

**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 AUGUST 2016**



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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**WINTON PRIMARY SCHOOL**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE PERIOD ENDED 31 AUGUST 2016**

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<b>Members</b>	J Glassborow (appointed 4 December 2015) P Hobby (appointed 4 December 2015) S Tranter (appointed 4 December 2015) Bournemouth Septenary Trust (appointed 4 December 2015)
<b>Trustees</b>	J Bingham, Chair of Trustees (appointed 4 December 2015) A Tedder, Vice Chair (appointed 4 December 2015) N Tarchetti, Head Teacher (appointed 4 December 2015) S Tranter (appointed 4 December 2015, resigned 6 July 2016) P Hobby (appointed 4 December 2015, resigned 23 March 2016) T Watts (appointed 4 December 2015) D Sears (appointed 4 December 2015) J Kerley (appointed 4 December 2015, resigned 12 September 2016) R Hucklesby (appointed 4 December 2015) P Gaston (appointed 4 December 2015) S Fisher (appointed 3 February 2016) H Uren (appointed 23 March 2016) R Scott (appointed 23 March 2016) L Brown (appointed 4 December 2015) M Hames (appointed 3 February 2016)
<b>Company registered number</b>	09903139
<b>Company name</b>	Winton Primary School
<b>Principal and registered office</b>	Oswald Road Bournemouth Dorset BH9 2TG
<b>Senior management team</b>	N Tarchetti, Head Teacher K James, Head of School H Brewer, Assistant Head L Houlston, Assistant Head E Lidster, Assistant Head L Marshall, Assistant HEad
<b>Independent auditors</b>	Griffin Chartered Accountants 165 High Street Honiton Devon EX14 1LQ
<b>Bankers</b>	Lloyds Bank PLC 43-47 Old Christchurch Road Bournemouth BH1 1ED

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**WINTON PRIMARY SCHOOL**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 4 December 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy operates as a primary school for pupils aged 5 to 11 serving a catchment area in Bournemouth. It has a pupil capacity of 810 and had a roll of 786 in September 2016.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Winton Primary School Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Winton Primary School.

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

### **Members' Liability**

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

### **Trustees' Indemnities**

In accordance with normal commercial practice the trust has insurance in place to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The limit of this indemnity is £10,000,000 and this cover is provided as part of the Risk Protection Arrangement offered by the Education Funding Agency.

### **Method of Recruitment and Appointment or Election of Trustees**

Article 45 of the company's Articles of Association, state that the number of Trustees, shall not be less than three but shall not be more than fourteen.

Subject to Articles 48 and 49, the Academy Trust shall have the following Trustees:

- up to six trustees, appointed under article 50;
- a minimum of one Staff trustee appointed under Article 50AA; and
- a maximum of two parent trustees elected or appointed under articles 53-56B;

### **Appointment of Trustees**

The Members may appoint up to six Trustees.

The Members may appoint Staff Trustees through such process as they may determine and shall appoint at least one staff Trustee. In appointing the Staff Trustees, the Trustees shall, on behalf of the Members, if there is more than one candidate for the position, hold a secret ballot of all staff employed under a contract of employment or a contract of services or otherwise engaged to provide services to the Academy Trust (excluding the Headteacher) at the relevant Academy. All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Trustees. If a staff trustee ceases to work for the Academy Trust then he shall be deemed to have resigned and shall cease

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**WINTON PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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to be a Trustee automatically on termination of his work for the Academy Trust.

The total number of Trustees including the Headteacher if they so choose to act as Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

Subject to Article 56A, the Parent Trustees shall be elected by parents and individuals exercising parental responsibility of registered pupils at the Academy. A Parent Trustee must be a parent, or an individual exercising parental responsibility, of a registered pupil at the Academy at the time when he is elected.

Providing that the Headteacher agrees so to act, the Members may by ordinary resolution appoint the Headteacher as a Trustee.

The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees including the Headteacher to the extent he or she is a Trustee.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

Winton Primary ensures all new trustees have an induction meeting with the Headteacher and Chair of Directors. They are assigned a fellow trustee for their first year in post to provide a supportive colleague to complete the induction process. Ongoing training is provided through our Service Level Agreement with Poole Council and our ability to access Bournemouth Trustee training too.

#### **Organisational Structure**

Winton Primary School is incorporated as a company limited by guarantee with no share capital (registration number 09903139) and is an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The governors act as the trustees for the charitable activities of Winton Primary School and all governors are directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Winton Primary School.

The Board of Trustees has two sub-committees with delegated powers for monitoring the budget, approving best value and payments which require governor approval. The committees also monitor the school improvement processes, receive staffing reports and play a role in the appointment of permanent teaching staff. Trustee approval is also required for all redundancy procedures. The Headteacher is the accounting officer for Winton Primary School.

The Trustees are responsible for setting the policies and procedures which control the operation of the academy. The day to day running of the academy is delegated to the Senior Leadership. During this period the senior leadership comprised Headteacher, Head of School and three Assistant headteachers. They are responsible for running the academy in line with the policies set by the trustees. Financial responsibility is delegated to the Headteacher and School Business Manager in line with the levels set in the financial handbook. Spending above agreed limits is referred to the Trustees.

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

The posts of all senior leaders are set in line with School teacher's Pay and Conditions (STPCD) and appropriate to the size and group of the school. The Business Manager salary is determined by the Bournemouth Borough Council BG07 system for determining appropriate recompense for the job description. The Pay Committee reviews these levels and the appraisal of all staff on an annual basis.

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**WINTON PRIMARY SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**Related Parties and other Connected Charities and Organisations**

Winton Primary School is a member of the Bournemouth Septenary Trust. The Bournemouth Septenary Trust (BST) is an Umbrella Trust that unites seven autonomous academies - medium to large Primary schools in effective collaboration that is focussed on improving the educational provision for the pupils served through the accountability and challenge of Academy performance and financial processes, continuous Academy improvement and raising pupil outcomes, joint professional development bespoke to the priorities of the individual Academies and the securing of financial scale economies through strategically shared staff appointments, shared contracting and procurement based on best-value principles that serve the priorities of the academies within the Umbrella Trust.

Four of the schools in the BST are Community Primary schools and three are Church Primary schools all within the North and Central areas of Bournemouth. The Septenary Trust reflects the full diversity of ethnic, social, economic and deprivation factors found across the Borough of Bournemouth.

The aims of the Trust are to:

- Promote and secure outstanding Academy improvement so that every child in the trust can attend an outstanding Academy as judged by Ofsted in terms of the Academy's outcomes for children and learners, their Early years provision, the quality of teaching learning and assessment, the personal development, behaviour and welfare of learners and the effectiveness of leadership and management.  
Innovate curriculum provision and pedagogy based on research and best practice that will raise achievements for all children and learners.
- Provide professional challenge and accountability in all of the key performance indicators including individual Academy's outcomes for children and learners, their Early Years provision, the quality of teaching learning and assessment, the personal development, behaviour and welfare of learners and the effectiveness of leadership and management.

Bournemouth Septenary Trust is committed to the core values of excellence, equity and effectiveness, promoting high levels of engagement, aspiration, achievement and enterprise across seven schools.

Guiding principles:

1. The success and wellbeing of the children educated within the Bournemouth Septenary Trust.
2. Professional challenge, support and development.
3. Trust between schools in confidentiality, openness and professionalism.
4. Ensuring best value for all the member schools.
5. To focus on raising standards and securing school improvements.
6. Through collaboration to develop effective leaders and at all levels.
7. The Trust will seek opportunities for research and development, we aim to be innovative in all areas of school life.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The Academy Trust's objects ("the Objects") are specifically restricted to the following:

- (a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy");
- (b) to promote for the benefit of the inhabitants of the areas in which the Academy is situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic

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

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circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Academy Trust aims to inspire, motivate and challenge all pupils and ensure they become confident, caring, respected citizens and lifelong learners.

### **Objectives, Strategies and Activities**

The full detail of what the academy aimed to achieve in 2015-16 is detailed in the School Development Plan for that period. However the main aims were to increase progress and attainment in core subjects across the school. Improve the quality of teaching and learning, the quality of the curriculum and the engagement of all pupils in exciting learning. Finally to restructure the school and how it operates to ensure that a primary school feel is created in a growingly large primary school and make the most effective use of the management structure to meet the needs of all learners.

### **Public Benefit**

The trustees confirm that they have complied with the duty in Section (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.

The academy aims to advance for the public benefit, education in Bournemouth and the surrounding area. The school provides an inclusive curriculum and works with secondary schools to ensure a smooth transition into secondary education for its pupils. In addition, the school offers the facility for local organisations to let its premises for recreational and other leisure time occupation.

## **STRATEGIC REPORT**

### **Achievements and Performance**

New national curriculum assessments and tests showed the school performed better than other schools nationally and the upward trend in results that has been seen for the last three years continued.

### **Key Performance Indicators**

This period continues to see the school judged good by Ofsted and achieving results at least in line with national averages and considerably above in many areas. The rise in pupil roll, reducing surplus capacity, has been more significant than ever before during this period. We begin the new academic year with 800 of 810 places occupied as oppose to 50 surplus places at the start of the period.

The school has a full complement of teaching and support staff and has easily filled any vacancies arising.

### **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**

Most of the academy's income is obtained from the DfE via the EFA 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 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

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The academy also receives grants for fixed assets from the DfE which 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 economic life of the assets concerned, as defined in the academy's accounting policies.

During the period ended 31 August 2016, the academy received total income of £1,915,268 (excluding the transfer of fixed assets and the pension liability on conversion) and incurred total expenditure of £1,867,951. £261,271 was transferred to the academy as a surplus on conversion on 1 February 2016. As at 31 August the funds carried forward as unspent were £247,739 of unrestricted funds and £251 of unspent start up grant. Therefore, there was a deficit in the period of £13,281.

Winton Primary School converted to academy status on 1 February 2016. The land, buildings and other assets were transferred to the academy on conversion. Land and buildings were professionally valued at £7,810,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the statement of Financial Activity with details in Note 20.

At 31 August 2016, the academy had total funds of £248,967, excluding the Fixed Asset and Pension Funds. This represents the amount of reserves the academy has to carry forward to support it in future periods.

Key financial policies adopted in the year include the Financial Procedures and Scheme of Delegation, which sets out the framework for financial management, including financial responsibilities of the board, head teacher, senior leadership team and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Reserves Policy, Depreciation Policy and Insurance.

### **Reserves Policy**

It is the school's view that there should be reserves to support it to achieve its planned outcomes for today's children and not to hold reserves unnecessarily. The governing body reviews the reserves levels of the academy annually. The governing body requires the Head Teacher and Business Manager to work towards reserves of 1 months staffing cost. This, they believe, will give the school a working capital buffer and the ability to make decisions that meet the outcomes for the pupils both in the short term and the longer term. This review encompasses the nature of income and expenditure streams the need to match income with commitments and the nature of reserves. The governing body takes into consideration the future plans of the academy, the uncertainty over future income streams and other key risks identified during the risk review.

The governing body has determined that the appropriate level of free cash reserves should be approximately £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies, such as urgent maintenance or to maintain staffing levels in the event of a reduction in funding.

The governing body has reviewed the future plans of the academy and are aiming to have free reserves of £100,000 over four years.

### **Principal Risks and Uncertainties**

The trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial



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

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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 the Statement of Internal Control. The Academy has introduced a Risk Register that is reviewed by the relevant committee on an ongoing basis.

The principle risks that the organisation faces are highlighted in the risk register and in the planning for the coming year. One of the key issues comes from a lack of reserves due to being in the first year of operation. The Trustees plan to build a reserve over time and this is factored into budget and other planning. This will reduce the risk to the academy from significant unexpected staffing costs or changes in government funding or grants.

**Plans for Future Periods**

The academy will continue to strive to provide outstanding education and improve the levels of performance of all 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. Full details of our plans for the future are given in our School Development Plan, which is available from the Clerk to the trustees.

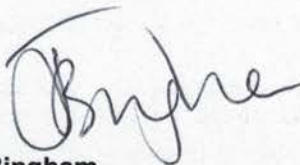
**Auditor**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the trustees have taken 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, Griffin, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2016 and signed on the board's behalf by:



**J Bingham**  
**Chair of Trustees**

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**WINTON PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As trustees, we acknowledge we have overall responsibility for ensuring that Winton 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 Head Teacher, 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 Winton 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 4 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Bingham, Chair of Trustees	3	4
A Tedder, Vice Chair	4	4
N Tarchetti, Head Teacher	4	4
S Tranter	3	4
P Hobby	0	0
T Watts	3	4
D Sears	2	4
J Kerley	4	4
R Hucklesby	4	4
P Gaston	3	4
S Fisher	2	3
H Uren	3	3
R Scott	3	3
L Brown	4	4
M Hames	2	3

Upon incorporation, the existing governors of the school were appointed as directors of Winton Primary School Limited. The composition of the board is as per Articles 48 and 49 of the Articles of Association of the Trust.

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Provide information and guidance to the Governing Body on all financial matters.
- Prepare and review statements of financial policy in both the short and longer term for the Governing Body's consideration.
- Prepare and present budget options for the Governing Body's consideration and adoption for LA delegated funds, Standards Fund monies, standards Grants and any other income or carry forward sums, taking account of priorities in the school improvement plan.
- Monitor budget spending using information provided by the Head teacher and finance officer, ensuring that spending remains within limits prescribed by the Governing Body.
- Report the financial situation to the Governing Body each term, identifying options and making recommendations.
- Propose for consideration and decision by the Governing Body an appropriate level of delegation to the Head teacher for the day to day financial management of the school
- To consider and authorise virements between budget headings within agreed limits.

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**WINTON PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**

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- Monitor income and expenditure for all public funds for which the school is responsible, reporting as necessary to the Governing Body.
- Respond appropriately to audit report recommendations on behalf of the Governing Body.
- Ensure all non-public funds are audited and the results presented to the Governing Body.
- Ensure that the principles of best value are applied to services purchased with delegated monies.
- Ensure that the financial administration of the school conforms to the financial regulations and procedures of the EFA and Academies Financial Handbook.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
A Tedder (Chair)	2	2
B Hucklesby (Vice Chair)	2	2
N Tarchetti	2	2
J Bingham	2	2
S Tranter	1	2
D Sears	0	2
P Gaston	2	2
R Scott	2	2
H Uren	2	2
M Hames	2	2

The academy considers annually its governance arrangements to ensure the effectiveness of the board of trustees. The review includes consideration of the composition of the board, membership of committees and their terms of reference. It also looks to identify any skill gaps where the recruitment of new trustees would be beneficial.

#### **REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Head Teacher 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:

The staff at Winton Primary are committed to achieving the best value for money in all activities wherever practicable. Examples include:

1. The academy continues to host an after school / breakfast club / holiday club which provides a valuable community resource for the use of parents of children at the school and elsewhere. This allows a wider range of parents to be able to place their children at the school. Not only is a saving made in the provision of the facility as it comes at no cost, being independently run, but as a nominal rental is charged by the school it is also income generating
2. Consortium purchasing and network agreements – the school benefits from purchasing much of its stationery and resources through a south west based consortium and achieving a minimum 4% reduction on advertised prices (this was negotiated up to 10% for the larger pre-summer order). More recently the school utilised the network arrangement operated by the Crescent Purchasing Consortium to obtain initial free advice and to tender and contract its RPA+ insurance requirements. On one contract alone this saved well over £500.
3. The move to BACs from cheque payments to achieve savings in time and money in purchasing. Allowing the school greater control, transparency and security over cheque or cash payment

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**WINTON PRIMARY SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**

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**Future focus of achieving value for money**

The school continues to seek out new opportunities to make its funding go further. For example:

1. The school has engaged the services of Zenergi, an energy broker to act on its behalf in the tendering, procurement and contract management in respect of its electricity and gas supplies. It is difficult following Brexit to be entirely confident of how energy markets will evolve, but in using an energy professional approved by the NASBM, LASBM and ASCL it is hoped that the school can negotiate the best possible deals. Initial indications are for a saving of just over £1700 over the next year on the combined cost for 2015/16. Small indirect savings are also anticipated with improvements in contract and invoice management.
2. Achieving greater savings through the buying power of the Bournemouth Septenary Trust of which the school is a member. In harnessing the combined group of seven schools should be able to achieve continuing savings, for example recently the group was able to achieve substantial reductions in its HR/Payroll contract with Bournemouth Borough Council.

**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 Winton Primary School for the period 4 December 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 4 December 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the 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 board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Griffin, the external auditors, to perform

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**GOVERNANCE STATEMENT (continued)**

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additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a semi-annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The planned schedule of checks has been completed and the findings reported to the trustees. No material control deficiencies have been identified during any of the inspections and any small or immaterial adjustments have been carried out with consultation and involvement of the external auditors.

**REVIEW OF EFFECTIVENESS**

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources 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 14 December 2016 and signed on their behalf, by:



**J Bingham**  
**Chair of Trustees**



**N Tarchetti**  
**Accounting Officer**

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**WINTON PRIMARY SCHOOL**  
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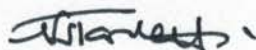
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Winton Primary School I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

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



**N Tarchetti**  
**Accounting Officer**

Date: 14 December 2016

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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The Trustees (who act as governors of Winton 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

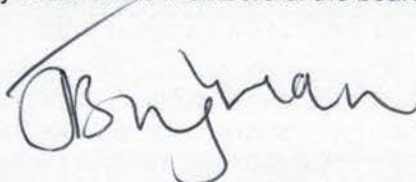
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

Approved by order of the members of the board of trustees on

and signed on its behalf by:



**J Bingham**  
**Chair of Trustees**

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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

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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

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



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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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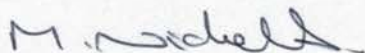
**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

**Griffin**

Chartered Accountants

165 High Street

Honiton

Devon

EX14 1LQ

Date: 16/12/2016

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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In accordance with the terms of our engagement letter dated 25 January 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Winton Primary School during the period 4 December 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Winton Primary School's funding agreement with the Secretary of State for Education dated 1 February 2016, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 4 December 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 4 December 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Misty Nickells FCA (Reporting Accountant)**  
**Griffin**

Chartered Accountants

165 High Street  
Honiton  
Devon  
EX14 1LQ

Date: 16/12/16

**WINTON PRIMARY SCHOOL**  
(A company limited by guarantee)

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
<b>INCOME FROM:</b>				
Donations & capital grants:				
Transfer from local authority on conversion	261,271	(404,000)	7,870,926	7,728,197
Other donations and capital grants	2,216	-	11,864	14,080
Charitable activities	-	1,635,601	-	1,635,601
Other trading activities	16,180	-	-	16,180
<b>TOTAL INCOME</b>	<b>279,667</b>	<b>1,231,601</b>	<b>7,882,790</b>	<b>9,394,058</b>
<b>EXPENDITURE ON:</b>				
Raising funds	10,957	-	-	10,957
Charitable activities	20,971	1,657,612	178,411	1,856,994
<b>TOTAL EXPENDITURE</b>	<b>31,928</b>	<b>1,657,612</b>	<b>178,411</b>	<b>1,867,951</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>	<b>247,739</b>	<b>(426,011)</b>	<b>7,704,379</b>	<b>7,526,107</b>
Transfers between Funds	-	(19,738)	19,738	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>	<b>247,739</b>	<b>(445,749)</b>	<b>7,724,117</b>	<b>7,526,107</b>
Actuarial losses on defined benefit pension schemes	-	(410,000)	-	(410,000)
<b>NET MOVEMENT IN FUNDS</b>	<b>247,739</b>	<b>(855,749)</b>	<b>7,724,117</b>	<b>7,116,107</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward	-	-	-	-
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>247,739</b>	<b>(855,749)</b>	<b>7,724,117</b>	<b>7,116,107</b>

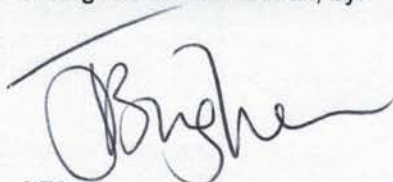
All of the academy's activities derive from acquisitions in the current financial period.

**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 09903139**

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

	Note	£	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	12		7,724,117
<b>CURRENT ASSETS</b>			
Debtors	13	78,270	
Cash at bank and in hand		330,568	
		<u>408,838</u>	
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(160,848)</u>	
<b>NET CURRENT ASSETS</b>			<u>247,990</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>7,972,107</u>
Defined benefit pension scheme liability	20		<u>(856,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>7,116,107</u></u>
<b>FUNDS OF THE ACADEMY</b>			
Restricted income funds:			
Restricted income funds	15	251	
Restricted fixed asset funds	15	7,724,117	
Restricted income funds excluding pension liability		<u>7,724,368</u>	
Pension reserve		<u>(856,000)</u>	
Total restricted income funds			6,868,368
Unrestricted income funds	15		<u>247,739</u>
<b>TOTAL FUNDS</b>			<u><u>7,116,107</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 14 December 2016 and are signed on their behalf, by:



**J Bingham**  
**Chair of Trustees**

The notes on pages 21 to 41 form part of these financial statements.

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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	Note	2016 £
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities	17	<u>89,035</u>
<b>Cash flows from investing activities:</b>		
Purchase of tangible fixed assets		(31,602)
Capital grants from DfE/EFA		<u>11,864</u>
<b>Net cash used in investing activities</b>		<u>(19,738)</u>
<b>Transferred on conversion to an academy:</b>		
Cash transferred on conversion		<u>261,271</u>
<b>Net cash provided by financing activities</b>		<u>261,271</u>
<b>Change in cash and cash equivalents in the period</b>		<b>330,568</b>
Cash and cash equivalents brought forward		-
<b>Cash and cash equivalents carried forward</b>	18	<u><u>330,568</u></u>

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

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

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

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

**1.2 Fund accounting**

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

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

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

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

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

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

**1.4 Expenditure**

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

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

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

All resources expended are inclusive of irrecoverable VAT.



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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

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

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 incorporating income and expenditure account.

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

Land	-	125 years straight line
Long-term leasehold property	-	50 years straight line
Fixtures and fittings	-	15% straight line
Computer equipment	-	33% straight line

**1.7 Interest receivable**

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

**1.8 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.9 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.

**1.10 Cash at Bank and in hand**

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

**1.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 Financial instruments**

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

**1.13 Taxation**

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

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.14 Pensions**

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, 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 incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.15 Conversion to an academy trust**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Winton Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 19.

**WINTON PRIMARY SCHOOL**  
(A company limited by guarantee)

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

**1. ACCOUNTING POLICIES (continued)**

**1.16 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. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy 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 and asset and liability to be recognised in the Balance Sheet.

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Transfer from local authority on conversion	261,271	(404,000)	7,870,926	7,728,197
Other donations	2,216	-	-	2,216
Capital Grants	-	-	11,864	11,864
Subtotal	2,216	-	11,864	14,080
Total donations and capital grants	263,487	(404,000)	7,882,790	7,742,277

**WINTON PRIMARY SCHOOL**  
(A company limited by guarantee)

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

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
<b>DfE/EFA grants</b>			
General Annual Grant	-	1,388,304	1,388,304
Start Up Grants	-	25,000	25,000
Other DfE/EFA Grants	-	4,550	4,550
Pupil Premium	-	111,145	111,145
	<u>-</u>	<u>1,528,999</u>	<u>1,528,999</u>
<b>Other government grants</b>			
Higher Needs Funding	-	29,939	29,939
Other government grants non capital	-	68,663	68,663
	<u>-</u>	<u>98,602</u>	<u>98,602</u>
<b>Other funding</b>			
Other grants	-	8,000	8,000
	<u>-</u>	<u>8,000</u>	<u>8,000</u>
	<u>-</u>	<u>1,635,601</u>	<u>1,635,601</u>

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Hire of facilities	5,890	-	5,890
Other	10,290	-	10,290
	<u>16,180</u>	<u>-</u>	<u>16,180</u>

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**WINTON PRIMARY SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. EXPENDITURE**

	<b>Staff costs</b>	<b>Premises</b>	<b>Other costs</b>	<b>Total</b>
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expenditure on raising voluntary income	-	-	9,257	9,257
Expenditure on fundraising trading	-	-	1,700	1,700
Education:				
Direct costs	1,208,233	51,559	181,288	1,441,080
Support costs	197,759	-	218,155	415,914
	<u>1,405,992</u>	<u>51,559</u>	<u>410,400</u>	<u>1,867,951</u>

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**6. CHARITABLE ACTIVITIES**

	<b>Total funds 2016 £</b>
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>	
Wages and salaries	957,605
National insurance	72,698
Pension cost	158,578
Depreciation	178,411
Educational supplies	40,887
Staff development	3,275
Other costs	7,073
Supply teachers	19,352
Recruitment and other staff costs	2,388
Technology costs	813
	<hr/>
	<b>1,441,080</b>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>	
Wages and salaries	138,847
National insurance	6,473
Pension cost	52,439
Pension income	9,000
Other costs	794
Maintenance of premises and equipment	14,583
Cleaning	6,091
Rent and rates	14,825
Heat and light	16,060
Insurance	10,621
Security and transport	2,692
Catering	50,009
Technology costs	17,367
Office overheads	17,202
Legal and professional	46,655
Governance costs	12,256
	<hr/>
	<b>415,914</b>
	<hr/>
	<b>1,856,994</b>
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**7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016</b>
	<b>£</b>
Depreciation of tangible fixed assets:	
- owned by the academy	<b>178,411</b>
Auditors' remuneration - audit	<b>2,800</b>
Auditors' remuneration - other services	<b>1,800</b>
Operating lease rentals	<b>8,329</b>
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**8. STAFF COSTS**

Staff costs were as follows:

	2016 £
Wages and salaries	1,096,452
Social security costs	79,171
Operating costs of defined benefit pension schemes	211,017
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	1,386,640
Supply teacher costs	19,352
	<hr/>
	<b>1,405,992</b>

**Staff numbers**

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

	2016 No.
Teachers	75
Administration and support	28
Management	6
	<hr/>
	109

Average headcount expressed as a full time equivalent:

	2016 No.
Teachers	64
Administration and support	14
Management	6
	<hr/>
	84

No employee received remuneration amounting to more than £60,000 in either year.

**Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £213,550.

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**9. 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 headteacher 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:

		<b>2016</b>
		<b>£</b>
N Tarchetti	Remuneration	<b>45,000-50,000</b>
	Pension contributions paid	<b>5,000-10,000</b>
L Brown	Remuneration	<b>20,000-25,000</b>
	Pension contributions paid	<b>0-5,000</b>
J Kerley	Remuneration	<b>5,000-10,000</b>
	Pension contributions paid	<b>0-5,000</b>

**10. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the trust has insurance in place to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The limit of this indemnity is £10,000,000 and this cover is provided as part of the Risk Protection Arrangement offered by the Education Funding Agency.

**11. OTHER FINANCE INCOME**

	<b>2016</b>
	<b>£</b>
Interest income on pension scheme assets	<b>8,000</b>
Interest on pension scheme liabilities	<b>(17,000)</b>
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	<b>(9,000)</b> <hr/> <hr/>

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**12. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 4 December 2015	-	-	-	-
Additions	-	9,644	21,958	31,602
Transfer on conversion	7,810,000	11,855	49,071	7,870,926
At 31 August 2016	<u>7,810,000</u>	<u>21,499</u>	<u>71,029</u>	<u>7,902,528</u>
<b>Depreciation</b>				
At 4 December 2015	-	-	-	-
Charge for the period	145,244	4,180	28,987	178,411
At 31 August 2016	<u>145,244</u>	<u>4,180</u>	<u>28,987</u>	<u>178,411</u>
<b>Net book value</b>				
At 31 August 2016	<u><u>7,664,756</u></u>	<u><u>17,319</u></u>	<u><u>42,042</u></u>	<u><u>7,724,117</u></u>

**13. DEBTORS**

	2016 £
Trade debtors	6,706
VAT recoverable	21,532
Other debtors	4,661
Prepayments and accrued income	45,371
	<u>78,270</u>

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

	2016 £
Trade creditors	25,873
Other taxation and social security	34,411
Other creditors	34,958
Accruals and deferred income	65,606
	<u>160,848</u>

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**14. CREDITORS: Amounts falling due within one year (continued)**

	<b>£</b>
<b>Deferred income</b>	
Deferred income at 4 December 2015	-
Resources deferred during the year	<b>59,578</b>
	<b>59,578</b>

At the balance sheet date the academy was holding funds received in advance of the 2016/17 financial year.

**15. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds	-	279,667	(31,928)	-	-	247,739
	-	279,667	(31,928)	-	-	247,739
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	1,388,304	(1,368,566)	(19,738)	-	-
Start Up Grant	-	25,000	(24,749)	-	-	251
Pupil Premium	-	111,145	(111,145)	-	-	-
Higher needs funding	-	29,939	(29,939)	-	-	-
Other grants	-	81,213	(81,213)	-	-	-
Pension reserve	-	(404,000)	(42,000)	-	(410,000)	(856,000)
	-	1,231,601	(1,657,612)	(19,738)	(410,000)	(855,749)
<b>Restricted fixed asset funds</b>						
Transfer on conversion	-	7,870,926	(169,595)	-	-	7,701,331
DfE/EFA capital grants	-	11,864	(2,237)	-	-	9,627
Capital expenditure from GAG	-	-	(6,579)	19,738	-	13,159
	-	7,882,790	(178,411)	19,738	-	7,724,117
Total restricted funds	-	9,114,391	(1,836,023)	-	(410,000)	6,868,368
Total of funds	-	9,394,058	(1,867,951)	-	(410,000)	7,116,107

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**15. 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 EFA which is to be used for the normal running costs of the academy, including education and support costs.

**Pupil Premium**

Funding received from the EFA 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.

**Higher Needs funding**

Income received from the Local Authority to fund further support for pupils with additional needs.

**Other revenue grants include:**

Universal Infant Free School Meals income provided by the EFA to fund a free school meal to every pupil in reception and years 1 and 2.

Growth Funding income received from the Local Authority, to support schools that provide additional school places in order to meet basic need within the authority.

Foyle Foundation grant, provided for the purchase of educational books.

**Pension Reserve**

The academy's share of the assets and liabilities in the Local Government Pension Scheme. This is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy.

**Fixed assets transferred on conversion**

This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

**DfE/EFA capital grants**

Devolved Formula Capital funding from the EFA to cover the maintenance and purchase of the academy's assets.

**Capital Expenditure from GAG**

This represents funds transferred from the restricted GAG fund to purchase fixed 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 2016.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	7,724,117	7,724,117
Current assets	406,587	2,251	-	408,838
Creditors due within one year	(158,848)	(2,000)	-	(160,848)
Provisions for liabilities and charges	-	(856,000)	-	(856,000)
	<u>247,739</u>	<u>(855,749)</u>	<u>7,724,117</u>	<u>7,116,107</u>

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

	2016 £
Net income for the year (as per Statement of financial activities)	7,526,107
<b>Adjustment for:</b>	
Depreciation charges	178,411
Increase in debtors	(78,270)
Increase in creditors	160,848
Capital grants from DfE and other capital income	(11,864)
Defined benefit pension scheme obligation inherited	404,000
Defined benefit pension scheme cost less contributions payable	33,000
Defined benefit pension scheme finance cost	9,000
Fixed assets transferred from the local authority on conversion	(7,870,926)
Cash transferred on conversion	(261,271)
<b>Net cash provided by operating activities</b>	<u>89,035</u>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £
Cash in hand	330,568
Total	<u>330,568</u>

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**19. CONVERSION TO AN ACADEMY TRUST**

On 1 February 2016 Winton Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Winton Primary School from Bournemouth Borough Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Donations - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	7,810,000	-	7,810,000
- Other tangible fixed assets	-	-	60,926	60,926
Budget surplus/(deficit) on LA funds	261,271	-	-	261,271
LGPS pension surplus/(deficit)	-	(404,000)	-	(404,000)
	<u>261,271</u>	<u>7,406,000</u>	<u>60,926</u>	<u>7,728,197</u>
Net assets/(liabilities)	<u>261,271</u>	<u>7,406,000</u>	<u>60,926</u>	<u>7,728,197</u>

The above net assets include £261,271 that were transferred as cash.

**20. 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 Dorset County Council. Both are Multi-employer defined benefit pension schemes.

As described in note 19 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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 £34,949 were payable to the schemes at 31 August 2016 and are included within creditors.

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**20. PENSION COMMITMENTS (continued)**

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £115,000.

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

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



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**20. PENSION COMMITMENTS (continued)**

**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 period ended 31 August 2016 was £84,000., of which employer's contributions totalled £63,000. and employees' contributions totalled £21,000.. The agreed contribution rates for future years are 17.4% for employers and 5.5-6.8% 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:

	<b>2016</b>
Discount rate for scheme liabilities	<b>2.20 %</b>
Rate of increase in salaries	<b>3.80 %</b>
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>
Inflation assumption (CPI)	<b>2.30 %</b>

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

	<b>2016</b>
Retiring today	
Males	<b>22.9</b>
Females	<b>25.3</b>
Retiring in 20 years	
Males	<b>25.2</b>
Females	<b>27.7</b>

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

	<b>Fair value at 31 August 2016 £</b>
Equities	<b>252</b>
Debt instruments	<b>125</b>
Property	<b>56</b>
Cash	<b>5</b>
	<hr/>
Total market value of assets	<b>438</b> <hr/> <hr/>

The actual return on scheme assets was £36,000.

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**20. PENSION COMMITMENTS (continued)**

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

	2016 £
Current service cost (net of employee contributions)	(96,000)
Net interest cost	(9,000)
	<hr/>
Total	(105,000)
	<hr/> <hr/>

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

	2016 £
Opening defined benefit obligation	1
Upon conversion	714,000
Current service cost	96,000
Interest cost	17,000
Contributions by employees	21,000
Actuarial losses	446,000
	<hr/>
Closing defined benefit obligation	1,294,001
	<hr/> <hr/>

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

	2016 £
Upon conversion	310,000
Return on plan assets (excluding net interest on the net defined pension liability)	8,000
Actuarial gains and (losses)	36,000
Contributions by employer	63,000
Contributions by employees	21,000
	<hr/>
Closing fair value of scheme assets	438,000
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. OPERATING LEASE COMMITMENTS**

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

	<b>2016</b>
	<b>£</b>
<b>Amounts payable:</b>	
Within 1 year	<b>16,659</b>
Between 1 and 5 years	<b>33,318</b>
Total	<b>49,977</b>

**22. 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.

**23. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.