SCARTHO JUNIOR ACADEMY LIMITED

(A Company Limited by Guarantee)
Edge Avenue, Grimsby, DN33 2DH

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED

31 AUGUST 2018

Company Registration No. 7805677

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF SCARTHO JUNIOR ACADEMY LIMITED, ITS GOVERNORS AND ADVISORS

Members	Mrs Shola Bolaji
	Mrs Mary Topliss
	Mrs Jill Dyson
	Mr David Ranson
Governors (Trustees)	Mr David Ranson, Chair (Pupil Progress) – resigned 28/9/17
	Mrs Mary Topliss (Resources)
	Mrs Shola Bolaji (Resources) (Chair wef 28/9/17)
	Mrs Jill Dyson (Pupil Progress)
	Mr Neville Rice (Resources and Pupil Progress)
	Mr Liam Doran (Pupil Progress)
	Mrs Julia Jennings (Resources)
	Mr Simon Stephen (Pupil Progress & Resources)
	Mrs Ruth Rose (Resources)
	Mrs Claire Love (Resources & Pupil Progress)
	Mr Ian Coupland (Pupil Progress)
	Mrs Sarah Smith (Resources and Pupil Progress) – appointed 6/10/17
	Mrs Rachel Finch – appointed 3/10/17
Secretary	Paula Kettrick
Senior Managers	
Principal	Neville David Rice
Assistant Principals	Ruth Rose and Nichola Fawn
School Business Manager	Paula Kettrick

Principal and Registered Office	Edge Avenue Grimsby. North East Lincs DN33 2DH Tel: 01472 879524
Company Registration No.	7805677 (England and Wales)
Auditors	Forrester Boyd 26 South Saint Mary's Gate Grimsby DN31 1LW
Bankers	HSBC Bank PLC Harry Weston Road Binley Coventry CV3 2TQ
Solicitors	Wilkin Chapman LLP Cartergate House 26 Chantry Lane Grimsby DN31 2LJ

REPORT OF THE GOVERNORS

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a Trustees' report including a Strategic Report and a Directors' report under company law.

The trust operates an academy for pupils aged 7 to 11 that services a catchment area in Scartho, Grimsby. It has a pupil capacity of 240 and had a roll of 248 in the school census in May 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee with no share capital (registration no. 07805677) and is also an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy.

The governors act as trustees for the charitable activities of the Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Scartho Junior Academy Limited.

Details of the trustees who served during the year are included in the Reference and Administrative details on page 3.

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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

The Academy through its Articles has indemnified its Governors to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Governors.

Method of Recruitment and Appointment or Election of Governors

The governors are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

Governors have a four year term. After this, if applicable, they can be re-elected. Parent governors' vacancies are filled by parents who submit an application, have a nomination by another parent and seconded by a different parent. Elections then take place if there are more candidates than vacancies.

During the period under review the governors held five main meetings.

REPORT OF THE GOVERNORS (CONTINUED)

Policies and Procedures Adopted for the Induction and Training of Governors
There is a formal Governors induction process. Potential Governors are invited to meet with the Principal and Chair of Governors to walk the school and to discuss what is involved in becoming a Governor and to learn about the school ethos and values.

All new Governors will be given a tour of the Academy and the chance to meet with the Principal. All governors have access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

Organisational Structure
A unified leadership and management structure has been developed to help improve the way in which the Academy is run. The structure now consists of four levels: the Governors, the Senior Leadership Team, the Business Team and the Teaching and Learning Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The governors are responsible for setting general policy, adopting an annual development plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy and senior staff appointments.

The Senior Leadership Team are the Principal, the two Assistant Principals and the School Business Manager. These leaders control the Academy at an executive level, implementing the policies laid down by the governors and reporting back to them. As a group the Senior Leaders are responsible for the authorisation of spending within agreed budgets and limits and the appointment of staff posts in the Leadership Team always contain at least one Governor.

The Business Team includes the School Business Manager, Principal and Admin Officer. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities, financial transactions and students.

The Teaching and Learning Team consist of the leaders of the three main curriculum subjects – English, Maths and Science, plus the teacher responsible for leading SEN. Each one of these four teachers are each in one of the four year groups. This facilitates a high level of communication, progression and accountability through the school.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Principal and Assistant Principals' pay and remuneration is based upon achieving set performance targets. A Performance Management process is in place and an external body is used to monitor progress against targets. The Governing Body's Pay and Performance Sub Committee is involved in the decision making process. The pay is set in line with the leadership pay scale as per teachers' pay and conditions.

REPORT OF THE GOVERNORS (CONTINUED)

Related Parties and Other Connected Charities and Organisations
Scartho Junior Academy works closely with Edtransform. The academy works in partnership with Edtransform to further excellence, provision and opportunity for the pupils and staff of the academy. This shared learning ethos is based around the REAL Projects approach.

OBJECTIVES AND ACTIVITIES

Objects and Aims
The principal object and activity of the charitable company is the operation of the Scartho Junior Academy to provide education for pupils of different abilities between the ages of 7 and 11.

Objectives, Strategies and Activities
In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn and that the curriculum should comply with the substance of the national curriculum.

The main objectives of the Academy during the period ended 31 August 2018 are summarised below -

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

The Academy's main strategy is encompassed in its mission statement which is 'Develop a Lifelong Love of Learning'. To this end the activities provided include:

- teaching and learning opportunities for all students to attain appropriate academic progress;
- training opportunities for all staff
- a programme of sporting and after school leisure activities for all students

Ofsted
The Academy was inspected by Ofsted in March 2014, the previous inspection was June 2009. During this five year period, there were two changes to the inspection framework. Each time the framework changed the expectation of what each rating equated to also increased. The end judgement was that the Academy was 'good'.

REPORT OF THE GOVERNORS (CONTINUED)

The key points of strength identified were:

'Achievement of Pupils'

- From their starting points, children make good progress due to good teaching.
- L5 in reading and maths is higher than national averages.
- Pupils' reading skills are well developed.
- All pupils exhibit a love of reading and talk animatedly about books they have read.
- Special Needs and disabled pupils make good progress. This is due to the quality of support and the monitoring of senior staff.
- Sports provision is a strong feature of the academy.

'Quality of Teaching'

- The quality of teaching is mostly good, with some that is outstanding.
- Expectations of pupils are high.
- A key strength is the focus put on speaking and listening.
- Teaching assistants make valuable contributions to pupils' learning.

'Behaviour and Safety of Pupils'

- Behaviour of pupils is good.
- The behaviour and positive attitudes to learning exhibited by the pupils towards learning enhance their progress.
- There is no low-level disruption to learning so their concentration is not interrupted.
- Pupils are polite and treat visitors with respect.
- Pupils report that bullying is rare and are confident it is dealt with swiftly when it arises.
- Pupils report that they feel safe.
- Attendance is above average and pupils are punctual.

'Leadership and Management'

- Senior leaders have a clear understanding of the academy's strengths and areas that require development.
- Good systems are in place to check the progress that pupils make.
- The leadership in maths and reading is very focused.
- Arrangements for performance management are rigorous and effective.
- Clear targets are set for teachers with regard to the quality of teaching and pupils' achievement. This is a significant factor in securing improvements.
- All pupils are provided with a broad and balanced curriculum that incorporates rich learning experiences designed to 'Develop a Lifelong Love of Learning' and this supports pupils' academic achievements.
- The quality of the curriculum is also enhanced by innovative use of information and communication technology.
- The pursuit of sporting excellence is a significant feature of this academy.
- Members of the governing body have a good understanding of the strengths and weaknesses of the academy.
- Governors challenge and support academy leaders in equal measure.
- The management and monitoring of financial resources is undertaken diligently.

REPORT OF THE GOVERNORS (CONTINUED)

As with all inspections, there are areas that need further development. Some smaller points were:

- Ensure that a joined handwriting script is used more consistently.
- Ensure that marking is consistent through the school.
- Ensure the School's Development Plan relates to pupil performance.

The main area of development is related to writing and ensuring that more children achieve the higher level, which is a level 5. As the report states, this was an area that the Academy had identified.

Public Benefit

The above activities are undertaken for public benefit and the Academy's governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Total students in the period ended 31st August 2018 numbered 251 (2016/17 – 251) and the Academy has nearly a full complement in all year groups. The Academy has obtained agreement from the Department for Education (DfE) to admit 60 students each year from September 2012.

To ensure that standards are continually raised the Academy; operates a programme of observation of lessons; is visited by governors and other schools; has a rigorous monitoring procedure and regularly reviews the progress of all pupils.

Successes and Achievements

1. A key development was further establishing and embedding the roles and responsibilities of the Senior Leadership Team (SLT).

2. The academic year 2017/18 saw the second year of the new Y6 SATs tests. Writing again was an area of success, more children achieved depth in maths and reading continued to improve.

3. During the academic year, we further embedded our approach to learning. This was entirely based around REAL Projects approach to learning This is having a significant impact on children's attitudes to learning and their levels of motivation and engagement.

4. We further developed our curriculum through developing 'SJA's Pyramid of Learning'. This focused on introducing and embedding our '10 Principles of Learning and further developing our 'Learning Skills', 'Learning Spaces' and REAL Projects'.

REPORT OF THE GOVERNORS (CONTINUED)

Going Concern
The governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for at least 12 months from the date of this report.

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 Report for the Period
Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2018, total expenditure of £1,140,728 was more than covered by recurrent grant funding from the DfE together with other incoming resources and the balance brought forward from the previous year. The balances remaining in revenue reserves totals £283,248, made up of £161,803 of restricted funds and £121,445 in unrestricted funds (includes £17,724 held within a separate school fund account).

At 31 August 2018 the net book value of fixed assets was £2,336,425 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy. The Restricted Fixed Asset Fund of £2,336,425 can only be realised by disposing of these tangible fixed assets.

The Actuary has calculated the pension scheme deficit as £193,000 as at 31 August 2018, which is a £19,000 decrease on the deficit brought forward at the start of the year. Further detail is provided in note 20 of this set of accounts.

Reserves Policy and Financial Position
The governors 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 governors have determined that the appropriate level of free reserves should be equivalent to 2 month's expenditure, approximately £190,000. This is below the actual free reserves at 31 August 2018 of £283,248. Additional reserves have been accumulated to manage risk and uncertainty of future funding and pension contributions and to fund future maintenance and capital projects.

Investment Policy
The Academy currently holds surplus cash balances within low risk deposit accounts in line with the Academy's Investment Policy. The aim of this policy is to ensure that funds which the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income but with minimal risk.

Our aim is to spend funding with which we are entrusted for the direct education benefit of students as soon as is prudent.

REPORT OF THE GOVERNORS (CONTINUED)

The Academy does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

PRINCIPAL RISKS AND UNCERTAINTIES

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems, including the development of a risk register, to assess risks that the Academy faces, e.g. in relation to staffing and teaching, health and safety and security and in relation to the control of finance.

They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in these accounts.

Major risks have been reviewed and systems or procedures have been established to manage those risks.

FUNDRAISING

The Academy only held small fundraising events during the year including discos and bingo. The Academy Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

PLANS FOR FUTURE PERIODS

The Academy will continue striving to improve the levels of performance of its students at all levels. This is a significant challenge due to the fact of the increased expectations of pupils' performances and the changing nature of the cohorts of children that are coming through the school from the Infants.

AUDITORS

In so far as the governors are aware:

- There is no relevant audit information of which the charitable company auditor is unaware: and
- The governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The auditors, Forrester Boyd, are willing to continue in office and a resolution to appoint them will be proposed at the main Governing Body meeting.

The report of the governors, incorporating the directors' report and strategic report, was approved by the governors, as company directors, on 27 November 2018 and signed on their behalf by:

Bolaji

Shola Bolaji
Chair of Governors

GOVERNANCE STATEMENT

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

The governing body has delegated the day to day responsibility to the Principal, Neville Rice, 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 Scartho Junior Academy Limited and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

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

Governor	Meetings Attended	Out of a Possible
Mrs. S. Bolaji	2	5
Mrs. J. Dyson	3	5
Mrs R Finch	2	5
Mr. N. Rice	5	5
Mrs. M. Topliss	2	5
Mr. L. Doran	5	5
Mr S Stephen	4	5
Ms. J Jennings	4	5
Mrs R Rose	5	5
Mrs C Love	5	5
Mrs S Smith	3	5
Mr I Coupland	3	5

The Resources Committee is a sub-committee of the main governing body. The purpose of the committee is to ensure effective internal controls exist, review the Academy's risk and to approve and monitor the budget. Attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a Possible
Mrs. S. Bolaji	2	3
Mr. N. Rice	3	3
Mrs Mary Topliss	1	3
Ms J Jennings	2	3
Mrs R Rose	2	3
Mrs C Love	2	3
Mr S Stephen	1	1

GOVERNANCE STATEMENT (CONTINUED)

Governance Review
During the academic year the Governing Body undertake a rigorous self-evaluation process. The self-evaluation process is based upon an agreed format that was developed by the senior leadership team and the chair and vice chair. All Governors complete the self-evaluation questionnaire and then submit it to the Principal for analysis. This analysis is then compared to the previous year's results to identify areas of strength and areas to develop.

The last self-evaluation analysis was presented to governors in October 2018.

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the governing body where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- The Academy budget is set reflecting the key objectives and mission for the forthcoming year and a further 2 year projection is included, to allow for short term and medium term planning decisions, within the funding envelope. Budgets are monitored on a monthly basis and management accounts are issued termly to allow for regular monitoring by the Resources Committee and to ensure timely challenge and value for money. Financial Governance is strong, with experienced Governors with financial backgrounds on the Resources Committee.

- Continuing with its commitment to high quality CPD.

- Taking part in North East Lincolnshire Council's energy procurement scheme has achieved savings resulting from the benefits of economies of scale.

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 an ongoing process designed to identify and prioritise risks that may impact on the Academy's ability to achieve its aims and objectives. The risk register identifies risks, measures impacts and details actions developed to mitigate risk.

The system of internal control has been in place in Scartho Junior Academy Limited for the period ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to Handle Risk
The governing body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period ending 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

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

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

The governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the governors have appointed a member of NE Lincs Council Finance Team, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems.

In line with guidelines, three visits have been undertaken during the year. Each visit has focussed on different aspect of financial control. Each report details the sample checks undertaken and these are cross referenced to source documents.

Any areas of potential weakness are identified and recommendations made that are followed up at the next visit and reported to Governors. All visits are planned in line with Governors reporting requirements.

GOVERNANCE STATEMENT (CONTINUED)

Review of Effectiveness
As accounting officer, Neville Rice (Principal) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the governing body on 27 November 2018 and signed on its behalf by:

Shola Bolaji
Chair of Governors

Mr Neville Rice
Principal & Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Scartho Junior Academy I have considered my responsibility to notify the academy trust governing body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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

Mr Neville Rice
Principal & Accounting Officer

27 November 2018

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as trustees for charitable activities of Scartho Junior Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the governing body on 27 November 2018 and signed on its behalf by:

Bolaji

Shola Bolaji
Chair of Governors

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SCARTHO JUNIOR ACADEMY LIMITED

Opinion

We have audited the financial statements of Scartho Junior Academy (the 'Academy Trust') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

- 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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SCARTHO JUNIOR ACADEMY LIMITED (CONTINUED)

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and Directors' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Directors' Report.

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SCARTHO JUNIOR ACADEMY LIMITED (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the Trustees (who are also the directors of the Academy Trust for the purpose 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our Report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an auditor's report and for no other purpose.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SCARTHO JUNIOR ACADEMY LIMITED (CONTINUED)

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the Academy Trust's members, as a body, for our audit work, for this report, or for the opinions we have formed.

CJensen

Carrie Anne Jensen ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor

26 South St Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

27 November 2018

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SCARTHO JUNIOR ACADEMY LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 7 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Scartho Junior Academy Limited during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Scartho Junior Academy Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Scartho Junior Academy Limited 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 the Scartho Junior Academy Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective Responsibilities of Scartho Junior Academy Limited's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of Scartho Junior Academy Limited's funding agreement with the Secretary of State for Education dated 9 December 2011 and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REGULARITY TO SCARTHO JUNIOR ACADEMY LIMITED AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all the activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel

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 from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Carrie Anne Jensen ACA (Reporting Accountant)
For and on behalf of Forrester Boyd, Chartered Accountants
26 South St Mary's Gate
Grimsby
N E Lincolnshire
DN31 1LW

27 November 2018

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 AUGUST 2018
(including Income and Expenditure Account)

	Note	Unrestricted Funds	2017/18 Restricted General Funds	Restricted Fixed Asset Funds	Total
		£	£	£	£
Incoming Resources					
From Generated Funds:					
Donations and Capital Grants	2	2,642	0	6,813	9,455
From Charitable Activities:					
- For Academy's educational operations	3	29,945	1,118,861	0	1,148,806
Other Trading Activities	4	13,688	0	0	13,688
Investments	5	120	0	0	120
Total Incoming Resources		46,395	1,118,861	6,813	1,172,069
Expenditure on:					
Raising Funds		28	0	0	28
On Charitable Activities:					
- For Academy's educational operations	7	27,700	1,067,420	45,580	1,140,700
Total Resources Expended		27,728	1,067,420	45,580	1,140,728
Net incoming (outgoing) resources before transfers		18,667	51,441	(38,767)	31,341
Gross transfers between funds		0	(14,721)	14,721	0
Net income/(expenditure) for the year		18,667	36,720	(24,046)	31,341
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	20	0	47,000	0	47,000
Net Movement in Funds		18,667	83,720	(24,046)	78,341
Reconciliation of Funds					
Total Funds Brought Forward at 1 September		102,778	(114,917)	2,360,471	2,348,332
Funds Carried Forward at 31 August		121,445	(31,197)	2,336,425	2,426,673

Figures are provided on the following page that show previous year comparator figures.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 AUGUST 2017
(including Income and Expenditure Account)

	Note	2016/17 Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
		£	£	£	£
Incoming Resources					
From Generated Funds:					
Donations and Capital Grants	2	1,356	0	6,779	8,135
From Charitable Activities:					
- For Academy's educational operations	3	26,451	1,144,213	0	1,170,664
Other Trading Activities	4	10,968	0	0	10,968
Investments	5	75	0	0	75
Total Incoming Resources		38,850	1,144,213	6,779	1,189,842
Expenditure on:					
Raising Funds		2,330	0	0	2,330
On Charitable Activities:					
- For Academy's educational operations	7	23,230	1,122,749	48,041	1,194,020
Total Resources Expended		25,560	1,122,749	48,041	1,196,350
Net incoming (outgoing) resources before transfers		13,290	21,464	(41,262)	(6,508)
Gross transfers between funds		0	0	0	0
Net income/(expenditure) for the year		13,290	21,464	(41,262)	(6,508)
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	20	0	63,000	0	63,000
Net Movement in Funds		13,290	84,464	(41,262)	56,492
Reconciliation of Funds					
Total Funds Brought Forward at 1 September		89,488	(199,381)	2,401,733	2,291,840
Funds Carried Forward at 31 August		102,778	(114,917)	2,360,471	2,348,332

BALANCE SHEET
At 31 August 2018

At 31 August 2017		Notes	At 31 August 2018	
£			£	£
	Fixed Assets			
2,352,272	Tangible Assets	11	2,336,425	
0	Investments		0	
2,352,272	**Total Fixed Assets**			**2,336,425**
	Current Assets			
42,361	Debtors	12	51,050	
254,524	Cash at Bank and In Hand		408,339	
296,885			**459,389**	
	Current Liabilities			
(88,825)	Creditors: amounts falling due within one year	13	**(176,141)**	
208,060	**Net Current Assets**			**283,248**
2,560,332	**Total Assets less Current Liabilities**			**2,619,673**
(212,000)	**Pension Scheme Liability**	20		**(193,000)**
2,348,332	**NET ASSETS INCLUDING PENSION LIABILITY**			**2,426,673**
	Funds			
	Restricted Funds			
2,360,471	Restricted Fixed Asset Fund	14	2,336,425	
97,083	Restricted General Fund	14	161,803	
(212,000)	Pension Reserve	14	(193,000)	
2,245,554	**Total Restricted Funds**			**2,305,228**
	Unrestricted Income Funds			
102,778	General Fund	14	121,445	
102,778	**Total Unrestricted Funds**			**121,445**
2,348,332	**TOTAL FUNDS**			**2,426,673**

The financial statements on pages 23 to 45 were approved by the governors on 27 November 2018 and signed on their behalf by:

Shola Bolaji
Chair of Governors
Company Number 7805677

STATEMENT OF CASH FLOWS
For the Period Ended 31 August 2018

2016/17 £		Notes	2017/18 £	2017/18 £
	Cash Flows from Operating Activities			
42,582	Net Cash provided by/(used in) Operating Activities	22		**176,615**
	Cash Flows from Investing Activities			
75	Interest Received		120	
0	Purchase of Intangible Fixed Assets		0	
0	Purchase of Tangible Fixed Assets	11	(29,733)	
6,779	Capital Grants from DfE/EFA	2	6,813	
0	Other Cash Payments		0	
6,854				**(22,800)**
	Cash Flows from Financing Activities			
0	Repayments of Borrowing		0	
0	Cash Inflows from Borrowing		0	
0				**0**
49,436	**Change in Cash and Cash Equivalents in the Reporting Period**			**153,815**
205,088	Cash and Cash Equivalents at 1 September			254,524
254,524	**Cash and Cash Equivalents at 1 September**			**408,339**

NOTES TO THE ACCOUNTS

General Information
The academy trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:
Scartho Junior School
Edge Avenue
Grimsby
DN33 2DH

These financial statements were authorised for issue by the Board on 27 November 2018.

1. Statement of Accounting Policies

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

a) **Basis of Preparation** - the financial statements of the academy trust, which is a public entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

The financial statements cover the individual entity Scartho Junior Academy.

Scartho Junior Academy Limited meets the definition of a public benefit entity under FRS102.

b) **Going Concern** – the Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Governors make this assessment in respect of a period of 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.

c) **Income** – all incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured with sufficient reliability.

NOTES TO THE ACCOUNTS (CONTINUED)

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

  General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance in the Restricted Fixed Asset Fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Donations** - donations are included in the Statement of Financial Activities on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other Income** – other income, including the hire of facilities, is recognised in the period it is receivable and to the extent that the academy trust has provided the goods or services.

- **Interest Receivable** - Interest receivable is included within the Statement of Financial Activities on a receivable basis.

d) Expenditure

- **Recognition** – 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. All resources expended are inclusive of irrecoverable VAT.

- **Allocation of Costs** – expenditure is recognised 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 directly 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 on each activity and depreciation charges on the basis of the proportion of the assets' use.

- **Expenditure on Raising Funds** – this includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

NOTES TO THE ACCOUNTS (CONTINUED)

- **Charitable Activities** – these are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

e) Fund Accounting

- **Unrestricted Funds** represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the governors.
- **Restricted Fixed Asset Funds** are resources which are to be applied to specific capital purposes imposed by grant funding bodies where the asset acquired or created is held for a specific purpose.
- **Restricted General Funds** comprise all other restricted funds received and include grants from the DfE/ESFA

f) Tangible Fixed Assets - tangible fixed assets acquired since the Academy was established are included in the accounts at cost, net of depreciation and impairment.

The opening valuation of the school is deemed to be the value of the school as recorded by the Local Education Authority at the date of transfer.

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 required 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 such assets is charged to the Restricted Fixed Asset Fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund. Assets costing less than £2,000 are recorded as a revenue expense in the year of acquisition. All other assets are capitalised.

g) Depreciation and Impairment - depreciation on assets is charged in the Statement of Financial Activities on a straight line basis over the expected useful economic life of the related asset. No depreciation is charged on freehold land.

Assets in the course of construction are included at cost and depreciation not charged until they are brought into use.

Depreciation is charged on the value of the asset at the start of the year. This means that no depreciation is charged in the year of acquisition but that depreciation is charged in the year of disposal.

The school building transferred from the local authority is depreciated from the date of transfer, over its remaining useful economic life of 50 years, with leasehold land depreciated over the lease term of 125 years. Computer equipment will be depreciated over a period of 3 years.

NOTES TO THE ACCOUNTS (CONTINUED)

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.

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

i) Leased Assets - rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

The land and buildings are held on a 125 year lease with North East Lincolnshire Council. They were recognised as an asset on conversion and are being depreciated accordingly.

j) Financial instruments – the academy trust only holds basic financial instruments as defined in FRS102. The financial assets and 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 costs. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. Taxation and social security are not included in the financial disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

k) 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 trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

l) Pensions Benefits - Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit pension schemes.

NOTES TO THE ACCOUNTS (CONTINUED)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll.

The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method.

The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer 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.

m) Critical Accounting Estimates and Areas of Judgement – Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability.

NOTES TO THE ACCOUNTS (CONTINUED)

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical Areas of Judgement
There are currently no critical areas of judgement that have a significant effect on the amounts recognised in the financial statements.

2. Donations and Capital Grants

Total 2016/17 £		Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2017/18 £
6,779	Capital Grants	0	0	6,813	6,813
1,356	Miscellaneous Donations	2,642	0	0	2,642
8,135	Total	2,642	0	6,813	9,455

3. Funding for the Academy's Educational Operations

Total 2016/17 £		Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2017/18 £
	Department for Education (DfE) Grants				
1,002,538	- General Annual Grant	0	990,449	0	990,449
76,960	- Pupil Premium Grant	0	80,732	0	80,732
9,238	- Sports Partnership Funding	0	18,900	0	18,900
10,083	- Other	0	0	0	0
1,098,819	Total DfE Grants	0	1,090,081	0	1,090,081
	Other Income				
3,869	- Local Authority Statement Funding	0	12,290	0	12,290
67,976	- Other Income	29,945	16,490	0	46,435
71,845	Total Other Income	29,945	28,780	0	58,725
1,170,664	Overall Total	29,945	1,118,861	0	1,148,806

4. Other Trading Activities

Total 2016/17 £		Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2017/18 £
0	Hire of Facilities	0	0	0	0
10,968	Other Income	13,688	0	0	13,688
10,968	Total	13,688	0	0	13,688

NOTES TO THE ACCOUNTS (CONTINUED)

5. Investment Income

Total 2016/17 £		Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2017/18 £
75	Short-term Deposits	120	0	0	120
0	Other	0	0	0	0
75	Total	120	0	0	120

6. Expenditure

2016/17 Total £		2017/18 Staff Costs £	Premises £	Other £	Total £
2,330	Expenditure on Raising Funds	0	0	28	28
	Academy's Educational Operations				
839,850	- Direct costs	659,872	38,122	151,491	849,485
354,170	- Allocated support costs	129,087	88,099	74,029	291,215
1,196,350	Total	788,959	126,221	225,548	1,140,728

Incoming/outgoing resources for the year include –

2016/17 £		2017/18 £
15,668	Operating Leases	11,814
48,041	Depreciation	45,580
	Fees payable to audit -	
4,350	- audit	4,350
0	- other	0
68,059	Total	61,744

NOTES TO THE ACCOUNTS (CONTINUED)

7. Charitable Activities – Academy's Educational Operations

Total 2016/17 £		Total 2017/18 £
839,850	Direct Costs - Educational Operations	849,485
354,170	Support Costs - Educational Operations	291,215
1,194,020	**Total Direct Costs**	**1,140,700**
	Allocated Support Costs	
111,891	Support Staff Costs	123,087
14,835	Technology Costs	13,113
143,771	Premises Costs	88,099
14,661	Governance Costs	16,577
69,012	Other Support Costs	50,339
354,170	**Total Support Costs**	**291,215**

8. Staff Costs, Numbers and Remuneration

The average number of persons employed by the Academy during the period, was as follows –

2016/17 No.		2017/18 No.
	Charitable Activities	
4	Management	4
8	Teachers	7
12	Administration and Support	13
24		**24**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £249,640 (2016/17: £285,776).

Staff costs comprise –

2016/17 £		2017/18 £
577,113	Wages and Salaries	589,249
50,818	Employers National Insurance Costs	50,524
108,900	Employers Pension Costs	112,502
15,000	Operating Costs of Defined Benefit Pension Schemes	22,000
751,831	**Total**	**774,275**
15,616	Supply Staff Costs	8,684
767,447		**782,959**

NOTES TO THE ACCOUNTS (CONTINUED)

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

2016/17 No.		2017/18 No.
0	£60,001 - £70,000	0
1	£70,001 - £80,000	1

9. Governors' Remuneration and Expenses

The governors of the Academy did not receive any payment from the Academy in the course of their duties.

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment and not in respect of their services as governors. The value of their remuneration and other benefits over the period was as follows:

Neville Rice	
Remuneration	£70,000 - £75,000 (2016/17: £70,000 - £75,000)
Employer's pension	£10,000 - £15,000 (2016/17: £10,000 - £15,000)
Mary Blow	
Remuneration	N/A (2016/17: £15,000 - £20,000)
Employer's pension	N/A (2016/17: £nil - £5,000)
Ruth Rose	
Remuneration	£40,000 - £45,000 (2016/17: £40,000 - £45,000)
Employer's pension	£5,000 - £10,000 (2016/17: £5,000 - £10,000)
Julia Jennings	
Remuneration	£10,000 - £15,000 (2016/17: £10,000 - £15,000)
Employer's pension	£nil - £5,000 (2016/17: £nil - £5,000)

During the year ended 31 August 2018, travel and subsistence expenses of £1,182 (2016/17: £710) was reimbursed or paid directly to one trustee (2016/17 – 1).

Related party transactions involving the Trustees are set out in note 24.

10. Governors' 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 £10m. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

NOTES TO THE ACCOUNTS (CONTINUED)

11. Tangible Fixed Assets

	Leasehold Land & Buildings £	Furniture & Equipment £	2017/18 Computer Equipment & Software £	Assets Under Construction £	Total £
Cost					
At 1 September 2017	2,602,063	0	14,604	0	2,616,667
Additions (including donated assets)	4,979	24,754	0	0	29,733
Disposals	0	0	0	0	0
Gross Book Value at 31 August 2018	**2,607,042**	**24,754**	**14,604**	**0**	**2,646,400**
Depreciation					
At 1 September 2017	249,791	0	14,604	0	264,395
Charged in Year	45,580	0	0	0	45,580
Disposals	0	0	0	0	0
Depreciation at 31 August 2018	**295,371**	**0**	**14,604**	**0**	**309,975**
Net Book Value at 31 August 2017	**2,352,272**	**0**	**0**	**0**	**2,352,272**
Net Book Value at 31 August 2018	**2,311,671**	**24,754**	**0**	**0**	**2,336,425**

Included within leasehold land and buildings is £2,311,671 (2016/17: £2,352,272) relating to long term leasehold land and buildings.

12. Debtors

2016/17 £		2017/18 £
17,358	VAT Recoverable	8,505
11,146	Prepayments	20,858
13,857	Other Debtors	21,687
42,361	**Total**	**51,050**

13. Creditors – amounts falling due within one year

2016/17 £		2017/18 £
2,842	Trade Creditors	23,564
62,125	North East Lincolnshire Council - staff pay	127,671
5,450	Other Creditors	4,488
18,408	Deferred Income	20,418
88,825	**Total**	**176,141**

NOTES TO THE ACCOUNTS (CONTINUED)

Deferred Income

2016/17 £		2017/18 £
14,920	Deferred Income at 1 September	18,408
18,408	Resources Deferred in the Year	20,418
(14,920)	Amounts Released from Previous Years	(18,408)
18,408	**Deferred Income at 31 August**	**20,418**

The deferred income is Special Educational Needs funding (£5,658) and ESFA grant (£1,970) that relates to the period after 31 August 2018 and school trips income (£12,790) that has been received in advance of trips taking place.

14. Funds

The income funds for the Academy comprise the following balances of grants and other income to be applied for specific purposes –

	Balance at 1 September £	Incoming Resources £	2017/18 Resources Expended £	Gains, Losses &Transfers £	Balance at 31 August £
Restricted General Funds					
General Annual Grant	97,083	990,449	(911,008)	(14,721)	161,803
Catering Income	0	7,753	(7,753)	0	0
Pupil Premium Grant	0	80,732	(80,732)	0	0
Sports Partnership Funding	0	18,900	(18,900)	0	0
Pension Reserve	(212,000)	0	(28,000)	47,000	(193,000)
Other Income	0	8,737	(8,737)	0	0
Local Authority Funding	0	12,290	(12,290)	0	0
Total Restricted General Funds	**(114,917)**	**1,118,861**	**(1,067,420)**	**32,279**	**(31,197)**
Restricted Fixed Asset Funds					
DfE Capital Grants	8,199	6,813	(15,012)	0	0
Donated Assets from Local Authority	2,352,272	0	(15,847)	0	2,336,425
Capital Expenditure from GAG/Other Reserves	0	0	(14,721)	14,721	0
Other Grants	0	0	0	0	0
Devolved Capital from Local Authority	0	0	0	0	0
Total Restricted Fixed Asset Funds	**2,360,471**	**6,813**	**(45,580)**	**14,721**	**2,336,425**
Total Restricted Funds	**2,245,554**	**1,125,674**	**(1,113,000)**	**47,000**	**2,305,228**
Unrestricted Funds	**102,778**	**46,395**	**(27,728)**	**0**	**121,445**
Total Funds	**2,348,332**	**1,172,069**	**(1,140,728)**	**47,000**	**2,426,673**

NOTES TO THE ACCOUNTS (CONTINUED)

Prior year comparative figures are provided below -

	Balance at 1 September	Incoming Resources	2016/17 Resources Expended	Gains, Losses &Transfers	Balance at 31 August
	£	£	£	£	£
Restricted General Funds					
General Annual Grant	60,619	1,002,538	(966,074)	0	97,083
Catering Income	0	38,050	(38,050)	0	0
Pupil Premium Grant	0	76,960	(76,960)	0	0
Sports Partnership Funding	0	9,238	(9,238)	0	0
Pension Reserve	(260,000)	0	(15,000)	63,000	(212,000)
Other Grants	0	10,083	(10,083)	0	0
Other Income	0	3,475	(3,475)	0	0
Local Authority Funding	0	3,869	(3,869)	0	0
Total Restricted General Funds	**(199,381)**	**1,144,213**	**(1,122,749)**	**63,000**	**(114,917)**
Restricted Fixed Asset Funds					
DfE Capital Grants	1,420	6,779	0	0	8,199
Donated Assets from Local Authority	2,382,262	0	(29,990)	0	2,352,272
Capital Expenditure from GAG/Other Reserves	18,051	0	(18,051)	0	0
Other Grants	0	0	0	0	0
Devolved Capital from Local Authority	0	0	0	0	0
Total Restricted Fixed Asset Funds	**2,401,733**	**6,779**	**(48,041)**	**0**	**2,360,471**
Total Restricted Funds	**2,202,352**	**1,150,992**	**(1,170,790)**	**63,000**	**2,245,554**
Unrestricted Funds	**89,488**	**38,850**	**(25,560)**	**0**	**102,778**
Total Funds	**2,291,840**	**1,189,842**	**(1,196,350)**	**63,000**	**2,348,332**

Notes

(i) General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit to the amount it could carry forward at 31 August 2018.

(ii) Catering income from parents is used towards the costs of providing school meals.

(iii) Local Authority funding is provided for the provision of services for children with special educational needs.

(iv) Pupil Premium Grant may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. The grant does not have to be completely spent by schools in the financial year.

(v) Sports Partnership funding is received towards improving physical education (PE) and sport in primary schools.

(vi) Devolved capital either allocated direct by the DfE or transferred on conversion from the local authority must be spent on capital purposes.

NOTES TO THE ACCOUNTS (CONTINUED)

(vii) The Pension Reserve recognises the schools current deficit position in respect of the Local Government Pension Scheme.

15. Analysis of Net Assets Between Funds

Fund balances at 31 August 2018 are represented by –

	2017/18			
	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	£	£	£	£
Tangible Fixed Assets	0	0	2,336,425	2,336,425
Current Assets	147,071	297,102	15,216	459,389
Current Liabilities	(25,626)	(135,299)	(15,216)	(176,141)
Pension Scheme Liability	0	(193,000)	0	(193,000)
Total	121,445	(31,197)	2,336,425	2,426,673

Comparative information in respect of the previous period is as follows –

	2016/17			
	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	£	£	£	£
Tangible Fixed Assets	0	0	2,352,272	2,352,272
Current Assets	184,085	104,601	8,199	296,885
Current Liabilities	(81,307)	(7,518)	0	(88,825)
Pension Scheme Liability	0	(212,000)	0	(212,000)
Total	102,778	(114,917)	2,360,471	2,348,332

16. Capital Commitments

There are no contractual capital commitments at the 31 August 2018.

17. Events After the Balance Sheet Date

There are no events that require reporting after the balance sheet date.

18. Lease Commitments

Operating Leases

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

2016/17 £		2017/18 £
	Operating leases which expire:	
9,797	Within One Year	6,468
14,795	Within Two to Five Years	8,327
24,592	Total	14,795

NOTES TO THE ACCOUNTS (CONTINUED)

19. Contingent Liabilities

There are no contingent liabilities.

20. Pension Commitments

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

The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2016.

The employee and employer pension contributions are paid on the schools behalf by North East Lincolnshire Council each month. The amount outstanding to the schemes as at 31 August 2018 was £13,557 (2016/17 - £13,131) and this is included in the creditor amount due to North East Lincolnshire Council at the end of the financial year.

Teachers' Pension Scheme (TPS)

The TPS is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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 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.

NOTES TO THE ACCOUNTS (CONTINUED)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge;
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500m and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600m, giving a notional past service deficit of £14,900m; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- The assumed real rate of return is 3% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer pension costs paid to TPS in the period amounted to £67,108 (2016/17 - £70,607)

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

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds.

The total contributions made for the period ended 31 August 2018 was £54,516 (2016/17 - £46,551) of which employer's contributions totalled £45,395 (2016/17 - £39,045) and employees' contributions totalled £9,122 (2016/17 - £7,506). The agreed contribution rates for future years are 27.6%, with the rate for employees being dependent on the individuals pay.

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.

NOTES TO THE ACCOUNTS (CONTINUED)

Principal Actuarial Assumptions

Financial Assumptions

	At 31 August 2017	At 31 August 2018
Rate of Increase in Pensions/Inflation	2.4%	2.4%
Rate of Increase in Salaries	2.6%	2.6%
Discount Rate	2.4%	2.7%

The estimated split of assets as at 31 August 2018 is -

	At 31 August 2017 £000	At 31 August 2018 £000
Equities	204	253
Bonds	37	46
Property	32	42
Cash	14	10
	287	351

The actual return on scheme assets was £20,000 (2016/17: £44,000).

Mortality

The assumed life expectancies at age 65 are summarised below -

2016/17 Males	2016/17 Females		2017/18 Males	2017/18 Females
21.7 years	24.2 years	Current Pensioners	21.7 years	24.2 years
23.7 years	26.4 years	Future Pensioners	23.7 years	26.4 years

NOTES TO THE ACCOUNTS (CONTINUED)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for Year End 31 August 2018

2016/17 Assets £000	2016/17 Obligations £000	2016/17 Net (Liability)/ Asset £000		2017/18 Assets £000	2017/18 Obligations £000	2017/18 Net (Liability)/ Asset £000
209	0	209	Fair Value of Plan Assets	287	0	287
0	(469)	(469)	Present Value of Liabilities	0	(499)	(499)
209	**(469)**	**(260)**	**Opening Position at 1 September**	**287**	**(499)**	**(212)**
			Service Cost			
0	(48)	(48)	- Current Service Cost	0	(67)	(67)
0	0	0	- Past Service Costs (including curtailments)	0	0	0
0	0	0	- Effect of Settlements	0	0	0
0	**(48)**	**(48)**	**Total Service Cost**	**0**	**(67)**	**(67)**
			Net Interest			
4	0	4	- Interest Income on Plan Assets	7	0	7
0	(9)	(9)	- Interest Cost on Defined Benefit Obligation	0	(13)	(13)
0	0	0	- Impact of Asset Ceiling on Net Interest	0	0	0
4	**(9)**	**(5)**	**Total Net Interest**	**7**	**(13)**	**(6)**
4	**(57)**	**(53)**	**Total Defined Benefit Cost Recognised in Net Income/(Expenditure) for the Year**	**7**	**(80)**	**(73)**
			Cashflows			
7	(7)	0	- Plan Participant's Contributions	9	(9)	0
38	0	38	- Employer Contributions	45	0	45
0	0	0	- Contributions in Respect of Unfunded Benefits	0	0	0
(11)	11	0	- Benefits Paid	(10)	10	0
0	0	0	- Unfunded Benefits Paid	0	0	0
0	0	0	- Effect of Business Combinations and Disposals	0	0	0
34	**4**	**38**	**Total Cashflows**	**44**	**1**	**45**
247	**(522)**	**(275)**	**Expected Closing Position**	**338**	**(578)**	**(240)**
			Remeasurements			
0	8	8	- Changes in Demographic Assumptions	0	0	0
0	9	9	- Changes in Financial Assumptions	0	34	34
0	6	6	- Other Experience	0	0	0
40	0	40	- Return on Assets Excluding Amounts in Net Interest	13	0	13
0	0	0	- Changes in Asset Ceiling	0	0	0
40	**23**	**63**	**Total Remeasurements Recognised in Other Recognised Gains and Losses**	**13**	**34**	**47**
			Closing Position			
287	0	287	- Fair Value of Plan Assets	351	0	351
0	(499)	(499)	- Present Value of Funded Liabilities	0	(544)	(544)
0	0	0	- Present Value of Unfunded Liabilities	0	0	0
287	**(499)**	**(212)**	**Closing Defined Benefit Obligation at 31 August**	**351**	**(544)**	**(193)**

NOTES TO THE ACCOUNTS (CONTINUED)

Analysis of Projected Amount to be Charged to Income and (Expenditure) for the Period to 31 August 2019

	Assets	Obligations	Net (Liability)/Asset	
	£000	£000	£000	%
Projected Current Service Cost	0	(61)	(61)	(39.3%)
Past Service Cost Including Curtailments	0	0	0	0.0%
Effect of Settlements	0	0	0	0.0%
Total Service Cost	**0**	**(61)**	**(61)**	**(39.3%)**
Interest Income on Plan Assets	10	0	10	6.4%
Interest Income on Defined Benefit Obligation	0	(15)	(15)	(9.6%)
Total Net Interest Cost	**10**	**(15)**	**(5)**	**(3.2%)**
Total Included in Income and (Expenditure)	**10**	**(76)**	**(66)**	**(42.5%)**

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below -

Change in Assumptions at 31 August 2018:	**Approximate Increase to Employer Liability %**	**Approximate % Monetary Amount £000**
0.5% Decrease in Real Discount Rate	10%	56
0.5% Increase in the Salary Increase Rate	1%	6
0.5% Increase in the Pension Increase Rate	9%	49
1 Year Increase in Mortality Rate	4%	22

21. 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

NOTES TO THE ACCOUNTS (CONTINUED)

22. Reconciliation of Net Income to Net Cash Flows from Operating Activities

2016/17 £		2017/18 £
(6,508)	**Net Income/(Expenditure)**	**31,341**
(6,779)	DfE Capital Grants Received in Year	(6,813)
(75)	Interest Received	(120)
	Non Cash Transactions	
48,041	Depreciation	45,580
10,000	Defined Benefit Pension Scheme Cost less Contributions Payable	22,000
5,000	Defined Benefit Pension Scheme Finance Cost	6,000
(4,836)	(Increase)/Decrease in Debtors	(8,689)
(2,261)	Increase/(Decrease) in Creditors	87,316
42,582	**Net Cash Provided by/ (Used in) Operating Activities**	**176,615**

23. Analysis of Cash and Cash Equivalents

	At 31 August 2017	At 31 August 2018
Cash in Hand and at Bank	254,524	408,339
Notice Deposits (less than 3 months)	0	0
Total Cash and Cash Equivalents	**254,524**	**408,339**

24. Related Party Transactions

There were no related party transactions in the period, other than certain trustees' remuneration and expenses already disclosed in note 9.