

Company Registration Number: 07685652 (England and Wales)

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees	P Weir, Chair (to 31 August 2017) ¹ L Mayes, Headteacher K M Barrett, Vice Chair P Ashdown, Chair (from 1 September 2017) ¹ S Franklin A-J MacLaughlin ¹ T Moran M Simpson (resigned 30 April 2017) ¹ D Mackman ¹ C Webb ¹ C Hobson T Beach J McLaren (resigned 1 March 2017) J Dearlove (appointed 3 May 2017) C Chew
	¹ Finance & Staffing Committee
Company registered number	07685652
Company name	Lethbridge Primary School
Principal and Registered office	Lethbridge Road Swindon Wiltshire SN1 4BY
Accounting officer	L Mayes
Senior management team	L Mayes, Headteacher C Short, Acting Deputy Headteacher- Phase 3/4 Leader C Harmer, Acting Deputy Headteacher- Phase 5/6 Leader C Millen, School Business Manager L Pryke, Yr 1/2 Phase Leader C Valderey, EYFS Phase Leader E Corp, SENCO
Independent auditors	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Advisers (continued)

Bankers Lloyds Bank Plc
5 High Street
Swindon
SN1 3EN

Solicitors Swindon Borough Council
Civic Offices
Euclid Street
Swindon
SN1 2JH

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Old Town, Swindon. It has a pupil capacity of 490 and had a roll of 485 in the school census on 2 October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of Lethbridge Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lethbridge Primary School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 1 August 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 8 Community Trustees who are appointed by members;
- up to 6 Parent Trustees who are elected by the Parents of registered pupils at the Academy subject to there being a minimum of 2;
- up to 4 Staff Trustees who are elected by members of staff subject to the total number not exceeding one third of the total number of Trustees; and
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

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

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees follows the Induction Policy which is available from the Clerk. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. The Academy purchases services from Swindon Borough Council's Trustees Support Service including access to Trustee Briefings and training. Advantage is also taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Full Governing Body normally meets once each term. The Full Governing Body establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Academy has formed a Finance & Staffing Committee whose terms of reference are:

- To recommend a strategic premises plan identifying the school's long term aims and one year objectives in order to achieve them;
- To prioritise, initiate and evaluate programmes of improvement and development, including specific premises projects, all in accordance with the school's Health & Safety Policy;
- To receive and monitor regular financial reports, make any necessary virements and exercise internal financial control; and
- In accordance with the Staffing and Pay Policy, make decisions concerning the Deployment, Recruitment, Appointment and Staff Development for all staff and to review the appraisal policy.

Individual Trustees are encouraged to act as Link Trustees for specific areas of school activity as prioritised by the School Development Plan.

The following decisions are reserved to the Full Governing Body; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual School Development Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, Phase Leaders and the School Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team to comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with performance management recommendations.

Connected Organisations, including Related Party Relationships

There are no related parties that either control or significantly influence the decisions and operations of Lethbridge Primary School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

At Lethbridge Primary School we aim to get the best for, and from, each child. We strive to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment. This is summarised in our vision statement: Live, Learn and Achieve at Lethbridge!

2016/17 was a significant year for the school with the appointment of a new Headteacher (March 2017), two new deputy Headteachers (May 2017) and an Ofsted inspection (May 2017). Following the resignation of Violet McLaren as Headteacher on 31 August 2016, governors appointed Lisa Mayes initially to the post of acting headteacher (September 2016 - March 2017) and following interviews to the post of Headteacher in March 2017. As Mrs Mayes was the deputy head teacher at Lethbridge Primary School, Mrs Harmer and Ms Short were jointly appointed as the new deputy Headteachers following interviews in May 2017. Both Ms Short and Mrs Harmer work at the school full time, sharing the role of deputy Headteacher and working part time as class teachers and phase leaders.

The school was inspected by Ofsted on 17 May 2017. The visit was the first short inspection carried out since the school was judged to be good in June 2013. The school continues to be good. According to the Ofsted report "the new leadership team have taken direct action to address areas for school improvement." The school was praised by Ofsted for its open lines of communication with parents and an evident commitment to ensuring that all children achieve their best. Furthermore, the report states that "school staff know the pupils in their care and their families well. Leaders have ensured that safeguarding arrangements are fit for purpose and records are detailed, up to date and carefully maintained." The following next steps for the school were identified by the Ofsted inspector: Improvements in pupils' handwriting and spelling should become further embedded across the school. The difference between boys' and girls' achievement in writing should be reduced by ensuring that boys in the early years are supported to make full use of activities for writing. Governors should develop further their monitoring of science and foundation subjects.

The school governors undertook a parent survey using Ofsted's "Parent View" questionnaire in March 2017. The school received 127 overwhelmingly positive responses:

- 99% of parents said their child feels safe at school.
- 98% of parents would recommend Lethbridge to other parents.
- 98% of parents said their child is happy at school.
- 98% of parents said their child is well looked after at school.
- 97% of parents said their child makes good progress at school.
- 96% of parents said their child is taught well at school.
- 95% of parents said the school responds well to concerns they have raised.
- 95% of parents said the school ensures children are well behaved.
- 93% of parents said they receive valuable information about their child's progress.
- 73% of parents said the school deals effectively with bullying.
- (20% of parents answered: "I don't know.")
- 86% of parents said their child receives age appropriate homework.

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

Our Ofsted inspector commented on the high number of parents who would recommend the school to other parents in her report.

Substantial work has been undertaken during 2016/17 to improve the physical appearance of the school. Following successful bids for grants, the school has been able to complete new fencing for both school playgrounds, as well as the forest school area. Funds from a second bid will be used to refurbish the school's outside toilets. Work on the KS1 toilets was completed during the summer holidays and significant improvements in terms of both appearance and hygiene are apparent.

During 2016/17, school leaders and trustees have worked on increasing collaboration with other local schools. As a result, two secondary, three primary and one pre-school have founded a new partnership group to work on the following key development areas:

- Teaching and Learning: Issues around closing the gap, consistency, effective assessment, writing, sharing good practice and behaviour for learning;
- Governance: support for (new) governors, good practice and deepening knowledge of external validations; and
- Leadership Development: a collaborative Emerging Leaders course; support for several new heads in the schools involved in the partnership.

In May 2017, trustees voted unanimously to commit funds in 2016/17 to support the work of this new partnership.

In July 2017, the school's after school care provider "Activ8" was inspected by Ofsted and had its license suspended with immediate effect for a period of no less than six weeks. As a consequence of this, the school decided to terminate its letting agreement with Activ8. School staff stepped in to provide after school care for those children who would normally use Activ8 for the remainder of the academic year. The school was able to find a new provider "The Big Adventure Club" to start provision at the school at the beginning of the new academic year 2017/18. The school managed to keep disruption for families using Activ8 to a minimum.

Objectives, Strategies and Activities

Key priorities set out in the School Development Plan for 2016/17 were met as follows:

- Clear targets were set across all year groups. New end of Year 4 phase targets were introduced in order to increase accountability for the lower Key Stage 2 phase and to ensure no children fall behind. End of year data across all year groups is in line with targets;
- Mentoring and peer coaching was used to support staff in development areas and to build consistency in quality across the school. Head teachers from other local schools were invited to lesson observations to increase external validation. Cluster Heads commented on the calm and supportive atmosphere at Lethbridge;
- Low writing results in the end of Year 6 SATs for 2015/16 were addressed by introducing writing moderation within our cluster of local schools. During 2016/17, all year group teachers met with other teachers throughout Swindon Borough Council to validate judgments in writing attainment. The school took the decision to have its end of Year 6 SATs writing results moderated by Wiltshire Council rather than Swindon Borough Council in 2016/17. Writing results in 2016/17 were much improved (see "Achievements and Performance" below);
- In the end of Year 6 SATs tests 2015/16, a noteworthy number of girls in receipt of pupil premium funding did not make expected progress in maths. Consequently, additional lesson observations and book scrutinies were carried out by the joint deputy head teachers, targeting specifically maths progress of disadvantaged pupils at the school. The senior leadership team are satisfied that challenge and support is good. End of year 2016/17 data shows that pupil premium children without additional educational needs are on average working above age related expectations across all year groups;
- Pupil Premium pupil voice surveys were carried out in 2016/17 and shared with cluster schools. This has enabled the school to assess individual needs more accurately. As a result, for example, civil service representatives were invited to talk to children in Years 5 and 6 about their career aspirations;

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

- The school has actively collaborated with our local secondary school, The Commonweal School, to further promote progress in writing and maths. Year 5 boys have taken part in a writing project at Commonweal. This has improved their confidence, including that of boys with additional educational needs. Data shows that 53% of Year 5 boys were working above age related expectations at the end of 2016/17. Children in Year 4 had the opportunity to participate in a maths project lead by a Commonweal teacher, and children from Year 6 were able to visit Commonweal for advanced maths teaching;
- Prevention of bullying and online safety were a focus for the school in 2016/17. The head teacher and deputy heads act immediately on any reported instances of behaviour that may constitute bullying. Anti-bullying ambassadors have been introduced and representatives of the NSPCC have been invited to school to hold assemblies and workshops for all age groups; and
- Handwriting was targeted as a whole school priority. All children are now expected to use the cursive style and interventions are in place for children in Years 2 and above who have not yet achieved handwriting expectations.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

This was the sixth year of operation of the school as an academy.

The school's results for 2016-17 are summarised below. The assessment structure and the curriculum for primary schools radically changed in 2015. Results for prior years are also shown to show trends over the past six years. The results demonstrate a high quality of teaching and overall success of the school's approach.

End of 2016-17 National Assessment Results KS2

School compared to Local Authority and National

		Cohort	School	LA	National
Expected Standard Plus	Reading	70	87.1%	72.4%	71.0%
	Writing	70	78.6%	76.2%	76.0%
	GPS	70	84.3%	77.7%	77.0%
	Maths	70	84.3%	75.5%	75.0%
	Science	70	94.3%	80.1%	81.7%
	RWM	70	70.0%	61.4%	61.0%
GDS / High Standard	Reading	70	31.4%	24.9%	25.0%
	Writing	70	21.4%	15.6%	18.0%
	GPS	70	41.4%	30.2%	31.0%
	Maths	70	28.6%	19.9%	23.0%
	RWM	70	12.9%	8.0%	9.0%
Average Scaled Score	Reading	70	106.6	104.4	104.1
	GPS	70	108.4	106.0	106.0
	Maths	70	105.2	104.0	104.2

End of 2016-17 National Assessment Results KS1

		Cohort	School	LA	National
PKF and below	Reading	70	1.4%	5.5%	#N/A
	Writing	70	2.9%	5.8%	#N/A
	Maths	70	1.4%	4.8%	#N/A
WTS	Reading	70	11.4%	17.4%	#N/A
	Writing	70	12.9%	22.4%	#N/A
	Maths	70	12.9%	17.1%	#N/A
	Science HNM	70	4.3%	15.4%	17.4%
EXS+	Reading	70	87.1%	75.8%	75.6%
	Writing	70	84.3%	70.6%	68.2%
	Maths	70	85.7%	76.9%	75.2%
	Science	70	95.7%	83.2%	82.6%
	R+W+M	70	81.4%	66.4%	63.7%
GDS	Reading	70	44.3%	25.9%	25.2%
	Writing	70	31.4%	16.5%	15.6%
	Maths	70	35.7%	20.2%	20.5%
	R+W+M	70	21.4%	11.4%	10.9%

End of 2015-16 National Assessment Results KS2

		Cohort	School	LA	National
Achieving Standard	Reading	68	94.1%	66.2%	65.7%
	Writing	68	69.1%	58.4%	74.1%
	GPS	68	92.6%	72.6%	72.4%
	Maths	68	91.2%	70.0%	69.8%
	Science	68	92.6%	60.6%	#N/A
	RWM	68	61.8%	44.9%	53.3%
Not Achieving Standard	Reading	68	5.9%	33.8%	34.3%
	Writing	68	30.9%	41.6%	25.9%
	GPS	68	7.4%	27.4%	27.6%
	Maths	68	8.8%	30.0%	30.2%
	Science	68	7.4%	39.4%	#N/A
	RWM	68	38.2%	55.1%	46.7%
Derived Scaled Score	Reading	68	107.3	102.4	102.0
	GPS	68	109.4	104.1	103.0
	Maths	68	106.2	102.8	103.0

End of 2015-16 National Assessment Results KS1

		Cohort	School	LA	National
PKF and below	Reading	67	3.0%	8.5%	#N/A
	Writing	67	0.0%	8.3%	#N/A
	Maths	67	6.0%	8.0%	#N/A
WTS	Reading	67	13.4%	20.1%	#N/A
	Writing	67	17.9%	28.3%	#N/A
	Maths	67	10.4%	22.2%	#N/A
	Science HNM	67	3.0%	22.1%	#N/A
EXS+	Reading	67	83.6%	71.1%	74.1%
	Writing	67	82.1%	63.1%	65.5%
	Maths	67	83.6%	69.6%	72.6%
	Science	67	97.0%	77.6%	81.8%
	R+W+M	67	74.6%	56.4%	60.3%
GDS	Reading	67	46.3%	21.4%	23.6%
	Writing	67	37.3%	11.5%	13.3%
	Maths	67	38.8%	12.9%	17.8%
	R+W+M	67	32.8%	7.0%	8.9%

Key Stage 1

Phonics Test – Year 1

	Lethbridge	National
2012	50%	58%
2013	70%	69%
2014	86%	74%
2015	85%	77%
2016	80%	81%
2017	83%	81%

Key Stage 2

Reading	Level 4+	
	Lethbridge	National
2011	89%	84%
2012	97%	87%
2013	100%	86%
2014	97%	89%
2015	100%	89%

Key Stage 1

Reading	Level 2+	
	Lethbridge	National
2011	91%	85%
2012	94%	85%
2013	94%	89%
2014	97%	90%
2015	96%	90%

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

Writing	Level 4+	
	Lethbridge	National
2011	59%	75%
2012	90%	75%
2013	90%	83%
2014	91%	85%
2015	97%	87%

Writing	Level 2+	
	Lethbridge	National
2011	86%	81%
2012	97%	85%
2013	91%	85%
2014	96%	86%
2015	93%	88%

Maths	Level 4+	
	Lethbridge	National
2011	86%	80%
2012	94%	84%
2013	97%	85%
2014	93%	86%
2015	97%	87%

Maths	Level 2+	
	Lethbridge	National
2011	97%	90%
2012	99%	90%
2013	97%	91%
2014	97%	92%
2015	96%	93%

The basis of these results is that Lethbridge is a happy, caring environment where children feel secure and able to succeed. The Academy is committed to providing children with an amazing learning experience that incorporates all aspects of the child's development. As in previous years, pupils have benefitted from a variety of visits and visitors to the school, many after-school clubs, opportunities for children to perform in their productions and assemblies, celebrations of local and national events, and the many activities organised by the Friends who raise significant funds for the benefit of pupils at Lethbridge School.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £Nil GAG was carried forward and the Trust held unrestricted funds at the Balance Sheet date of £156,997.

Another key financial performance indicator is staffing costs as a percentage of total revenue income. For 2016/17 this was 75.5% compared to 80.4% in 2016.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2016/17 were 486. It is anticipated that this number will remain reasonably stable and may increase by one or two.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and these are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2017, total expenditure (excluding restricted fixed asset funds and pension scheme liabilities) of £1,971,680 was largely covered by recurrent grant funding from the DfE, together with other incoming resources of £1,979,784. The excess of income over expenditure for the year was £8,024.

At 31 August 2017 the net book value of fixed assets was £3,641,578 and movements in tangible fixed assets are shown in Note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 August 2012 at £3,681,384. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy took on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The movement on the deficit in the scheme in the year is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending.

Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Trustees have adopted an Internal Assurance Officer Policy and appointed Financial Services 4 Schools Ltd to undertake a programme of internal checks on financial controls. During the year, the Trustees received four reports from Financial Services 4 Schools Ltd which contained no matters of significance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

Investment Policy

The level of reserves will be determined by Trustees annually to provide a prudent level of reserves to meet the long term cyclical needs of the Academy and short term cash flow requirements needs and to meet unforeseen contingencies. Although these levels can fluctuate depending on operational needs the Trustees have determined that the Academy should aim to have a minimum of £100,000 or the maximum permitted by the ESFA.

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

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 92% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers especially with a new primary school being opened in the area. Trustees recognise that educational standards need to continue to improve and closely monitor achievement to ensure this happens. In addition, Trustees realise that the Academy needs to market its achievements more proactively and will put in place activities to do this.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The specific ways that the Academy will seek to achieve these objectives are in the School Improvement Plan for 2017/18.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

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

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 29 November 2017 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'P Ashdown', written in a cursive style.

P Ashdown
Chair of Trustees

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 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
P Weir	7	7
L Mayes	7	7
K M Barrett	7	7
P Ashdown	6	7
S Franklin	3	7
A-J MacLaughlin	4	7
T Moran	3	7
M Simpson	0	4
D Mackman	5	7
C Webb	4	7
C Hobson	6	7
T Beach	7	7
J McLaren	1	4
J Dearlove	1	2
C Chew	7	7

The Finance & Staffing Committee is a sub-committee of the main Board of Trustees which receives and monitors regular financial reports, makes any necessary virements and exercise internal financial control against the Annual Budget, and receives reports from the Responsible Officer. The committee also oversees the school's premises plan and to prioritise, initiate and evaluate programmes of improvement and development, including specific premises projects, all in accordance with the school's Health & Safety Policy.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
P Weir	3	4
D Mackman	4	4
P Ashdown	4	4
L Mayes	4	4
A Maclaughlin	0	4
C Webb	2	4
M Simpson	0	3
K M Barrett	4	4

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

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

- We have worked closely with our parents association to ensure money raised by them is used in a targeted way to meet our School Development Plan and ensure the outcomes for children are raised. This has included funding to enable us to employ outside educational groups to run architect workshops during our mastery week. Dance workshops and art materials to enable us to work towards our Arts Mark award that we hope to obtain next academic year, and to provide cameras for each classroom to assist with literacy and project work. This continued close working relationship with the PTA as a body means that with a tight budget we can use fundraising resources to enhance the use of our public funding;
- We have during this year been working closely and forging to set up a partnership with two secondary schools, 2 other primary schools and a pre-school all in close geographical proximity. This has resulted now in a more formal partnership ready for the next academic year. This partnership of schools working together and having regular meetings both within a larger group and also smaller groups of Head Teachers, Chair of Governors and School Business Managers, means that we are now in a situation where we are able to work together to make cost savings on shared staff training, shared learning opportunities for our children, and support services. In addition there is the opportunity to share workload of certain statutory policies that need implementing and the opportunity to share advice and good practice. Next year we will aim to increase the size of this group with other local schools; and
- Children have achieved results above the national averages in all Key Stages. In Key Stage 1 our writing attainment was in the top 10% of schools nationwide and attainment at both expected standard and at greater depth standard was above national averages in reading, writing and maths. Our Phonics Screening Check results were above the national averages at both Year 1 and Year 2. In key Stage 2 our attainment in reading, writing and maths was above the national averages at both expected and greater depth standard. Disadvantaged children and those children with special educational needs at SEN support level made better progress in reading than all children nationally. In Early Years, The number of children achieving the expected standard in each of the 7 areas of learning, and the numbers of children reaching the exceeding standard, was higher than national. The number of children achieving 'good level of development' was significantly higher than the national average.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lethbridge Primary School for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Financial Services for Schools Ltd (FS4S) as internal auditor.

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

On a quarterly basis, the internal auditor reports to the Board of Trustees through the Finance and Staffing Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

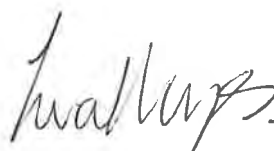
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 29 November 2017 and signed on their behalf, by:



**P Ashdown
Chair of Trustees**



**L Mayes
Accounting Officer**

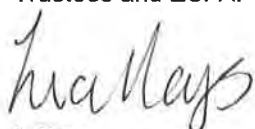
**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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



**L Mayes
Accounting Officer**

Date: 29 November 2017

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



P Ashdown
Chair of Trustees

Date: 29 November 2017

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

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

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

In our opinion the financial statements:

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

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy's or to cease operations, or have no realistic alternative but to do so.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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



Simon Morrison FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER
Date:

4/12/2017

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 27 August 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lethbridge Primary School during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lethbridge Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lethbridge Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lethbridge Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Lethbridge Primary School's funding agreement with the Secretary of State for Education dated July 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morrison FCA (Reporting Accountant)

Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: 4/12/2017

LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	1,732	71,219	123,254	196,205	89,849
Charitable activities	5	44,530	1,843,173	-	1,887,703	1,891,506
Other trading activities	3	10,407	8,525	-	18,932	21,685
Investments	4	198	-	-	198	345
TOTAL INCOME		56,867	1,922,917	123,254	2,103,038	2,003,385
EXPENDITURE ON:						
Charitable activities		84,888	1,982,872	105,851	2,173,611	2,169,242
TOTAL EXPENDITURE	6	84,888	1,982,872	105,851	2,173,611	2,169,242
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	(28,021)	(59,955)	17,403	(70,573)	(165,857)
		-	(33,458)	33,458	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(28,021)	(93,413)	50,861	(70,573)	(165,857)
Actuarial gains/(losses) on defined benefit pension schemes	23	-	553,000	-	553,000	(405,000)
NET MOVEMENT IN FUNDS		(28,021)	459,587	50,861	482,427	(570,857)
RECONCILIATION OF FUNDS:						
Total funds brought forward		185,018	(942,809)	3,692,144	2,934,353	3,505,210
TOTAL FUNDS CARRIED FORWARD		156,997	(483,222)	3,743,005	3,416,780	2,934,353

The notes on pages 28 to 48 form part of these financial statements.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07685652**

**BALANCE SHEET
AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		3,641,578		3,692,143
CURRENT ASSETS					
Debtors	14	60,762		46,999	
Cash at bank and in hand		325,200		261,148	
		<u>385,962</u>		<u>308,147</u>	
CREDITORS: amounts falling due within one year	15	<u>(131,138)</u>		<u>(125,920)</u>	
NET CURRENT ASSETS			<u>254,824</u>		<u>182,227</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,896,402</u>		<u>3,874,370</u>
CREDITORS: amounts falling due after more than one year	16		<u>(45,622)</u>		<u>(49,017)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>3,850,780</u>		<u>3,825,353</u>
Defined benefit pension scheme liability	23		<u>(434,000)</u>		<u>(891,000)</u>
NET ASSETS			<u><u>3,416,780</u></u>		<u><u>2,934,353</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	18	(49,222)		(51,809)	
Fixed asset funds	18	3,743,005		3,692,144	
		<u>3,693,783</u>		<u>3,640,335</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(434,000)</u>		<u>(891,000)</u>	
Total restricted funds			<u>3,259,783</u>		<u>2,749,335</u>
Unrestricted funds	18		<u>156,997</u>		<u>185,018</u>
TOTAL FUNDS			<u><u>3,416,780</u></u>		<u><u>2,934,353</u></u>

The financial statements on pages 25 to 48 were approved by the Trustees, and authorised for issue, on 29 November 2017 and are signed on their behalf, by:



**P Ashdown
Chair of Trustees**

The notes on pages 28 to 48 form part of these financial statements.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	<u>6,596</u>	<u>(52,128)</u>
Cash flows from investing activities:			
Interest received		198	345
Purchase of tangible fixed assets		(55,286)	(44,594)
Capital grants from DfE/ESFA		115,939	9,486
Net cash provided by/(used in) investing activities		<u>60,851</u>	<u>(34,763)</u>
Cash flows from financing activities:			
Repayments of borrowings		(3,395)	(3,289)
Net cash used in financing activities		<u>(3,395)</u>	<u>(3,289)</u>
Change in cash and cash equivalents in the year		64,052	(90,180)
Cash and cash equivalents brought forward		<u>261,148</u>	<u>351,328</u>
Cash and cash equivalents carried forward	21	<u><u>325,200</u></u>	<u><u>261,148</u></u>

The notes on pages 28 to 48 form part of these financial statements.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.1 GENERAL INFORMATION

Lethbridge Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is Lethbridge Road, Swindon, Wiltshire, SN1 4BY.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.3 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 Trust 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.

1.4 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 funders where the asset acquired or created is held for a specific purpose.

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

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

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

1. ACCOUNTING POLICIES (continued)

1.5 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

1.6 EXPENDITURE

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

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

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

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	-	125 years straight line
Long term leasehold property	-	50 years straight line
Fixtures and fittings	-	7 years straight line
Computer equipment	-	5 years straight line

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

1.8 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

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.

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.

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

1. ACCOUNTING POLICIES (continued)

1.12 LIABILITIES AND PROVISIONS

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

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

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

1. ACCOUNTING POLICIES (continued)

1.14 FINANCIAL INSTRUMENTS

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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(A COMPANY LIMITED BY GUARANTEE)

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	1,732	71,219	7,315	80,266	80,381
Capital Grants	-	-	115,939	115,939	9,468
	<u>1,732</u>	<u>71,219</u>	<u>123,254</u>	<u>196,205</u>	<u>89,849</u>
<i>Total 2016</i>	<u>927</u>	<u>72,454</u>	<u>16,468</u>	<u>89,849</u>	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	10,407	-	10,407	10,271
Trainee teacher income	-	8,525	8,525	11,414
	<u>10,407</u>	<u>8,525</u>	<u>18,932</u>	<u>21,685</u>
<i>Total 2016</i>	<u>10,271</u>	<u>11,414</u>	<u>21,685</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	198	-	198	345
	<u>198</u>	<u>-</u>	<u>198</u>	<u>345</u>
<i>Total 2016</i>	<u>345</u>	<u>-</u>	<u>345</u>	

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	1,577,237	1,577,237	1,599,572
Other DfE/ESFA grants	-	138,255	138,255	143,194
	<u>-</u>	<u>1,715,492</u>	<u>1,715,492</u>	<u>1,742,766</u>
Other Government grants				
High Needs	-	96,640	96,640	89,727
	<u>-</u>	<u>96,640</u>	<u>96,640</u>	<u>89,727</u>
Other funding				
Internal catering income	42,753	-	42,753	36,660
Other	1,777	31,041	32,818	22,353
	<u>44,530</u>	<u>31,041</u>	<u>75,571</u>	<u>59,013</u>
	<u>44,530</u>	<u>1,843,173</u>	<u>1,887,703</u>	<u>1,891,506</u>
<i>Total 2016</i>	<u>48,843</u>	<u>1,842,663</u>	<u>1,891,506</u>	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Education:					
Direct costs	1,219,404	105,851	178,030	1,503,285	1,533,591
Support costs	328,110	93,142	249,074	670,326	635,651
	<u>1,547,514</u>	<u>198,993</u>	<u>427,104</u>	<u>2,173,611</u>	<u>2,169,242</u>
<i>Total 2016</i>	<u>1,597,592</u>	<u>244,989</u>	<u>326,661</u>	<u>2,169,242</u>	

**LETHBRIDGE PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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7. DIRECT COSTS

	Total 2016 £	Total 2016 £
Pension finance costs	10,000	9,000
Educational supplies	105,955	124,532
Staff development	7,511	14,568
Supply teachers	12,564	8,926
Wages and salaries	969,814	1,014,854
National insurance	74,815	66,466
Pension cost	216,775	192,026
Depreciation	105,851	103,219
	<u>1,503,285</u>	<u>1,533,591</u>
<i>Total 2016</i>	<u>1,533,591</u>	

8. SUPPORT COSTS

	Total 2017 £	Total 2016 £
Pension finance costs	9,000	8,000
Other costs	11,560	7,702
Recruitment and support	-	750
Maintenance of premises and equipment	24,420	30,974
Cleaning	39,798	41,439
Rent and rates	10,531	10,518
Energy costs	18,396	19,734
Insurance	11,519	13,522
Catering	54,838	49,594
Technology costs	18,052	25,384
Office overheads	23,556	29,108
Legal and professional	72,481	61,543
Bank interest and charges	1,893	1,999
Governance	11,172	11,138
Wages and salaries	265,496	253,831
National insurance	17,028	13,385
Pension cost	80,586	57,030
	<u>670,326</u>	<u>635,651</u>
<i>Total 2016</i>	<u>635,651</u>	

**LETHBRIDGE PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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9. NET INCOME/(EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	105,851	103,219
Auditor's remuneration - audit	5,450	5,350
Auditor's remuneration - non audit	1,750	1,750
	<u>113,051</u>	<u>110,319</u>

**LETHBRIDGE PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,222,746	1,259,759
Social security costs	91,843	79,851
Operating costs of defined benefit pension schemes	297,361	249,056
	<u>1,611,950</u>	<u>1,588,666</u>
Apprenticeship levy	12,564	8,926
	<u>1,624,514</u>	<u>1,597,592</u>

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

	2017 No.	2016 No.
Teachers	22	25
Educational Support	30	28
Administration and Clerical	41	36
Management	3	2
	<u>96</u>	<u>91</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teachers	17	18
Educational Support	18	18
Administration and Clerical	13	14
Management	3	2
	<u>51</u>	<u>52</u>

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

	2017 No.	2016 No.
In the band £70,001 - £80,000	0	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for this member amounted to £Nil (2016: £12,491).

The key management personnel of the Academy Trust comprise the Trustees (who do not received remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their service to the Academy Trust was £325,756 (2016: £343,760).

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

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: V McLaren, Remuneration £Nil (2016: £70,000 - £75,000), Employer's Pension Contributions £Nil (2016: £10,000 - £15,000); L Mayes Remuneration £55,000 - £60,000 (2016: £45,000 - £50,000), Employer's Pension Contributions £5,000 - £10,000 (2016: £5,000 - £10,000); T Moran Remuneration £35,000 - £40,000 (2016: £30,000 - £35,000), Employer's Pension Contributions £5,000 - £10,000 (2016: £5,000 - £10,000); C Webb Remuneration £35,000 - £40,000 (2016: £30,000 - £35,000), Employer's Pension Contributions £5,000 - £10,000 (2016: £5,000 - £10,000); C Chew Remuneration £35,000 - £40,000 (2016: £25,000 - £30,000), Employer's Pension Contributions £5,000 - £10,000 (2016: £0 - £5,000); T Beach Remuneration £0 - £5,000 (2016: £Nil), Employer's Pension Contributions £0 - £5,000 (2016: £Nil).

During the year ended 31 August 2017, expenses totalling £1,129 (2016: £1,823) were reimbursed to 1 (2016: 2) Trustees.

12. 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.

13. TANGIBLE FIXED ASSETS

	Long Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2016	3,878,751	125,266	114,178	4,118,195
Additions	26,994	14,553	13,739	55,286
At 31 August 2017	<u>3,905,745</u>	<u>139,819</u>	<u>127,917</u>	<u>4,173,481</u>
DEPRECIATION				
At 1 September 2016	302,475	59,723	63,854	426,052
Charge for the year	65,423	18,404	22,024	105,851
At 31 August 2017	<u>367,898</u>	<u>78,127</u>	<u>85,878</u>	<u>531,903</u>
NET BOOK VALUE				
At 31 August 2017	<u>3,537,847</u>	<u>61,692</u>	<u>42,039</u>	<u>3,641,578</u>
At 31 August 2016	<u>3,576,276</u>	<u>65,543</u>	<u>50,324</u>	<u>3,692,143</u>

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

14. DEBTORS

	2017 £	2016 £
Trade debtors	-	1,466
VAT recoverable	12,166	7,718
Prepayments and accrued income	48,596	37,815
	<u>60,762</u>	<u>46,999</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other loans	3,600	3,600
Other taxation and social security	23,849	23,505
Other creditors	29,491	26,621
Accruals and deferred income	74,198	72,194
	<u>131,138</u>	<u>125,920</u>

	2017 £	2016 £
DEFERRED INCOME		
Deferred income at 1 September 2016	52,490	72,462
Resources deferred during the year	58,801	52,490
Amounts released from previous years	(52,490)	(72,462)
Deferred income at 31 August 2017	<u>58,801</u>	<u>52,490</u>

The deferred income at the year end consists of universal infant free school meals and money received in advance for school trips which relates to the 2017/18 academic year.

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

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Other loans	<u>45,622</u>	<u>49,017</u>

Included within the above are amounts falling due as follows:

	2017 £	2016 £
BETWEEN ONE AND TWO YEARS		
Other loans	<u>3,494</u>	<u>3,494</u>
BETWEEN TWO AND FIVE YEARS		
Other loans	<u>10,482</u>	<u>10,482</u>
OVER FIVE YEARS		
Other loans	<u>31,646</u>	<u>35,041</u>

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

	2017 £	2016 £
Repayable by instalments	<u>31,646</u>	<u>35,041</u>

The Equal Pay loan relates to amounts due to Swindon Unitary Authority in respect of an equal pay claim which arose prior to conversion to an Academy. The total amount due is unsecured and repayable in annual instalments of £5,288 (2016: £5,288) over 15 years. Interest is being charged at a rate of 4.93% per annum. The total amount outstanding at the year end was £49,222 (2016: £52,511).

17. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets measured at fair value through income and expenditure	325,200	261,148
Financial assets measured at amortised cost	<u>24,088</u>	<u>15,204</u>
	<u>349,288</u>	<u>276,352</u>
Financial liabilities measured at amortised cost	<u>64,619</u>	<u>72,321</u>

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise accrued income and trade debtors.

Financial liabilities measured at amortised cost comprise accruals and the equal pay loan.

LETHBRIDGE PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

18. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
UNRESTRICTED FUNDS						
General funds	185,018	56,867	(84,888)	-	-	156,997
RESTRICTED FUNDS						
General Annual Grant (GAG)	808	1,577,237	(1,541,192)	(36,853)	-	-
High Needs	-	96,640	(96,640)	-	-	-
Pupil Premium	-	52,142	(52,142)	-	-	-
Other Restricted Funds	-	110,785	(110,785)	-	-	-
Other DfE/EFA Income	-	10,075	(10,075)	-	-	-
Equal pay loan	(52,617)	-	-	3,395	-	(49,222)
Universal infant free school meals	-	76,038	(76,038)	-	-	-
Pension reserve	(891,000)	-	(96,000)	-	553,000	(434,000)
	<u>(942,809)</u>	<u>1,922,917</u>	<u>(1,982,872)</u>	<u>(33,458)</u>	<u>553,000</u>	<u>(483,222)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	3,453,273	-	(72,894)	-	-	3,380,379
Fixed assets purchased from GAG	33,823	-	(15,370)	33,458	-	51,911
DfE/EFA Capital grants	155,243	9,445	(4,680)	-	-	160,008
Capital rollover brought forward	8,135	106,494	(5,118)	-	-	109,511
Devolved formula capital	28,018	-	(6,584)	-	-	21,434
Donations	11,388	7,315	(1,205)	-	-	17,498
Insurance receipts	2,264	-	-	-	-	2,264
	<u>3,692,144</u>	<u>123,254</u>	<u>(105,851)</u>	<u>33,458</u>	<u>-</u>	<u>3,743,005</u>
Total restricted funds	<u>2,749,335</u>	<u>2,046,171</u>	<u>(2,088,723)</u>	<u>-</u>	<u>553,000</u>	<u>3,259,783</u>
Total of funds	<u>2,934,353</u>	<u>2,103,038</u>	<u>(2,173,611)</u>	<u>-</u>	<u>553,000</u>	<u>3,416,780</u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
UNRESTRICTED FUNDS						
General funds	185,018	60,386	(60,386)	-	-	185,018
	<u>185,018</u>	<u>60,386</u>	<u>(60,386)</u>	<u>-</u>	<u>-</u>	<u>185,018</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	65,329	1,599,572	(1,632,678)	(31,415)	-	808
High Needs	-	89,727	(89,727)	-	-	-
Pupil Premium	-	63,540	(63,540)	-	-	-
Other Restricted Funds	-	94,038	(94,038)	-	-	-
Other DfE/ESFA Income	-	10,389	(10,389)	-	-	-
Equal pay loan	(55,906)	-	-	3,289	-	(52,617)
Universal infant free school meals	-	69,265	(69,265)	-	-	-
Pension reserve	(440,000)	-	(46,000)	-	(405,000)	(891,000)
	<u>(430,577)</u>	<u>1,926,531</u>	<u>(2,005,637)</u>	<u>(28,126)</u>	<u>(405,000)</u>	<u>(942,809)</u>
RESTRICTED FIXED ASSET FUNDS						
	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Fixed assets transferred on conversion	3,524,354	-	(71,081)	-	-	3,453,273
Fixed assets purchased from GAG	20,685	-	(14,988)	28,126	-	33,823
DfE/ESFA Capital grants	159,807	-	(4,564)	-	-	155,243
Capital rollover brought forward	13,126	-	(4,991)	-	-	8,135
Devolved formula capital	24,970	9,468	(6,420)	-	-	28,018
Donations	5,563	7,000	(1,175)	-	-	11,388
Insurance receipts	2,264	-	-	-	-	2,264
	<u>3,750,769</u>	<u>16,468</u>	<u>(103,219)</u>	<u>28,126</u>	<u>-</u>	<u>3,692,144</u>
Total restricted funds	<u>3,320,192</u>	<u>1,942,999</u>	<u>(2,108,856)</u>	<u>-</u>	<u>(405,000)</u>	<u>2,749,335</u>
Total of funds	<u>3,505,210</u>	<u>2,003,385</u>	<u>(2,169,242)</u>	<u>-</u>	<u>(405,000)</u>	<u>2,934,353</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - This represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other ESFA Grants - Includes PE Grant which represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	3,641,578	3,641,578
Current assets	156,997	127,538	101,427	385,962
Creditors due within one year	-	(131,138)	-	(131,138)
Creditors due in more than one year	-	(45,622)	-	(45,622)
Pension scheme liability	-	(434,000)	-	(434,000)
	<u>156,997</u>	<u>(483,222)</u>	<u>3,743,005</u>	<u>3,416,780</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	3,692,144	3,692,144
Current assets	185,018	123,129	-	308,147
Creditors due within one year	-	(125,921)	-	(125,921)
Creditors due in more than one year	-	(49,017)	-	(49,017)
Provisions for liabilities and charges	-	(891,000)	-	(891,000)
	<u>185,018</u>	<u>(942,809)</u>	<u>3,692,144</u>	<u>2,934,353</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(70,573)	(165,857)
Adjustment for:		
Depreciation charges	105,851	103,219
Interest received	(198)	(345)
(Increase)/decrease in debtors	(13,758)	44,443
Increase/(decrease) in creditors	5,213	(70,102)
Capital grants from DfE and other capital income	(115,939)	(9,486)
Defined benefit pension scheme cost less contributions payable	77,000	29,000
Defined benefit pension scheme finance cost	19,000	17,000
Net cash provided by/(used in) operating activities	6,596	(52,128)

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	325,200	261,148
	325,200	261,148

22. CAPITAL COMMITMENTS

At 31 August 2017 the Academy had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	101,422	22,928

Capital commitments at 31 August 2016 relate to fencing work at the school which completed during the 2016/17 academic year. Capital commitments at 31 August 2017 relate to the refurbishment of the school toilets which is due for completion in the 2017/18 year.

**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire 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.

Contributions amounting to £28,867 were payable to the schemes at 31 August 2017 (2016: £25,982) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £85,890 (2016: £81,508).

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).

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23. PENSION COMMITMENTS (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £135,000 (2016: £127,000), of which employer's contributions totalled £107,000 (2016: £100,000) and employees' contributions totalled £28,000 (2016: £27,000). The agreed contribution rates for future years are 24.5% for employers and 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.

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.70 %	4.10 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

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

	2017	2016
Retiring today		
Males	22.5 years	22.3 years
Females	24.9 years	24.5 years
Retiring in 20 years		
Males	24.1 years	24.1 years
Females	26.7 years	26.9 years

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23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	927,000	728,000
Debt Instruments	183,000	152,000
Property	170,000	121,000
Cash and other liquid assets	26,000	10,000
	<u>1,306,000</u>	<u>1,011,000</u>

The actual return on scheme assets was £210,105 (2016: £163,782).

The amounts recognised in the Statement of Financial Activities are as follows:

	2017 £	2016 £
Current service cost	(184,000)	(129,000)
Interest income	23,000	32,000
Interest cost	(42,000)	(49,000)
	<u>(203,000)</u>	<u>(146,000)</u>

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

	2017 £	2016 £
Opening defined benefit obligation	1,902,000	1,222,000
Current service cost	184,000	129,000
Interest cost	42,000	49,000
Employee contributions	28,000	27,000
Actuarial (gains)/losses	(415,000)	475,000
Benefits paid	(2,000)	-
	<u>1,739,000</u>	<u>1,902,000</u>

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23. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	1,011,000	782,000
Interest income	23,000	32,000
Actuarial losses	138,000	70,000
Employer contributions	107,000	100,000
Employee contributions	28,000	27,000
Benefits paid	(2,000)	-
	<u>1,305,000</u>	<u>1,011,000</u>
Closing fair value of scheme assets	<u>1,305,000</u>	<u>1,011,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	5,428	5,428
Between 1 and 5 years	5,428	10,856
Total	<u>10,856</u>	<u>16,284</u>

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisation, it is likely that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

There were no related party transactions in the year.

26. CONTROLLING PARTY

The Company is under joint control of the Trustees and therefore there is no ultimate controlling party.

27. 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.