress measure for Maths would be the lowest of the three subjects. Our forecasts regarding gender outcomes were accurate in expecting the boys to outperform the girls in Maths, which was the case with the boys' averaging a scaled score of 101.7 to the girls' average scaled score of 98.2.

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**TRUSTEES' REPORT (continued)**  
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***KS2 Grammar, Punctuation and Spelling Attainment***

Attainment for Lanesend in Grammar, Punctuation and Spelling is represented by 71% of pupils achieving the Expected Standard, a marginal 1% below the National average of 72% and a substantial 7% above the Isle of Wight average (64%).

The percentage of pupils achieving a high score in Grammar, Punctuation and Spelling was 11%, 4% below the Isle of Wight average of 15% and 12% below the National average (23%). 4 pupils with scaled scores of 108 and 109 narrowly missed out on a high score, representing 10.5% of the cohort.

Lanesend achieved an average scaled score of 102 in Grammar, Punctuation and Spelling, equalling the Isle of Wight average and 1 scaled score below the National average of 103.

**Whole school attendance**

We set a target of 97.5% for the academic year 2015-16. We attained 97.63%. When compared to attendance figures of schools with similar levels of deprivation our attendance is excellent and when compared with national levels it is within the first centile. Our pupils who have been awarded the Pupil Premium Grant achieved 97.4% attendance for this academic year.

In 2015-16 the percentage of sessions missed by absence was 1.86%, a slight improvement on 2014-15 which was 1.9%. National Average is 3.9%. Persistent absenteeism is low at 7 children (2.1%) compared to national average of 2.8% in 2014. We have had no exclusions for two years.

**Whole school achievements**

Celebrations across 2015-16 included visits from paleontologists, dinosaur hunting and a visit from a T-Rex and trips away to Liverpool Science Park, the Royal Observatory, the Globe Theatre, our Shakespeare Play in a Day, Cardboard Challenge Day, Empty Classroom Day, Sport Relief, RE days, the new pond, outside environment, Community Tea Dance, Sustrans, scooters, Kindness Day, Careers Day, chickens, Lanesend referendum, UKSA with HRH the Princess Royal, Blue Peter, country dancing festival, buddy afternoons, Young Design winners, Global Rock Challenge winners, Pirates & Mad Scientists Day, speaking and drama competitions, Healthy Eating awards, charity support, watches for all children and community choir singing. We also had swimming lessons for Years 2 to 4, Water sports for Year 5, residential trip to Little Canada for Yr 4 and also Yr 6 went on a residential to France. We ended the year with a Summer School in August for Years R and 5.

This year we have developed more sport from sports clubs every night to more sporting competitions both in school and across other schools. We have tried many new sports and we have received the School Games Silver Sports award. The children asked the school to develop the outside area and this has been an excellent project, from the gym to the pond to the musical instruments and chickens. This will be developed further with work on the mound and hopefully some growing areas for vegetables next year too. The teachers asked for training on writing and Shakespeare. We have increased our writing across the school and our visit to the Globe Theatre was inspiring. Families had asked for sport, the outside area and communication on what their children do in school. Class and School Dojo have been brilliant for this.

**c. REVIEW OF ACTIVITIES**

Most of the School's income is obtained from the Education Funding Agency (EFA) in the form of current and capital grants, the use of which is restricted to particular purposes. The grants received during 2015/16 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities. We have a Financial Management Procedures Policy which includes all processes and rules relating to our finances.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**d. INVESTMENT POLICY AND PERFORMANCE**

Our funds are held in 2 bank accounts with Lloyds Bank and accrue interest. We currently do not invest in any investment activities which could pose a risk. Any investments are made with regard to the Charity Commission guidance in relation to investments.



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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Financial review**

**a. RESERVES POLICY**

Available reserves at 31 August 2016 (excluding Pension provision and restricted fixed assets are £265,137 (2015 - £203,940). Our aim is to use the allocated funding each year for the full benefit of the children currently attending the school. However we do budget a small amount each year for unforeseen circumstances, to support planned projects to benefit the future development plans of the school and the upkeep of the building.

**b. PRINCIPAL RISKS AND UNCERTAINTIES**

All administrative and support staff are entitled to membership of the Local Government Pension Scheme. The School's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the School's balance sheet shows a net liability of £511,000. The Actuary's assumptions are very much influenced by the current economic climate both nationally and internationally.

The Trustees' have developed a Risk Register which is reviewed regularly by the Money Group.

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The Trustees will continue working with the learners, staff and families of the school, to enhance provision in the local area to outstanding. We are committed to improving the educational and wellbeing outcomes for all our children, ensuring positive futures.

Lanesend Primary School is committed to developing education and learning for the 21st century both at a local and national level.

- To ensure that all children make good or better progress from entry to exit.
- To raise attainment, accelerate progress and to continue to narrow the gap between vulnerable groups.
- To raise the percentage of children achieving the age expected attainment in Reading, Writing and Maths to above National expectations in Year 6 and across the school.
- To ensure Trustees are working at the level of outstanding to support the school in its drive for outstanding status.
- To improve writing attainment across the school with a particular focus on boys writing.
- To improve Maths progress across the school with a particular focus on girls.
- Science development in preparation of science assessments.
- Utilisation of the outside area and learning environment to increase the number of Empty Classroom days.
- Improve the wellbeing and confidence of our children with a focus on speaking and listening so that our children will be able to perform and talk confidently with visiting adults and children.
- Develop the creative curriculum through the children's own interests and personal development in independent learning.
- Parental engagement to help support their children learning and raise standards and attainment.
- To develop a sports leadership programme and increase the opportunity of different provisions to engage, challenge and inspire and achieve School Games Gold award.

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LANESEND PRIMARY  
(A company limited by guarantee)

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TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016

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DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

This report was approved by order of the board of trustees as the company directors, on 8 December 2016 and signed on its behalf by:



Katherine Palfrey  
Chair of Trustees

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT**

---

**SCOPE OF RESPONSIBILITY**

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lanesend Primary and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 9 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Peter Almond, Trustee	6	6
Scott Raven, Trustee	0	0
Kenneth Burns, Trustee	7	9
David Cooper, Staff Trustee	7	7
Neil Domoney, Trustee	0	2
Lauren Elliott, Trustee	9	9
Andrea Flux, Staff Trustee	8	9
Karen Herbert-Duff, Trustee	8	9
Joanna Hunter, Trustee	7	9
Emma Norton, Trustee	8	9
Katherine Palfrey, Chair of Trustees	8	9
Jeremy Robinson, Trustee	8	9
Caroline Sice, Head Teacher	8	9
Tara Hopkinson, Staff Trustee	3	3

Review of governance took place in September 2016 regarding the 2nd year as an academy (2015/2016). A strengths, weaknesses, opportunities and threats analysis was carried out. The outcomes have supported the School Improvement Plan for 2016 onwards and created a strategic group of trustees from the convenors of each group to fulfil the vision and developments of the school. The trustees also completed a skills audit to identify gaps in the group of trustees which can be filled as new trustees are appointed or co-opted. The trustees also held a question and answer session on being OFSTED ready and a self-evaluation. Good progress of governance was recognised by the trustees in being able to answer a range of questions in detail, the trustees also recognised that their sustainability as a team had increased and was having a positive impact on the schools development and assessed themselves as outstanding. Reviews will take place annually. A training session regarding academy finances was held for all trustees, delivered by the schools auditor. This training allowed the trustee's to understand the audit and the annual report and financial statement. All trustees took part in Data training delivered by the school's data consultant. The impact of this training ensured all trustees had a good understanding of the data analysis produced within school and how this relates to national expectations.

The Money Group is a sub-group of the main board of trustees. Its purpose is to oversee the financial affairs and report as appropriate to the board of trustees. They undertake a regular review of financial policies and procedures, monitor and review income/expenditure ensuring compliance with the overall financial plan for the Academy. The group also considers and recommends the acceptance/non-acceptance of the Academy's budget at the start of the year. This group also monitors and reviews the overall effectiveness of leadership and management; contributes to the monitoring of matters concerning the school premises and grounds, Human Resources, security and Health and Safety and safeguarding.

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (continued)**

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Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Almond	5	7
Caroline Sice, Head Teacher	9	9
Kenneth Burns	9	9
Emma Norton	7	9
David Cooper, Staff Trustee	7	7
Katherine Palfrey, Chair of Trustees	7	8
Tara Hopkinson, Staff Trustee	2	2

#### **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 benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Significant changes have been made to the writing curriculum.
- Key members of staff attended a Maths Mastery course to implement for 2016/2017.
- Significant book purchase were made to improve the library facility.
- Significant developments in the outside provision was made.
- Key skills and values for the children's future success is built upon every day, including British values.
- E- learning is developing alongside the curriculum as well as purchasing hi-tech equipment and upgrading IT infrastructure across the school.
- Increased classroom capacity by extending one of the smallest rooms in the school.

Lanesend is extremely effective in its deployment of resources because:

- Its resources are of high quality.
- All individual needs can be and are met both academically and emotionally.
- The outcomes achieved recognise the value added that the school provides.
- The school employs a Family Liaison Officer to support the wellbeing team.
- We have volunteer mentors to help support vulnerable children.
- The school environment is maintained to a high level.
- Staff want to work at Lanesend with comprehensive training and with development for example The Globe Theatre for Shakespeare, SPAG training, English training, as well as first aid and safeguarding completed in a cycle.
- Funding streams are explored to enable new projects throughout the school.
- We have a highly efficient and effective School Development Manager and Finance Team that promote careful and accurate accounting.
- Children contribute ideas for resources through the Pupil Council.

We used our PE and Sports Grant alongside some of our delegated funding to improve the sporting engagement of all our children, this included the installation of outdoor gym equipment and the employment of an LSA to run sports clubs every day after school. We bought in independent sports coaches such as ballet, dance and golf to widen children's experiences. The PE lead attended cluster meetings and organised extra events with a particular focus on KS1 as there were no competitive sporting events for this age range. We allocated a week's curriculum to the Olympics and celebrated sporting achievements both in and out of school more widely. We raised our award for School Games Sports award from Bronze to Silver.

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (continued)**

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We introduced an online payment system for parents so that time was used more efficiently in the office in the collection of money. It also allowed parents to pay for trips and lunches etc so that again a better use of time was created. It also provided the finance team with a more productive monitoring system of payments and debts. This has allowed debts to be reduced and the time taken chasing reduced too. We introduced an email service so that all correspondence was emailed to families rather than printed, saving huge amounts of money. We improved our ICT portfolio in a range of ways from purchasing a new cloud system to transfer all our information to. We bought FLIC, an assessment tool for teachers reducing paper assessment and saving teachers time. We introduced Dojo as another medium for communication with families that has reduced teacher time dealing with problems and families anxieties thus allowing teachers to concentrate on learning for the majority of the time. We invested in another set of ipads so that more children can access these at one time. All of this has been supported by the procurement of a technical team which has reduced time and money spent.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lanesend Primary 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 board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is 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 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 board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Emma Norton, a trustee to carry out a programme of internal checks.

The internal reviewer's role (carried out by a trustee) 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 included:

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (continued)**

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- Checks on the banking of funds received within school. Remedial action consisted of retraining on the school's internal systems and ensuring that these were followed.

A mid-term review was carried out 23rd May 2016 by Clifford Fry where a TPS took place, no remedial action required.


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

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

Approved by order of the members of the board of trustees on 8 December 2016 and signed on their behalf, by:



**Katherine Palfrey**  
Chair of Trustees



**Caroline Sice**  
Accounting Officer

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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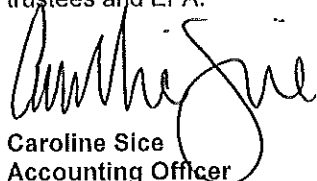
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Lanesend Primary I have considered my responsibility to notify the academy trust board of trustees 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 board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 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 board of trustees and EFA.



Caroline Sice  
Accounting Officer

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who act as governors of Lanesend Primary and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 8 December 2016 and signed on its behalf by:



**Katherine Palfrey**  
Chair of Trustees



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**LANESEND PRIMARY**  
(A company limited by guarantee)

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

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We have audited the financial statements of Lanesend Primary for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements 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.

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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

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**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- 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 year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

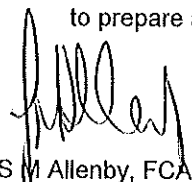
**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



S M Allenby, FCA (Senior statutory auditor)

for and on behalf of

**Clifford Fry & Co LLP**

St Mary's House  
Netherhampton  
Salisbury  
Wiltshire  
SP2 8PU

12 December 2016

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**LANESEND PRIMARY**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LANESEND  
PRIMARY AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 8 August 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 Lanesend Primary during the year 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 Lanesend Primary and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lanesend Primary 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 Lanesend Primary and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF LANESEND PRIMARY'S ACCOUNTING OFFICER AND THE  
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Lanesend Primary's funding agreement with the Secretary of State for Education dated 27 August 2014, 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 year 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.

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

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LANESEND PRIMARY  
(A company limited by guarantee)

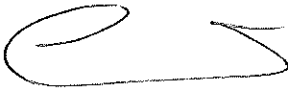
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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LANESEND  
PRIMARY AND THE EDUCATION FUNDING AGENCY (continued)

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CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clifford Fry & Co LLP

St Mary's House  
Netherhampton  
Salisbury  
Wiltshire  
SP2 8PU

Date:

12/12/16

**LANESEND PRIMARY**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	4,645	-	11,354	15,999	1,870,340
Charitable activities	5	73,296	1,754,545	-	1,827,841	1,673,295
Other trading activities	3	34,373	-	-	34,373	31,538
Investments	4	472	-	-	472	224
<b>TOTAL INCOME</b>		<b>112,786</b>	<b>1,754,545</b>	<b>11,354</b>	<b>1,878,685</b>	<b>3,575,397</b>
<b>EXPENDITURE ON:</b>						
Raising funds		-	-	-	-	2,172
Charitable activities		110,987	1,606,926	60,160	1,778,073	1,644,142
<b>TOTAL EXPENDITURE</b>	6	<b>110,987</b>	<b>1,606,926</b>	<b>60,160</b>	<b>1,778,073</b>	<b>1,646,314</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between Funds	18	1,799	147,619	(48,806)	100,612	1,929,083
		-	(117,221)	117,221	-	-
<b>NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>1,799</b>	<b>30,398</b>	<b>68,415</b>	<b>100,612</b>	<b>1,929,083</b>
Actuarial gains/(losses) on defined benefit pension schemes	22	-	(184,000)	-	(184,000)	5,000
<b>NET MOVEMENT IN FUNDS</b>		<b>1,799</b>	<b>(153,602)</b>	<b>68,415</b>	<b>(83,388)</b>	<b>1,934,083</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		12,493	(106,553)	2,028,143	1,934,083	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>14,292</b>	<b>(260,155)</b>	<b>2,096,558</b>	<b>1,850,695</b>	<b>1,934,083</b>

The notes on pages 30 to 49 form part of these financial statements.

**LANESEND PRIMARY**  
(A company limited by guarantee)  
REGISTERED NUMBER: 09154494

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	Restated 2015 £
<b>FIXED ASSETS</b>				
Tangible assets	14		2,096,558	2,028,143
<b>CURRENT ASSETS</b>				
Stocks	15	4,817		3,822
Debtors	16	77,971		96,085
Cash at bank and in hand		340,985		293,889
		<u>423,773</u>		<u>393,796</u>
<b>CREDITORS: amounts falling due within one year</b>	17	<u>(158,636)</u>		<u>(189,856)</u>
<b>NET CURRENT ASSETS</b>			<u>265,137</u>	<u>203,940</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,361,695</u>	<u>2,232,083</u>
Defined benefit pension scheme liability	22	(511,000)		(298,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>1,850,695</u></u>	<u><u>1,934,083</u></u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted income funds:				
Restricted income funds	18	250,845		191,447
Restricted fixed asset funds	18	2,096,558		2,028,143
Restricted income funds excluding pension liability		<u>2,347,403</u>		<u>2,219,590</u>
Pension reserve		<u>(511,000)</u>		<u>(298,000)</u>
Total restricted income funds			<u>1,836,403</u>	<u>1,921,590</u>
Unrestricted income funds	18		<u>14,292</u>	<u>12,493</u>
<b>TOTAL FUNDS</b>			<u><u>1,850,695</u></u>	<u><u>1,934,083</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

Katherine Palfrey  
Chair of Trustees



The notes on pages 30 to 49 form part of these financial statements.

**LANESEND PRIMARY**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	Restated 2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	175,199	227,750
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		472	224
Purchase of tangible fixed assets		(128,575)	(72,990)
Cash transferred on conversion to an academy trust		-	138,905
<b>Net cash (used in)/provided by investing activities</b>		<b>(128,103)</b>	<b>66,139</b>
<b>Change in cash and cash equivalents in the year</b>		<b>47,096</b>	<b>293,889</b>
Cash and cash equivalents brought forward		293,889	-
<b>Cash and cash equivalents carried forward</b>	21	<b>340,985</b>	<b>293,889</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**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 of financial statements**

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

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

**First time adoption of FRS 102**

These financial statements are the first financial statements of Lanesend Primary prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Lanesend Primary for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. [The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS']

Reconciliations to previous UK GAAP for the comparative figures are included in note 27.

**1.2 Fund accounting**

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

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

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



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

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

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

**1.4 Expenditure**

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

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

Charitable activities and Governance costs are costs incurred on the academy's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £2,000 are capitalised.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	Straight line over 50 years - buildings only
Fixtures and fittings	-	25% Reducing balance
Outside area	-	Straight line over 10 years

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value.

**1.8 Interest receivable**

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

**1.9 Taxation**

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.11 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.12 Liabilities and provisions**

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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial instruments**

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.14 Pensions**

Retirement benefits to employees of the academy 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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

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

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

**1.15 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 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 22, 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Voluntary income - transfer from local authority on conversion	-	-	-	1,867,417
Capital grants	-	11,354	11,354	2,923
LEAF donation	4,645	-	4,645	-
	<u>4,645</u>	<u>11,354</u>	<u>15,999</u>	<u>1,870,340</u>
Total donations and capital grants	<u>4,645</u>	<u>11,354</u>	<u>15,999</u>	<u>1,870,340</u>

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds and £1,870,340 was to restricted funds

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Squirrels Den income	33,527	33,527	29,819
Hire of facilities	846	846	1,719
	<u>34,373</u>	<u>34,373</u>	<u>31,538</u>

In 2015, of the total income from other trading activities, £31,538 was to unrestricted funds and £ *NIL* was to restricted funds.

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Bank interest	472	472	224
	<u>472</u>	<u>472</u>	<u>224</u>

In 2015, of the total investment income, £ 224 was to unrestricted funds and £ *NIL* was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Educational Activities	73,296	1,754,545	1,827,841	1,673,295

In 2015, of the total income from charitable activities £114,111 was to unrestricted funds and £1,559,184 was to restricted funds.

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
<b>DfE/EFA grants</b>				
General annual grant (GAG)	-	1,342,751	1,342,751	938,091
Other DfE/EFA grants	-	216,353	216,353	545,779
	-	1,559,104	1,559,104	1,483,870
<b>Other government grants</b>				
Local authority grants	-	195,441	195,441	107,076
	-	195,441	195,441	107,076
<b>Other funding</b>				
Uniform and sundry income	22,778	-	22,778	32,051
Meals income	23,923	-	23,923	22,758
Trip income	26,595	-	26,595	27,540
	73,296	-	73,296	82,349
	73,296	1,754,545	1,827,841	1,673,295

In 2016, of the total income from charitable activities, £73,296 was to unrestricted funds and £1,754,545 was to restricted funds.

All grant conditions had been met and there were no other grant contingencies at the year end.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**6. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Restated Total 2015 £
Educational Activities:					
Direct costs	729,107	60,160	118,694	907,961	843,476
Support costs	637,163	23,084	209,865	870,112	800,677
	<u>1,366,270</u>	<u>83,244</u>	<u>328,559</u>	<u>1,778,073</u>	<u>1,644,153</u>

In 2016, of the total expenditure, £110,987 (£2015 - £101,618) was to unrestricted funds and £1,667,086 (2015 - £1,542,535) was to restricted funds.

**7. DIRECT COSTS**

	Educational Activities £	Total 2016 £	Restated Total 2015 £
Educational supplies	55,480	55,480	47,800
Staff development	10,821	10,821	10,798
Educational Consultancy	52,393	52,393	39,206
Wages and salaries	587,443	587,443	577,614
National insurance	49,489	49,489	44,011
Pension cost	92,175	92,175	75,688
Depreciation	60,160	60,160	48,359
	<u>907,961</u>	<u>907,961</u>	<u>843,476</u>

In 2015, the academy incurred the following Direct costs:

£843,476 in respect of Educational Activities

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**8. SUPPORT COSTS**

	Educational Activities £	Total 2016 £	Restated Total 2015 £
Pension finance charge	12,000	12,000	6,000
Technology costs	3,504	3,504	5,724
Staff development	7,098	7,098	8,088
Maintenance of premises and equipment	23,084	23,084	13,107
Cleaning	17,590	17,590	13,250
Rent & rates	6,609	6,609	6,915
Energy costs	17,626	17,626	18,831
Insurance	6,090	6,090	6,650
Security and transport	1,946	1,946	806
Catering	81,186	81,186	76,484
Bank interest and charges	205	205	212
Other support costs	18,437	18,437	39,645
Trip expenditure	29,801	29,801	22,961
Governance	7,773	7,773	19,430
Wages and salaries	512,014	512,014	450,626
National insurance	18,235	18,235	14,302
Pension cost	106,914	106,914	97,636
	<u>870,112</u>	<u>870,112</u>	<u>800,667</u>

During the year ended 31 August 2016, the academy incurred the following Governance costs:

£7,773 included within the table above in respect of Educational Activities.

In 2015, the academy incurred the following Support costs:

£800,667 in respect of Educational Activities



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	<u>60,160</u>	<u>48,359</u>

**10. AUDITORS' REMUNERATION**

	2016 £	2015 £
Fees payable to the academy's auditor for the audit of the academy's annual accounts	3,750	3,750
Fees payable to the academy's auditor in respect of: All other non-audit services not included above	<u>1,835</u>	<u>975</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**11. STAFF COSTS**

Staff costs were as follows:

	2016 £	Restated 2015 £
Wages and salaries	1,099,457	1,028,238
Social security costs	67,724	58,313
Operating costs of defined benefit pension schemes	199,089	173,324
	<u>1,366,270</u>	<u>1,259,875</u>
Supply teacher costs	14,234	11,256
	<u>1,380,504</u>	<u>1,271,131</u>

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

	2016 No.	As restated 2015 No.
Teaching staff	16	14
Administration and support staff	56	54
Management	2	4
	<u>74</u>	<u>72</u>

Average headcount expressed as a full time equivalent:

	2016 No.	As restated 2015 No.
Teaching staff	15	13
Administration and support staff	23	22
Management	2	4
	<u>40</u>	<u>39</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	0

During the year retirement benefits were accruing to 4 trustees in respect of defined benefit pension schemes.

The total expense included in the accounts for key personnel amounted to £129,000 (2015 - £122,000).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

During the year retirement benefits were accruing to 4 Trustees (2015 - 3) in respect of defined benefit pension schemes.

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

		2016 £	2015 £
Caroline Sice	Remuneration	60,000-65,000	55,000-60,000
	Pension contributions paid	5,000-10,000	5,000-10,000
David Cooper	Remuneration	45,000-50,000	45,000-50,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Andrea Flux	Remuneration	15,000-20,000	10,000-15,000
	Pension contributions paid	0-5,000	0-5,000
Tara Hopkinson, Staff Trustee	Remuneration	30,000-35,000	
	Pension contributions paid	5,000-10,000	

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**14. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 September 2015	2,026,421	50,081	2,076,502
Additions	116,708	11,867	128,575
At 31 August 2016	2,143,129	61,948	2,205,077
<b>Depreciation</b>			
At 1 September 2015	38,668	9,691	48,359
Charge for the year	47,496	12,664	60,160
At 31 August 2016	86,164	22,355	108,519
<b>Net book value</b>			
At 31 August 2016	2,056,965	39,593	2,096,558
At 31 August 2015	1,987,753	40,390	2,028,143

**15. STOCKS**

	2016 £	Restated 2015 £
Finished goods and goods for resale	4,817	3,822

**16. DEBTORS**

	2016 £	Restated 2015 £
Trade debtors	10,490	10,366
VAT recoverable	18,128	23,649
Other debtors	3,116	56,207
Prepayments and accrued income	46,237	5,863
	77,971	96,085

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**17. CREDITORS: Amounts falling due within one year**

	2016 £	Restated 2015 £
Trade creditors	97,425	120,317
Other taxation and social security	20,770	17,696
Accruals and deferred income	40,441	51,843
	<u>158,636</u>	<u>189,856</u>
	2016 £	Restated 2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	26,384	-
Resources deferred during the period	23,439	23,439
Amounts released from previous years	(26,384)	-
	<u>23,439</u>	<u>23,439</u>
Deferred income at 31 August 2016		

At the balance sheet date the academy was holding funds received in advance for rates and universal infant free school meals.

**18. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds	12,493	112,786	(110,987)	-	-	14,292
	<u>12,493</u>	<u>112,786</u>	<u>(110,987)</u>	<u>-</u>	<u>-</u>	<u>14,292</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	191,447	1,342,751	(1,166,132)	(117,221)	-	250,845
Cash transferred on conversion	-	216,353	(216,353)	-	-	-
Local Authority grants	-	195,441	(195,441)	-	-	-
Pension reserve	(298,000)	-	(29,000)	-	(184,000)	(511,000)
	<u>(106,553)</u>	<u>1,754,545</u>	<u>(1,606,926)</u>	<u>(117,221)</u>	<u>(184,000)</u>	<u>(260,155)</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**18. STATEMENT OF FUNDS (continued)**

**Restricted fixed asset funds**

Restricted Fixed Asset Funds	2,028,143	11,354	(60,160)	117,221	-	2,096,558
Total restricted funds	1,921,590	1,765,899	(1,667,086)	-	(184,000)	1,836,403
Total of funds	1,934,083	1,878,685	(1,778,073)	-	(184,000)	1,850,695

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

**Unrestricted funds**

These funds are for the general use of the academy and may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

**Restricted Funds**

The General Annual Grant represents funding received from EFA during the year to fund the continuing activities of the Academy. Other EFA grant income is specific to pupils or the Academy itself. Local Authority Grants fund pupils from the local area for specific additional needs.

**Restricted Fixed Asset Funds**

These funds are those specifically designated for capital expenditure.

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 2016.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Tangible fixed assets	-	-	-	-	2,028,143
Current assets	119,000	304,773	-	423,773	393,796
Creditors due within one year	(104,708)	(53,928)	-	(158,636)	(189,856)
Provisions for liabilities and charges	-	(511,000)	-	(511,000)	(298,000)
	14,292	(260,155)	2,096,558	1,850,695	1,934,083

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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

	2016 £	Restated 2015 £
Net income for the year (as per Statement of financial activities)	100,612	1,929,083
<b>Adjustment for:</b>		
Depreciation charges	60,160	48,359
Bank interest	(472)	(224)
Increase in stocks	(995)	(3,822)
Decrease/(increase) in debtors	18,114	(96,085)
(Decrease)/increase in creditors	(31,220)	189,856
Defined benefit pension scheme obligation inherited	-	275,000
Defined benefit pension scheme finance cost	29,000	28,000
Net (loss) on assets and liabilities from local authority on conversion	-	(2,142,417)
<b>Net cash provided by operating activities</b>	<u>175,199</u>	<u>227,750</u>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	340,985	293,889
<b>Total</b>	<u>340,985</u>	<u>293,889</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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 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 16.48%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the year amounted to £182,089 (2015 - £173,324).



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**22. PENSION COMMITMENTS (continued)**

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £112,000 (2015 - £95,000), of which employer's contributions totalled £90,000 (2015 - £76,000) and employees' contributions totalled £22,000 (2015 - £19,000). The agreed contribution rates for future years are 23.5% for employers and between 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

**Isle of Wight Council Pension Fund**

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Expected return on scheme assets at 31 August	3.00 %	3.80 %
Rate of increase in salaries	4.10 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.4	22.4
Females	24.5	24.5
Retiring in 20 years		
Males	23.8	23.8
Females	26.7	26.7

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**22. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	345,000	222,000
Property	26,000	20,000
Bonds	152,000	94,000
	<u>523,000</u>	<u>336,000</u>
Total market value of assets	<u>523,000</u>	<u>336,000</u>

The actual return on scheme assets was £60,000 (2015 - £10,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(107,000)	(98,000)
Net interest cost	(12,000)	(6,000)
	<u>(119,000)</u>	<u>(104,000)</u>
Total	<u>(119,000)</u>	<u>(104,000)</u>
Actual return on scheme assets	<u>60,000</u>	<u>10,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	634,000	-
Current service cost	107,000	98,000
Interest cost	27,000	21,000
Contributions by employees	22,000	19,000
Actuarial losses/(gains)	244,000	(10,000)
Obligation transferred on conversion	-	506,000
	<u>1,034,000</u>	<u>634,000</u>
Closing defined benefit obligation	<u>1,034,000</u>	<u>634,000</u>

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**22. PENSION COMMITMENTS (continued)**

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

	2016 £	Restated 2015 £
Opening fair value of scheme assets	336,000	-
Return on plan assets (excluding net interest on the net defined pension liability)	-	15,000
Interest income	15,000	-
Actuarial gains and (losses)	60,000	(5,000)
Contributions by employer	90,000	76,000
Contributions by employees	22,000	19,000
Asset transferred on conversion	-	231,000
	<u>523,000</u>	<u>336,000</u>
Closing fair value of scheme assets	<u>523,000</u>	<u>336,000</u>

**23. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	Restated 2015 £
<b>Amounts payable:</b>		
Within 1 year	1,426	-
Between 1 and 5 years	-	3,030
Total	<u>1,426</u>	<u>3,030</u>

**24. RELATED PARTY TRANSACTIONS**

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

**25. CONTROLLING PARTY**

There is no overall controlling party.

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**26. MEMBERS' LIABILITY**

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

**27. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 30 July 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.