

**MALMESBURY C OF E PRIMARY SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Diocese of Bristol Academies Company M Cross S Shaw C Wilton
<b>Trustees</b>	L Musset, Chair of Trustees <sup>2</sup> M Harris, Vice Chair <sup>2</sup> S Heal, Head Teacher <sup>1,2</sup> E Bendall (resigned 5 January 2019) <sup>1,3</sup> J E Brown (resigned 30 September 2019) <sup>1</sup> J K Brown <sup>2</sup> C Cox <sup>2,4</sup> E Crabb (resigned 21 January 2019) <sup>1</sup> C Davies (resigned 17 September 2018) D Hampton <sup>2</sup> B Leitch <sup>1,3</sup> D Luscombe <sup>1,3</sup> R Martin (appointed 11 July 2019) P Muir-McLeod <sup>2</sup> C Osborn <sup>2</sup> N Roberts <sup>1</sup> O Ross (appointed 4 October 2018) E Visor

- 1 Finance and Premises Committee
- 2 Curriculum and Staffing Committee
- 3 Audit Committee
- 4 Foundation Committee

<b>Company registered number</b>	08483768
<b>Company name</b>	Malmesbury C Of E Primary School
<b>Principal and registered office</b>	Tetbury Hill Malmesbury Wiltshire SN16 9JR
<b>Company secretary</b>	T Osborne
<b>Accounting Officer</b>	S Heal

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
AS AT 31 AUGUST 2019**

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**Senior Leadership Team**

S Heal, Headteacher  
J Watkins, Deputy Headteacher  
R Wyatt, Lower KS2 Leader  
D Hampton, Upper KS2 Leader  
M Moles, KS1 Leader (appointed 1 September 2018)  
S Hamilton, EYFS Leader  
T Osborne, School Business Manager

**Independent auditors**

Bishop Fleming LLP  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

**Bankers**

Lloyds Bank PLC  
29 High Street  
Chippenham  
Wiltshire  
SN15 3HA

**Solicitors**

Veale Wasborough Vizards LLP  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
AS AT 31 AUGUST 2019**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Malmesbury. It has a pupil capacity of 420 and had a roll of 420 in the school census on 17 January 2019.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

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

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

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

**Members' liability**

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

**Trade Union Facility Time**

Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. Under the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust as a relevant public sector employer is now required to collect and publish, on an annual basis, a range of data in relation to their employees who are trade union representatives.

In 2018-19 the Trust had three employee's who were trade union representatives who spent less than 1% of their time on trade union activities. The total cost of facility time was £421 (0.0002% of Trust's total pay bill).

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased through the ESFA's Risk Protection Arrangement (RPA) to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The RPA provides unlimited indemnity for Trustees' liability.

**TRUSTEES**

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

The Academy's Board of Trustees comprises the Headteacher, a minimum of 5 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees). The number of trustees will not be fewer than 3 but is not subject to a maximum.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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

- up to 2 co-opted Trustees who are appointed by the Board of Trustees.
- up to 4 Foundation Trustees (including the Incumbent Vicar of Malmesbury Abbey) who are appointed by the Diocese of Bristol.
- a minimum of 5 Parent Trustees who are elected by parents of registered pupils at the Academy.
- up to 2 Staff Trustees appointed by the Board of Trustees.
- up to 2 Community Trustees who are appointed by the Board of Trustees.
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

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

The Diocese of Bristol is empowered under article 51 to appoint the Foundation Trustees.

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

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

The Academy has a Governors' Induction Policy, Governors' Visiting policy and Code of Practice for Governors. Copies can be requested from the Clerk to the Governors and are also available with a large number of other resources on the Trustees' secure area of the academy's website ([www.malmesburyprimaryschool.co.uk](http://www.malmesburyprimaryschool.co.uk)).

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with a password for the academy's website resource area to facilitate access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Advantage is taken of specific courses offered by the academy's subscription to Wiltshire Governor Services, and our retained solicitors and auditors.

**Organisational Structure**

The Board of Members normally meets once a year. The following decisions are reserved to the Board of Members: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget. The Board of Members also re-appoint the auditors and discuss any other matters arising.

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

There are currently 4 committees as follows;

**Finance & Premises Committee**

This meets at least 3 times and up to 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, and drafting the annual budget. It also monitors, assesses and recommends the commissioning of works to all buildings and other infrastructure work, including health and safety requirements.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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**Curriculum and Staffing Committee**

This meets at least 3 times and up to 6 times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. It also sets staffing levels and receives reports with regards to staffing issues, employment law and recruitment.

**Audit Committee**

This meets at least once a year to assess compliance with reporting and regulatory requirements and reporting, receive reports from the Responsible Officer/internal audit and make recommendations to the Board of Trustees regarding compliance and regularity.

**Foundation Governors**

This meets at least 3 times per year to monitor and encourage the Christian distinctiveness of the school.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments. The Members and Board of Trustees have devolved responsibility for day to day management of the Academy to the School Leadership Team (SLT). The SLT comprises of the Headteacher, Deputy Headteacher, EYFS Leader, Lower KS2 Leader, Upper KS2 Leader and the School Business Manager.

The Academy has a leadership structure which consists of the Trustees and The School Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Academy Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to budget holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee.

The Headteacher is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

All other key management personnel are employed by the academy and subject to the School Teachers Pay and Conditions Document, except for the School Business Manager who is employed under Support Staff terms and conditions. All employees' pay and remuneration is subject to the academy's Pay Policy framework, which is reviewed and adopted annually, and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles.

**Connected Organisations, including Related Party Relationships**

The Academy has strong collaborative links with nine local cluster primary schools and Malmesbury Secondary School Academy. This is the Malmesbury Area Learning Community. During 2018-19 the academy continued its memberships of the Pickwick Learning Teaching Schools Alliance and the Avon Teaching Schools Alliance. In addition, in 2018-19 the academy participated in the Educational Development Trust School Partnership Programme, a peer review framework. The academy also collaborated with a group of other stand-alone church academies in Wiltshire, both to share expertise between Head Teachers and to develop deputy Head Teachers in the specific skill set required to lead a stand-alone academy. As a Church of England School within the diocese of Bristol we continued to collaborate closely with the local parish and the Diocesan Education Authority.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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The School House Trust is a related party. Mr S Heal, the Head Teacher and ex-officio Trustee of the Academy is also a Trustee of The School House Trust. The School House Trust's objects are to support and enhance the educational provision for pupils at Malmesbury C of E Primary School, so transactions are limited to grants for educational purposes. In 2018-19 these consisted of financial assistance to enable disadvantaged pupils to participate in residential trips, and the provision of a bible for every pupil in Year 2. The School House Trust is also the managing trustee of the Academy's buildings and some of its land, excluding the playing field.

The Academy is a Church of England institution and as such has responsibilities to the Diocese to demonstrate Church School Distinctiveness and share information on financial viability, academic outcomes as well as Christian Distinctiveness

There are no other related parties that either control or significantly influence the decisions and operations of Malmesbury C of E Primary School.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The object of the Academy is defined in its trust deed as being:

To advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum ("the Academy") conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

The principal object and activity of the Academy is to advance for the public benefit education in Malmesbury and the surrounding area, in particular by establishing, maintaining, carrying on, managing and developing a school, that

Our Academy aims to offer a broad, vibrant curriculum for pupils of different abilities, with a strong emphasis on serving the community by providing high quality education and promoting Christian values. We passionately believe in our mission that we are 'Growing together in wisdom and love; discovering life in all its fullness'.

Our aims for pupils are that they will all become:

- Confident individuals - Children who are able to lead safe, healthy and fulfilling lives
- Successful learners - Children who will enjoy learning make great progress and achieve outstanding outcomes
- Responsible citizens - Children who will grow and flourish to make a positive contribution to society

And that they will all:

- Be given an equal opportunity to reach their full potential academically and socially;
- Have their awareness of moral and spiritual values continually raised;
- Be encouraged to become independent learners equipped with the necessary skills for life;
- Be encouraged to have understanding, tolerance and a respect for the needs of others that can be shown through thoughts and deeds
- Be able to demonstrate an increasing respect for their own and others possessions, and increasing appreciation and concern for their immediate and the wider environment

These aims are summarised in our vision statement: "Growing together in wisdom and love; discovering life in all its fullness."

Our Academy has a nurturing, caring ethos founded on our Christian distinctiveness established on:

- Love for myself and others
- Love for life and learning
- Love for God

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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This is promoted through our highly visible values of:

- **Respect**  
I respect myself, treat others as I would like to be treated and value what I have around me.
- **Courage**  
I have faith, I believe in myself and I rise to a challenge.
- **Kindness**  
I am friendly, helpful and polite.
- **Creativity**  
I use my imagination to explore and share ideas.
- **Independence**  
I am resilient, resourceful and reflective.

Within these overall aims, the specific aims of the Academy for the period ended 31 August 2019 are summarised below:

- To ensure that every pupil has equal access to high quality education in terms of resources, quality of teaching and care.
- To review the overall curriculum design in order to maximise the provision of a vibrant, creative, broad and balanced curriculum, including extra curricular activities.
- To engage the whole school community in implementing our vision for the years 2018-2023.
- To improve value added measures of progress, striving to bring/maintain both attainment and progress above the national average.
- To enhance the teaching of mathematics in particular, carefully planning and resourcing a change to mastery teaching.
- To increase the role of outdoor learning by training all staff, investing in equipment, introducing animals to school, and renewing and developing gardening facilities.
- To develop the Academy buildings and site through the addition of a new all-weather sports area.
- To invest in ICT infrastructure and resources, including new iPads for all year 6 children and new Smartboards in four classes, faster broadband, new servers and a new telephone system.
- To maintain and improve the effectiveness of the Academy by recruiting the highest quality staff into all roles and investing in Continuing Professional Development for staff.
- To maintain and enhance close links with Malmesbury Abbey, the Bristol Diocese and the wider local community.
- To continue to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness, obtaining value for money in all transactions.
- To ensure longer term financial sustainability in a national climate of rising costs and diminishing funding.

At Malmesbury C of E Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his/her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

**Objectives, Strategies and Activities**

Key priorities for the year were contained in the School Development Plan. They included:

- Ensure increased levels of progress and continuing good levels of attainment in mathematics by focusing on the teaching of number fluency and moving towards a mastery style of teaching.
- Reading: Sustaining continued levels of high attainment and positive rates of progress in reading for all pupils.
- Writing: to support a previously low attaining Year 6 cohort to achieve levels which prepare them for secondary education. To develop writing at greater depth across the school,
- ICT: To work toward the renewal of Apple Distinguished School status, to train all teaching staff as 'Apple Teachers' and to invest in ICT hardware.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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- To develop the outdoor play area by providing a new Astroturf multi-use games area.
- To continue the programme of redecoration and refurbishment of classrooms, and renew key parts of the school's infrastructure as the building enters its 11th year.
- Developing outdoor learning through staff training, developing collaborations, resourcing and timetabling.
- To work with the Local Authority towards establishing pre-school provision on site.
- To build on the school's Outstanding SIAMS report in March 2018 to further develop and embed our Church of England ethos, through collaboration with the local parish of Malmesbury Abbey.
- To develop our childcare provision to sustain high quality after school and morning provision.

Key activities were influenced by the continuing significant challenges arising from national education funding levels. Having taken difficult decisions in the previous financial year, the Academy has been able to maintain reserves and invest in some key areas. The Academy has continued to exert maximum downward pressure on costs and rigorously pursue best value in all procurement decisions. We have been able to invest in the fabric of the building and in ICT resources and infrastructure, which had been on hold for some years.

**Public Benefit**

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

The Academy aims 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 with a designated Church of England religious character offering a broad and balanced curriculum, conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the community.

As an Academy we have a duty to support other schools. This is achieved through a number of collaborations, most notably as members of the Pickwick Learning Alliance, the Avon Schools Teaching Alliance, the Schools Partnership Programme, the local cluster of primary schools, the Bristol Diocese family of schools and the community of Apple Distinguished Schools. Our School Business Manager has also spent time in two other schools (one an academy, the other a Local Authority school) providing advice and assistance on a wide range of financial matters. We employ a Parent Support Advisor whose services are then used by other schools in the local cluster. We have hosted a wide variety of cluster and Local Authority events, including Early Years forums, safeguarding meetings and staff training for local cluster schools. The Head Teacher is the deputy chair of the local schools' cluster. The deputy Head Teacher is a Local Authority moderator and leads writing moderation within the local cluster.

**STRATEGIC REPORT**

**Achievements and Performance**

The Academy is in its sixth year of operation and has exceeded the forecast number of students. The total number of students in January 2019 census was 420 (PAN 420), but this has since increased to 421 and we expect this to increase steadily due to substantial planned housing development in Malmesbury in the next 1-2 years. Due to pressure on school places in Malmesbury, the Board of Trustees agreed to admit one extra child per class above the PAN in Key Stage 2 from Easter 2018. We continue to be at or above PAN with waiting lists in most year groups, and we anticipate a rise in pupil numbers over the coming year.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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At Key Stage 2, a particularly challenging year group had an above average level of learning difficulties as well as social, emotional and behavioural needs. However, their attainment and progress measures were not significantly different from national averages in maths and writing, and were significantly above in reading. High Key Stage 1 assessments for this year group had an impact on progress measures in writing and maths. These outcomes reflect the excellent teaching of the staff and work of the pastoral support team at Malmesbury Primary School.

Y6 SATS – children meeting the 'Expected Standard'

	<b>School</b>	<b>National</b>	<b>Progress</b>
Reading	82%	73%	+1.9
Writing	75%	78%	-1.3
Grammar, Spelling, Punctuation	80%	78%	N/A
Maths	77%	73%	-0.3

At Key Stage 1, a group of pupils with previously low attainment have achieved in line with national averages in all areas. The percentages of children working at or above the expected standard for their age were:

	<b>School</b>	<b>National (2018)</b>
Reading	77%	75%
Writing	66%	70%
Maths	75%	76%

Numbers of children reaching the Greater Depth Standard were above national averages in Reading and Maths, and in line with the average in writing.

In the Year 1 Phonics check the school exceeded the national average pass rate for the fourth successive year. This year's cohort scored our highest ever pass rate of 93% (national average 82%).

In the Foundation Stage, increased proportions of children met each learning goal, with attainment in reading, writing and maths all comfortably exceeding national averages. 87% reached the expected level for Reading, 83% for writing and 87% for maths. We were particularly pleased with a 17% increase in the proportion of pupils reaching the overall Good Level of Development, to 81%. This is well above the national average of 71.5%.

The Academy continues to provide an inspirational curriculum, filled with experiences which ignite the children's passion for learning. This is achieved through a carefully planned curriculum which supports integrated, themed learning across subject boundaries. The whole curriculum has been reviewed in the year 2018-19, to ensure breadth of coverage. A wide range of off-site visits supports the curriculum, including a residential trip in Year 4 and a full week in France in Year 6.

The Academy has a clear policy on minimum reserve levels. Starting the year 2018-19 with reserves 27% above the planned level, investment has been made during the year in key capital projects. At the year-end, the academy's reserves are reduced but remain above the target level. In the current challenging financial landscape, this represents a considerable success. In addition to the capital investments made, the Academy has managed to maintain the provision of teaching assistants in each class as follows:

Foundation Stage: Two teaching assistants in the morning, and one in the afternoon

Years 1 and 2: a teaching assistant all day

Years 3 to 6: a teaching assistant in the morning.

We have also been able to employ a Parent Support Advisor, a Play Therapist, a Child Counsellor, a Teaching Assistant for phonics interventions, a Higher Level Teaching Assistant for SEN interventions and a Playground Manager.

Staffing has been relatively stable during the year. The retirement of some long standing staff members, both teachers and administrative, has enabled some restructuring and an opportunity to reduce staffing costs.

The Academy has benefitted greatly from the help of volunteers, both parents and other members of the community. They have helped with reading, writing, maths, drama and trips out of school.

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**TRUSTEES' REPORT (CONTINUED)  
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The Academy values enormously the partnership with the Parents' Association (FOMPS). A large part of their work is on social events which bring the school community together and on things which the children enjoy, including organising school discos and paying for travelling theatre companies. Their fundraising work has been huge. In the past year they have raised £10,000 towards the new Multi-Use Games Area. Their commitment to the children and Academy is inspirational.

The Academy established a new childcare provision which has grown from a trial breakfast club in March 2017, to full wrap-around childcare from September 2017. In 2018-19 this provision, known as 'Peas in the Pod' has expanded to offer 25 spaces before and after school during term times and is now fully subscribed for 80% of the week. Peas in the Pod now operates a waiting list due to its popularity with parents as it ensures safe, nurturing wrap-around care for children with staff that they know.

The Academy's provision of school meals continues to be excellent. The process has been reviewed and improved in three key areas: First, improving the nutritional content of the food; second, the ordering system, which is now entirely online; and third to reduce the use of plastics. The quality of the food is attested by the fact that 75% of children regularly have a school dinner. The operation is also on a firm financial footing.

During the year the Academy completed the redecoration of the Year 1 and 2 classrooms and shared areas as part of our ongoing programme. The front doors have been renewed. The entrance has been modified to enable the majority of enquiries to be handled before people enter the main building. The internet connection has been upgraded, the telephone system replaced, new Smart Boards installed in four classrooms, and the new all-weather AstroTurf Multi-Use Games Area installed. In the annual Health and Safety inspection the Academy was once again described as "excellent".

Continuing professional development for staff has been very successful with 3 teaching staff completing the National Professional Qualification for Middle Leadership. Their work has moved the Academy forward in the teaching of Science, Renewal of our Apple Distinguished Schools Award and the training of most support staff in Lego therapy. Teaching staff have all received training on Mastery teaching in mathematics, at a full training day, with subsequent follow-up sessions booked.

**Key Performance Indicators**

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2018-19 this was 98%, compared to 103% in the 2017-18 year. To fund this short fall the Academy has increased other revenue streams and therefore staffing costs as a percentage of total income, less capital funding, for the 2018-19 year is 85% (2018: 82%).

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2018-19 were 421, a decrease of 8 from 2017-18. It is anticipated that this number will rise going forward.

**Going Concern**

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

**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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During the year ended 31 August 2019, total expenditure of £ 1,892,609 was covered by recurrent grant funding from the DfE, together with other incoming resources, of £ 1,850,389 and brought forward reserves. The excess of expenditure over income for the period (excluding restricted fixed asset funds) was £ 42,220.

At 31 August 2019 the net book value of fixed assets was £4,743,778 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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..

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Write off and Asset Disposal.

**Reserves Policy**

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

The Trustees have determined that the appropriate level of free 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.

In August 2019, total reserves of the academy amounted to £4,265,033, although £4,157,778 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £107,255 (representing £92,965 unrestricted funds and £14,290 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The Trustees have reviewed the future plans of the Academy and have set designated reserves as follows:

- £20,000 in addition to the typical annual budget allocation, to be ring fenced for premises repairs and replacements as the building's 10 year new-build guarantee has now expired. In addition, unspent funds will be rolled forward each year.
- ICT. It has been acknowledged that renewal of the school's ICT infrastructure and equipment must be prioritised in the allocation of funds once the target level of reserves has been reached.

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

**Investment Policy**

All funds surplus to immediate requirements are invested to best effect.

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates, although recent funding cuts have negated any meaningful balance surplus so currently all funds remain in the academy's current bank account. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses may be placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Board of Trustees.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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**Principal Risks And Uncertainties**

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

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

**Financial**

The Academy has considerable reliance on continued Government funding through the ESFA. In the last year 89% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Staffing costs per head continue to rise, in particular employers' National Insurance and pension contributions, along with pressure from national agreements on cost of living pay awards and incremental salary scale awards. For September 2018, unusual admission of Reception pupils was below PAN due to a low birth-rate year. This under-capacity is expected to continue as this cohort moves through the school, however given the level of planned housing development in Malmesbury, and the school's over-subscribed status in all other years, it is not anticipated that this poses a long term material threat to pupil-led funding levels.

**Failures in governance and/or management**

The risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks, with greater scrutiny applied since the introduction of the General Data Protection Legislation in May 2018.

**Reputational**

The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil progress and achievement are closely monitored and reviewed.

**Safeguarding and child protection**

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

**Staffing**

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

**Fraud and mismanagement of funds**

The Academy has established a system of internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated on a regular basis. Trustees discuss risk management and strategic response regularly. The Risk Register and Risk Management Plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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Since the Academy is generally over-subscribed, risks to revenue funding from a falling roll are small and financial planning is proactive. The threat of budget deficits was anticipated from 2016-17 and cost-reduction and income generation measures were taken in a timely manner to ensure a deficit situation was avoided. Two new income streams were introduced at that point; namely

- Admission of 2 additional pupils per year in KS2 from Easter 2017 (an increase of 8 pupils, which enhanced pupil-led funding)
- Establishment of wrap-around childcare provision from September 2017 ('Peas in The Pod').

These initiatives continue to provide an additional layer of financial security for the academy. Budget planning for 2019 – 2022 has continued in the same vein, having been created with prudence to ensure long term financial and service sustainability, and restore a greater level of reserves.

The Trustees examine the financial health formally every term (6 times per year). They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The School Business Manager reviews cash flow forecasts and ensures sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**FUNDRAISING**

The Academy does not carry out any formal fundraising practices and does not work with any commercial or professional fundraisers. In 2018-19 applications were made where funding opportunities were identified and the academy was awarded grants of:

- £589 (for a polytunnel for outdoor learning opportunities) from McGill's Chartered Accountants' Community Fund.
- £750 (for Yr 6 French residential trip) from Malmesbury Area Community Trust.
- Tetbury Rotary Club funded a day trip to Longleat for six disadvantaged pupils.

The PTA (Friends of Malmesbury Primary School) is the principal fundraiser for the school and in 2018-19 donated:

- £5,320 for a class pack of 16 x HP laptops
- £1,682 for various curriculum resources and activities for the academy, including a whole-school drama production by the Hobgoblin Theatre Company.

It also raised £10,000 towards the cost of the new Multi-Use Games Area which was under construction at the end of the 2018-19 academic year and completed in September 2019.

The school also enjoys the support of the School House Trust, an independent charitable trust set up using the proceeds from the sale of property. Donations to the school in the current year total £680 to assist children to participate in residential trips. The trust also presented bibles to every Year 2 pupil. This was a direct gift to the children, not accounted for through the school.

**TRUSTEES' REPORT (CONTINUED)  
AS AT 31 AUGUST 2019**

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**PLANS FOR FUTURE PERIODS**

The Academy will continue to strive to provide outstanding education and improve the performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

1. The Academy's first key objective for the coming year is to develop the teaching of mathematics in the school. Staff will implement Mastery Teaching using a new scheme of work and resources to support this approach. Staff will receive further training and additional planning time for maths during the year. The aim of this initiative is to raise the attainment of children in maths at all levels. In most year groups, attainment is already above national averages, but we aim to improve attainment at the end of Year 6 from the national average to significantly above average. In particular, we aim to improve children's fluency in calculations, and their reasoning and problem solving skills.

2. The second key objective is to increase the proportion of children working at greater depth in writing. This will involve a review of the sources of inspiration for writing, the methodology of teaching and training in the teaching of writing for all staff. Appraisal targets for teaching staff will target children with potential to progress to greater depth.

3. A third key objective will be the continued revision of the Foundation Curriculum, to document the rich and engaging learning which the school delivers and to ensure breadth and balance, with high quality learning opportunities in every area. Within this, there will be a continued focus on developing outdoor learning, with further investment in the grounds, equipment, training and involving animals in the curriculum.

The Academy will continue to collaborate with partner schools and organisations as detailed above to improve the educational opportunities for all our pupils.

Full details of our plans for the future are given in our Academy Development Plan, which is available from the Clerk to the Trustees.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report was approved by order of the board of Trustees, as the company directors, on and signed on its behalf by:

L Musset  
Chair of Trustees

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Malmesbury C of E 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 STATEMENT (CONTINUED)**

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**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 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
L Musset, Chair of Trustees	4	6
M Harris, Vice Chair	6	6
S Heal, Head Teacher	6	6
E Bendall	2	2
J E Brown	3	6
J K Brown	5	6
C Cox	4	6
E Crabb	1	2
C Davies	0	1
D Hampton	3	6
B Leitch	6	6
D Luscombe	3	6
R Martin	1	1
P Muir-McLeod	5	6
C Osborn	6	6
N Roberts	5	6
O Ross	2	6
E Visor	3	6

There have been 2 resignations and 1 appointment to the Governing Body during 2018-19. Emma Bendall's resignation created a vacancy for a Parent Governor. Two candidates stood in this ballot with Ruth Martin securing the higher amount of votes and thus being appointed as a Parent Governor. The Foundation Governors are currently working with the Diocese of Bristol to appoint two Foundation Governors to replace Christopher Davies and Ellie Crabb. In addition the Governing Body has been seeking to recruit a Clerk to the Governors following the resignation of Samantha Kirk in December 2018, but to date without success so the possibility of outsourcing this service is now being explored.

Following consideration of the possible expansion of the academy in the previous year, by the start of the new academic year it had become apparent that the LA's preferred site was a neighbouring school. In 2018-19 the Governing Body's primary focus therefore returned to the School Improvement Plan and the embedding of the school vision of 'Growing together in wisdom and love; discovering life in all its fullness' which had been redefined in 2017-18, along with the potential for the development of a pre-school on the academy's site.

Following the erosion of reserves below the desired level at the end of 2016, the Governing Body (overseen by the Board of Members) continued to focus on sustainable financial planning to re-build the school's reserves to the level stipulated in the reserves policy. In fact the Governing Body's stated objective, to return the academy's reserves to £100,000 by 2020-21 was actually achieved in August 2018.

The trustees began the 2018-19 academic year with a newly streamlined leadership structure of Headteacher, Deputy, four Milepost Leaders and a Business Manager. The year saw some staff changes due to maternity leave along with the retirements of three long-serving staff. However academy leaders have managed these changes creatively, taking the opportunity to appoint staff with strong skill sets to support our continual drive for school improvement. Most notably, two teachers experienced in maths mastery have been appointed to the team.

Following a few years of staff changes the Governing Body repeated its annual survey of staff in 2018-19, noting that overall morale is higher and are now undertaking a review of any areas with potential for improvement. Going forwards the Governing Body anticipates a period of staffing stability, giving the opportunity to further embed our vision and continue the strong start made on the revamped School Improvement Plan.

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its strategic purpose is to

- Ensure that all strategic goal action plans are funded as fully as possible within the constraints of the school budget.
- Work to create a school with a learning environment for our pupils that will inspire and support learning and positively reflect the ethos of continuous improvement that is at the heart of our school.

Areas of responsibility include:

- Setting the annual school budget with reference to the priorities identified in the School Improvement Plan and recommending the budget for approval by the full governing body.
- Monitoring income and expenditure against predicted levels
- Ensuring that the school achieves value for money in its budgetary decisions and that appropriate financial procedures are in place for the effective discharging of staff responsibilities in terms of financial management.
- Support internal audit process and participate in risk management for the academy
- Establishing and maintaining a stimulating, safe learning and working environment for pupils and staff.

The area of particular focus in 2018-19 for the Finance & Premises Committee continued to be budget management. The 5 year budget plan set in 2016 indicated a threat of eroding reserves and therefore the trustees reviewed the situation in January 2017. A two-pronged strategy was agreed comprising income generation (through admitting 2 additional pupils per year in Key Stage 2, and the launch of a Breakfast Club) and reduction of staff costs, which commenced in 2016-17.

Following the success of the Breakfast Club, a wrap-around childcare provision branded 'Peas in the Pod' was created in September 2017. This has been extremely successful in terms of income generation, and is very popular with working parents. The 25 places available are now fully taken from Mondays-Thursdays, with only a small amount of capacity now left on Fridays and a waiting list in operation.

Emma Bendall, a qualified accountant, left at the end of her term in January 2019 and Nigel Roberts, a Community Governor with substantial business skills and experience replaced her as Chair of the Finance Committee. Governor resignations in 2017-18 affected the composition of the Finance Committee disproportionately so in 2018-19 changes were made to readdress the balance across committee memberships. Brian Leitch moved from the Finance Committee to become Chair of the Premises Committee, Nigel Roberts became Chair of the Finance Committee and Daren Luscombe joined as a committee member.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Emma Bendall	1	1
Judith Brown	5	5
Stephen Heal	5	5
Brian Leitch	4	5
Daren Luscombe	3	5
Tina Osborne	5	5
Nigel Roberts	5	5

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Academy Trust's governance, risk management, internal control and value for money framework. It reports its findings annually to the Governing Body and the Accounting Officer as a critical element of the AT's annual reporting requirements. The Audit Committee has no executive powers or operational responsibilities/duties.

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

During 2018-19 the Audit Committee reviewed the work of the Accounting Technician (Wiltshire Council's Accounting & Budget Support Team), with its direction being informed by recommendations of external auditors' management letters (2014-2018) and feedback from visits by Emma Bendall, Audit Committee Chair. Areas covered in greater detail were:

- Use of petty cash and compliance with procedures
- Ad-hoc payroll adjustments (unpaid leave requests and travel, sickness absence and additional hours claims).

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Emma Bendall	0	0
Brian Leitch	1	1
Daren Luscombe	1	1

A third Audit Committee member will be appointed at the first meeting of the Full Governing Body when all committees will be reconvened.

**REVIEW OF VALUE FOR MONEY**

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

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

- Robust financial governance and budget management – a target to restore financial reserves to £100,000 by August 2022 was achieved in August 2018.
- Value for money purchasing – the academy's photocopiers contract was renegotiated in August 2018 to produce a £6,500 saving over the 4 year life of the contract compared to the current one. The academy's failing telephone system was replaced in August 2019, resulting in increased capacity and wider coverage at a similar monthly cost to the previous system.
- Reviewing quality of curriculum provision and quality of teaching (eg: weekly & minuted School Leadership Team meetings)
- Reviewing quality of children's learning to enable children to achieve nationally expected progress (eg: School Leadership Team meetings & SATS results presentation to Full Governing Body)
- Making comparisons with similar academies using benchmarking data provided by the ESFA, the Government and Kreston UK.
- Deployment of resources to increase best value – the former Children's Centre on the academy's site was decommissioned in July 2016 and passed across to the academy to use. We have since established a wrap-around childcare provision with capacity for 25 children each day which achieved a gross profit of £29,000 in its second year of operation, an increase of 290% on the previous year.

**GOVERNANCE STATEMENT (CONTINUED)**

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Malmesbury C of E Primary School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 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 Finance and General Purposes 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 audit. However the Trustees have appointed an Audit Committee, headed by Emma Bendall, a Trustee and qualified accountant, to carry out a programme of internal checks. This role has now been taken on by Brian Leitch who has sound business and financial knowledge and skills.
- The academy also purchases 6 support visits per year from Wiltshire Council's Accounting and Budget Support Team. Our Accounting Technician, Sharon Bembridge, provides informal guidance and support for all financial matters.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems by S Bembridge
- Testing of petty cash systems by E Bendall
- Testing of ad-hoc payroll adjustments by E Bendall

The Audit Committee were informed in 2018-19 by the work of E Bendall and S Bembridge and reports to the Board of Trustees, through the Finance and Premises Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF EFFECTIVENESS**

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

- The work of the Internal auditor/reviewer;
- The work of the external auditors;
- The work of the Chief Financial Officer within the Academy Trust who has 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 Audit 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

and signed on their behalf by:

**L Mussett**  
Chair of Trustees

**S Heal**  
Accounting Officer

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Malmesbury C of E Primary School I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy 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 2018.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2018.

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

**S Heal**  
Accounting Officer  
Date:

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
AS AT 31 AUGUST 2019**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

**L Musset**  
Chair of Trustees  
Date:

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MALMESBURY C OF E PRIMARY SCHOOL**

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**OPINION**

We have audited the financial statements of Malmesbury C of E Primary School (the 'academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MALMESBURY C OF E PRIMARY SCHOOL (CONTINUED)**

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**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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

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

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

**RESPONSIBILITIES OF TRUSTEES**

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

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

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MALMESBURY C OF E PRIMARY SCHOOL (CONTINUED)**

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**AUDITORS' 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 Auditors' 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**USE OF OUR REPORT**

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

**David Butler FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
MALMESBURY C OF E PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 27 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Malmesbury C of E Primary School during the year 1 September 2018 to 31 August 2019 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 Malmesbury C of E Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Malmesbury C of E Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Malmesbury C of E Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MALMESBURY C OF E PRIMARY SCHOOL'S  
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Malmesbury C of E Primary School's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
MALMESBURY C OF E PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**David Butler FCA DChA (Reporting Accountant)**

**Bishop Fleming LLP**

16 Queen Square

Bristol

BS1 4NT

Date:

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
AS AT 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>						
Donations and capital grants	3	3,306	48,571	16,482	68,359	60,488
Charitable activities	4	47,932	1,673,096	-	1,721,028	1,688,477
Other trading activities	5	77,339	-	-	77,339	57,427
Investments	6	145	-	-	145	132
<b>TOTAL INCOME</b>		<b>128,722</b>	<b>1,721,667</b>	<b>16,482</b>	<b>1,866,871</b>	<b>1,806,524</b>
<b>EXPENDITURE ON:</b>						
Charitable activities	8	143,002	1,749,607	141,662	2,034,271	1,938,598
<b>TOTAL EXPENDITURE</b>		<b>143,002</b>	<b>1,749,607</b>	<b>141,662</b>	<b>2,034,271</b>	<b>1,938,598</b>
<b>NET EXPENDITURE</b>		<b>(14,280)</b>	<b>(27,940)</b>	<b>(125,180)</b>	<b>(167,400)</b>	<b>(132,074)</b>
Transfers between funds	18	-	(49,221)	49,221	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>(14,280)</b>	<b>(77,161)</b>	<b>(75,959)</b>	<b>(167,400)</b>	<b>(132,074)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	24	-	(290,000)	-	(290,000)	236,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(14,280)</b>	<b>(367,161)</b>	<b>(75,959)</b>	<b>(457,400)</b>	<b>103,926</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		107,245	(204,549)	4,819,737	4,722,433	4,618,507
Net movement in funds		(14,280)	(367,161)	(75,959)	(457,400)	103,926
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>92,965</b>	<b>(571,710)</b>	<b>4,743,778</b>	<b>4,265,033</b>	<b>4,722,433</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 53 form part of these financial statements.

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:08483768**

**BALANCE SHEET  
AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	14	4,743,778	4,819,737
<b>CURRENT ASSETS</b>			
Debtors	15	42,572	43,550
Cash at bank and in hand		174,904	193,602
		<u>217,476</u>	<u>237,152</u>
Creditors: amounts falling due within one year	16	(110,221)	(109,456)
		<u>107,255</u>	<u>127,696</u>
<b>NET CURRENT ASSETS</b>		<b>107,255</b>	<b>127,696</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>4,851,033</b>	<b>4,947,433</b>
Defined benefit pension scheme liability	24	(586,000)	(225,000)
<b>TOTAL NET ASSETS</b>		<b>4,265,033</b>	<b>4,722,433</b>
<b>FUNDS OF THE ACADEMY</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	4,743,778	4,819,737
Restricted income funds	18	14,290	20,451
		<u>4,758,068</u>	<u>4,840,188</u>
Restricted funds excluding pension asset	18	4,758,068	4,840,188
Pension reserve	18	(586,000)	(225,000)
		<u>4,172,068</u>	<u>4,615,188</u>
<b>Total restricted funds</b>	18	<b>4,172,068</b>	<b>4,615,188</b>
<b>Unrestricted income funds</b>	18	<b>92,965</b>	<b>107,245</b>
		<u>4,265,033</u>	<u>4,722,433</u>
<b>TOTAL FUNDS</b>		<b>4,265,033</b>	<b>4,722,433</b>

The financial statements on pages 28 to 53 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

**L Musset**  
Chair of Trustees

The notes on pages 31 to 53 form part of these financial statements.

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
AS AT 31 AUGUST 2019**

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	<b>Note</b>	<b>2019 £</b>	2018 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	20	<b>30,378</b>	65,981
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	21	<b>(49,076)</b>	(30,533)
		<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>(18,698)</b>	35,448
Cash and cash equivalents at the beginning of the year		<b>193,602</b>	158,154
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22	<b>174,904</b>	193,602
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 31 to 53 form part of these financial statements

**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, which is a public benefit 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), 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Malmesbury C of E Primary School meets the definition of a public benefit entity under FRS 102.

**1.2 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 INCOME**

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

• **Grants**

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 year is deducted from income and recognised as a liability.

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

• **Donations**

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

• **Other income**

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

**1. ACCOUNTING POLICIES (continued)**

**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.

- **Charitable activities**

These 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.

**1.5 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.6 TANGIBLE FIXED ASSETS**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Where the academy has been granted use of school buildings from the Bristol Diocesan Board of Finance Limited (BDBFL) under Supplemental Agreements, the Academies Accounts Direction prescribes that where the Academy concludes it has control over access and works of the land and buildings they can be recognised as an asset. The land and buildings have been included within the long-term property of the Academy as the BDBFL are currently not exerting control over the assets.

The Supplemental Agreement includes the right for the BDBFL Trustees to give not less than 2 years written notice to the Academy and the Secretary of State for Education to terminate the agreement. No Such written notice has been received at the date of approval of Financial Statements

**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long term leasehold building	- 50 years straight line
Long term leasehold land	- 125 years straight line
Fixtures and fittings (external)	- 10 - 20% straight line
Computer equipment	- 50% straight line

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

**1.7 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.

**1.8 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.

**1.9 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**1.10 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

**1.11 OPERATING LEASES**

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

**1. ACCOUNTING POLICIES (continued)**

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**2. 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 AUGUST 2019**

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

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted funds - class ii 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Donations	3,306	39,804	16,482	<b>59,592</b>	51,756
Capital Grants	-	8,767	-	<b>8,767</b>	8,732
	<u>3,306</u>	<u>48,571</u>	<u>16,482</u>	<u><b>68,359</b></u>	<u>60,488</u>
Total 2018	<u>5,843</u>	<u>54,645</u>	<u>-</u>	<u>60,488</u>	

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 AUGUST 2019**

**4. FUNDING FOR THE ACADEMY'S EDUCATION**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
<b>DFE/ESFA GRANTS</b>				
General Annual Grant	-	1,452,518	<b>1,452,518</b>	1,428,776
Pupil Premium	-	53,645	<b>53,645</b>	45,038
UIFSM	-	67,517	<b>67,517</b>	72,979
Other DfE/ESFA grants	-	45,345	<b>45,345</b>	32,361
	-	1,619,025	<b>1,619,025</b>	1,579,154
<b>OTHER GOVERNMENT GRANTS</b>				
High Needs	-	52,353	<b>52,353</b>	53,392
Other Government grants: non-capital	-	1,718	<b>1,718</b>	1,700
	-	54,071	<b>54,071</b>	55,092
<b>OTHER FUNDING</b>				
Internal catering income	39,699	-	<b>39,699</b>	45,287
Sales to students	7,045	-	<b>7,045</b>	7,599
Other	1,188	-	<b>1,188</b>	1,345
	47,932	-	<b>47,932</b>	54,231
	47,932	1,673,096	<b>1,721,028</b>	1,688,477
<b>TOTAL 2018</b>	<b>54,231</b>	<b>1,634,246</b>	<b>1,688,477</b>	

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 AUGUST 2019**

**5. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	Total funds 2018 £
Lettings	4,384	<b>4,384</b>	10,205
External catering	24	<b>24</b>	65
Consultancy	17,674	<b>17,674</b>	19,919
Peas in the Pod	55,257	<b>55,257</b>	27,238
	<u>77,339</u>	<u><b>77,339</b></u>	<u>57,427</u>

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	Total funds 2018 £
Investment income	145	<b>145</b>	132
	<u>145</u>	<u><b>145</b></u>	<u>132</u>

**7. EXPENDITURE**

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>	Total 2018 £
Direct costs	1,302,479	122,731	128,319	<b>1,553,529</b>	1,439,684
Support costs	200,909	126,352	153,481	<b>480,742</b>	498,914
	<u>1,503,388</u>	<u>249,083</u>	<u>281,800</u>	<u><b>2,034,271</b></u>	<u>1,938,598</u>
TOTAL 2018	<u>1,487,262</u>	<u>183,137</u>	<u>268,199</u>	<u>1,938,598</u>	

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 AUGUST 2019**

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Education	1,553,529	480,742	<b>2,034,271</b>	1,938,598
	<u>1,553,529</u>	<u>480,742</u>	<u>2,034,271</u>	
TOTAL 2018	<u>1,439,684</u>	<u>498,914</u>	<u>1,938,598</u>	

**Analysis of direct costs**

	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension finance costs	<b>4,000</b>	7,000
Staff costs	<b>1,346,479</b>	1,236,555
Depreciation	<b>122,731</b>	103,460
Educational supplies	<b>34,214</b>	47,820
Staff development	<b>7,639</b>	7,712
Educational visits	<b>14,733</b>	14,166
Supply teachers	<b>14,455</b>	11,816
Technology costs	<b>9,278</b>	11,155
	<u><b>1,553,529</b></u>	<u>1,439,684</u>

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension finance costs	<b>3,000</b>	3,000
Staff costs	<b>220,492</b>	238,891
Depreciation	<b>18,931</b>	18,357
Educational supplies	<b>4,606</b>	2,955
Other costs	<b>181</b>	1,179
Recruitment and support	<b>2,627</b>	6,473
Maintenance of premises and support	<b>25,935</b>	32,397
Cleaning	<b>39,014</b>	26,444
Rent and rates	<b>22,664</b>	22,323
Energy costs	<b>19,808</b>	18,592
Insurance	<b>8,813</b>	8,686
Security and transport	<b>1,286</b>	1,662
Catering	<b>45,755</b>	50,279
Technology costs	<b>19,626</b>	18,352
Office overheads	<b>4,980</b>	5,647
Legal and professional	<b>26,184</b>	28,077
Bank interest	<b>2,055</b>	1,324
(Profit) / Loss on disposal of fixed assets	-	(14)
Governance	<b>14,785</b>	14,290
	<b>480,742</b>	498,914

**9. ANALYSIS OF SPECIFIC EXPENSES**

Included within expenditure are the following transactions:

	<b>Total £</b>	<b>Individual items above £5,000 Amount £</b>	<b>Reason</b>
Unrecoverable debts	<b>801</b>	-	

**MALMESBURY C OF E PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 AUGUST 2019**

**10. NET EXPENDITURE**

Net expenditure for the year includes:

	<b>2019</b>	2018
	£	£
Operating lease rentals	<b>2,446</b>	3,273
Depreciation of tangible fixed assets	<b>141,662</b>	121,817
Fees paid to auditors for:		
- audit	<b>7,250</b>	6,950
- other services	<b>1,450</b>	1,385
	<u><u>          </u></u>	<u><u>          </u></u>

**11. STAFF COSTS**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2019</b>	2018
	£	£
Wages and salaries	<b>1,194,457</b>	1,106,941
Social security costs	<b>91,817</b>	85,761
Pension costs	<b>280,697</b>	282,744
	<u>          </u>	<u>          </u>
	<b>1,566,971</b>	1,475,446
Agency staff costs	<b>14,455</b>	11,816
	<u>          </u>	<u>          </u>
	<b>1,581,426</b>	1,487,262
	<u><u>          </u></u>	<u><u>          </u></u>

Staff restructuring costs comprise:

**b. STAFF NUMBERS**

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

	<b>2019</b>	2018
	No.	No.
Teachers	<b>20</b>	20
Educational Support	<b>43</b>	42
Administration and Clerical	<b>5</b>	5
Management	<b>2</b>	2
	<u>          </u>	<u>          </u>
	<b>70</b>	69
	<u><u>          </u></u>	<u><u>          </u></u>

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**11. STAFF COSTS (CONTINUED)**

**b. STAFF NUMBERS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	<b>2019</b>	2018
	<b>No.</b>	No.
Teachers	<b>16</b>	15
Educational support	<b>22</b>	20
Administration	<b>3</b>	3
Management	<b>2</b>	2
	<hr/> <b>43</b> <hr/>	<hr/> 40 <hr/>

**c. HIGHER PAID STAFF**

The number of employees whose employee benefits (excluding employer's National insurance and Pension costs) exceeded £60,000 was:

	<b>2019</b>	2018
	<b>No.</b>	No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	<b>1</b>	-
	<hr/> <b>1</b> <hr/>	<hr/> - <hr/>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer national insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy was £435,540 (2018: £332,102).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as out in note 11 has not been included in the total benefits received by key management personnel above.

## **12. TRUSTEES' REMUNERATION AND EXPENSES**

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' Remuneration and other benefits was as follows: S Heal: Remuneration £70,000 - £75,000 (2018: £60,000 - £65,000), Employer's pension contributions: £Nil (2018: £Nil); R Bristow: Remuneration £Nil (2018: £15,000 - £20,000), Employer's pension contributions £Nil (2018: £0 - £5,000); D Hampton: Remuneration £35,000 - £40,000 (2018: £30,000 - £35,000), Employer's pension contributions: £5,000 - £10,000 (2018: £5,000 - £10,000); and J Brown: Remuneration £25,000 - £30,000 (2018: £25,000 - £30,000), Employer's pension contributions £5,000 - £10,000 (2018: £5,000 - £10,000).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018- £NIL)

During the year ended 31 August 2019, expenses totalling £246 (2018: £619) were reimbursed to 1 Trustee (2018: 2).

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

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

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**14. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST OR VALUATION</b>				
At 1 September 2018	5,170,948	164,190	110,304	5,445,442
Additions	-	31,032	34,671	65,703
At 31 August 2019	<u>5,170,948</u>	<u>195,222</u>	<u>144,975</u>	<u>5,511,145</u>
<b>DEPRECIATION</b>				
At 1 September 2018	444,804	83,087	97,814	625,705
Charge for the year	87,948	23,884	29,830	141,662
At 31 August 2019	<u>532,752</u>	<u>106,971</u>	<u>127,644</u>	<u>767,367</u>
<b>NET BOOK VALUE</b>				
At 31 August 2019	<u>4,638,196</u>	<u>88,251</u>	<u>17,331</u>	<u>4,743,778</u>
At 31 August 2018	<u>4,726,144</u>	<u>81,103</u>	<u>12,490</u>	<u>4,819,737</u>

**15. DEBTORS**

	2019 £	2018 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	9,959	10,417
Prepayments and accrued income	30,497	29,321
VAT recoverable	2,116	3,812
	<u>42,572</u>	<u>43,550</u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Other taxation and social security	21,576	21,664
Accruals and deferred income	88,645	87,792
	<u>110,221</u>	<u>109,456</u>

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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)**

	<b>2019</b>	2018
	£	£
	<b>2019</b>	2018
	£	£
<b>DEFERRED INCOME</b>		
Deferred income at 1 September	<b>62,622</b>	56,055
Resources deferred during the year	<b>55,549</b>	62,622
Amounts released from previous periods	<b>(62,622)</b>	(56,055)
<b>Deferred income at 31 August</b>	<b>55,549</b>	62,622

At the balance sheet date the Academy was holding ESFA grants, trip and dinner monies received in advance, for the 2019/20 academic year.

**17. FINANCIAL INSTRUMENTS**

	<b>2019</b>	2018
	£	£
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through income and expenditure	<b>174,904</b>	193,602
Financial assets measured at amortised cost	<b>19,930</b>	22,781
	<b>194,834</b>	216,383
	<b>2019</b>	2018
	£	£
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<b>(33,096)</b>	(25,170)

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

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

Financial liabilities measured at amortised cost comprise accruals.

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**18. STATEMENT OF FUNDS**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General funds	107,245	128,722	(143,002)	-	-	92,965
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	20,451	1,465,163	(1,430,870)	(40,454)	-	14,290
Pupil Premium	-	51,445	(51,445)	-	-	-
PE and Sports Grant	-	19,690	(19,690)	-	-	-
High Needs	-	52,353	(52,353)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	67,517	(67,517)	-	-	-
Educational visits	-	15,670	(15,670)	-	-	-
Other restricted funds	-	41,062	(41,062)	-	-	-
Devolved formula capital	-	8,767	-	(8,767)	-	-
Pension reserve	(225,000)	-	(71,000)	-	(290,000)	(586,000)
	<u>(204,549)</u>	<u>1,721,667</u>	<u>(1,749,607)</u>	<u>(49,221)</u>	<u>(290,000)</u>	<u>(571,710)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	4,748,392	-	(92,809)	-	-	4,655,583
Fixed assets purchased from GAG and other restricted funds	71,345	16,482	(48,853)	49,221	-	88,195
	<u>4,819,737</u>	<u>16,482</u>	<u>(141,662)</u>	<u>49,221</u>	<u>-</u>	<u>4,743,778</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>4,615,188</u>	<u>1,738,149</u>	<u>(1,891,269)</u>	<u>-</u>	<u>(290,000)</u>	<u>4,172,068</u>
<b>TOTAL FUNDS</b>	<u><u>4,722,433</u></u>	<u><u>1,866,871</u></u>	<u><u>(2,034,271)</u></u>	<u><u>-</u></u>	<u><u>(290,000)</u></u>	<u><u>4,265,033</u></u>

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

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

**RESTRICTED FUNDS**

General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) which is to be used for the normal running costs of the Academy, including education and support costs. During the year £49,221 (2018: £13,202) was transferred to the restricted fixed asset fund to represent fixed asset purchased from GAG.

Pupil Premium funding represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying socio-economic inequalities.

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

High Needs funding is received from the Local Authority to fund further support for students with additional needs.

Universal Infant Free School Meals (UIFSM) represents funding received from the ESFA to enable Malmesbury C of E Primary School to offer free school meals to every pupil in reception, Y1 and Y2.

Educational visits represents restricted donations received from parents.

Other restricted funds represents restricted donations received from parents and other charitable bodies.

Devolved formula capital represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

**FIXED ASSET FUNDS**

Fixed assets transferred on conversion represents the land, buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG, DFC and ACMF funding received from the ESFA.

**OTHER INFORMATION**

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	80,318	117,633	(90,706)	-	-	107,245
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	1,926	1,428,776	(1,397,049)	(13,202)	-	20,451
Pupil Premium	-	45,038	(45,038)	-	-	-
PE and Sports Grant	-	19,400	(19,400)	-	-	-
High Needs	-	53,392	(53,392)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	72,979	(72,979)	-	-	-
Educational visits	-	21,888	(21,888)	-	-	-
Other restricted funds	-	38,686	(25,343)	(13,343)	-	-
Devolved formula capital	4,120	8,732	-	(12,852)	-	-
Pension reserve	(370,000)	-	(91,000)	-	236,000	(225,000)
	<u>(363,954)</u>	<u>1,688,891</u>	<u>(1,726,089)</u>	<u>(39,397)</u>	<u>236,000</u>	<u>(204,549)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	4,841,517	-	(93,125)	-	-	4,748,392
Fixed assets purchased from GAG and other restricted funds	60,626	-	(28,678)	39,397	-	71,345
	<u>4,902,143</u>	<u>-</u>	<u>(121,803)</u>	<u>39,397</u>	<u>-</u>	<u>4,819,737</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>4,538,189</u>	<u>1,688,891</u>	<u>(1,847,892)</u>	<u>-</u>	<u>236,000</u>	<u>4,615,188</u>
<b>TOTAL FUNDS</b>	<u><u>4,618,507</u></u>	<u><u>1,806,524</u></u>	<u><u>(1,938,598)</u></u>	<u><u>-</u></u>	<u><u>236,000</u></u>	<u><u>4,722,433</u></u>

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

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	4,743,778	<b>4,743,778</b>
Current assets	92,965	124,511	-	<b>217,476</b>
Creditors due within one year	-	(110,221)	-	<b>(110,221)</b>
Provisions for liabilities and charges	-	(586,000)	-	<b>(586,000)</b>
<b>TOTAL</b>	<u>92,965</u>	<u>(571,710)</u>	<u>4,743,778</u>	<u><b>4,265,033</b></u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	4,819,737	4,819,737
Current assets	107,245	129,907	-	237,152
Creditors due within one year	-	(109,456)	-	(109,456)
Provisions for liabilities and charges	-	(225,000)	-	(225,000)
<b>TOTAL</b>	<u>107,245</u>	<u>(204,549)</u>	<u>4,819,737</u>	<u>4,722,433</u>

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**20. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	<b>(167,400)</b>	(132,074)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>141,662</b>	121,817
Capital grants from DfE and other capital income	<b>(16,482)</b>	(8,732)
Interest receivable	<b>(145)</b>	(132)
Defined benefit pension scheme cost less contributions payable	<b>64,000</b>	81,000
Defined benefit pension scheme finance cost	<b>7,000</b>	10,000
Decrease/(increase) in debtors	<b>978</b>	(14,324)
Increase in creditors	<b>765</b>	8,440
(Profit)/loss on the sale of fixed assets	-	(14)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>30,378</b>	65,981

**21. CASH FLOWS FROM INVESTING ACTIVITIES**

	2019 £	2018 £
Dividends, interest and rents from investments	<b>145</b>	132
Purchase of tangible fixed assets	<b>(65,703)</b>	(39,623)
Proceeds from the sale of tangible fixed assets	-	226
Capital grants from DfE Group	<b>16,482</b>	8,732
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(49,076)</b>	(30,533)

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2019 £	2018 £
Cash in hand	<b>174,904</b>	193,602
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>174,904</b>	193,602

**23. CAPITAL COMMITMENTS**

	<b>2019</b>	2018
	£	£
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	<b>17,778</b>	-

**24. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

**TEACHERS' PENSION SCHEME**

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

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

**VALUATION OF THE TEACHERS' PENSION SCHEME**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 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 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

**24. PENSION COMMITMENTS (CONTINUED)**

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £103,261 (2018 - £93,995).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £140,000 (2018 - £131,000), of which employer's contributions totalled £113,000 (2018 - £104,000) and employees' contributions totalled £ 27,000 (2018 - £28,000). The agreed contribution rates for future years are 23.5 per cent for employers and 5.5 - 12.5 per cent 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>2019</b>	2018
	%	%
Discount rate for scheme liabilities	<b>1.90</b>	2.80
Future salary increases	<b>2.60</b>	2.60
Future pension increases	<b>2.30</b>	2.30

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

	<b>2019</b>	2018
	Years	Years
<i>RETIRING TODAY</i>		
Males	<b>21.4 years</b>	22.5 years
Females	<b>23.7 years</b>	24.9 years
<i>RETIRING IN 20 YEARS</i>		
Males	<b>22.3 years</b>	24.1 years
Females	<b>25.1 years</b>	26.7 years

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**24. PENSION COMMITMENTS (CONTINUED)**

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

	<b>At 31 August 2019</b>	At 31 August 2018
	£	£
Equities	<b>1,051,000</b>	904,000
Gilts	<b>207,000</b>	178,000
Corporate bonds	<b>193,000</b>	166,000
Cash and other liquid assets	<b>30,000</b>	25,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>1,481,000</b>	1,273,000

The actual return on scheme assets was £80,000 (2018 - £102,000).

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

	<b>2019</b>	2018
	£	£
Current service cost	<b>(177,000)</b>	(187,000)
Interest income	<b>37,000</b>	28,000
Interest cost	<b>(44,000)</b>	(38,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>(184,000)</b>	(197,000)

Changes in the present value of the defined benefit obligations were as follows:

	<b>2019</b>	2018
	£	£
<b>Opening defined benefit obligation</b>	<b>1,498,000</b>	1,413,000
Current service cost	<b>177,000</b>	187,000
Interest cost	<b>44,000</b>	38,000
Employee contributions	<b>27,000</b>	25,000
Actualial gains/(losses)	<b>333,000</b>	(162,000)
Benefits paid	<b>(12,000)</b>	(3,000)
<b>Closing defined benefit obligation</b>	<b>2,067,000</b>	1,498,000

**24. PENSION COMMITMENTS (CONTINUED)**

Changes in the fair value of the Academy's share of scheme assets were as follows:

	<b>2019</b>	2018
	£	£
<b>Opening fair value of scheme assets</b>	<b>1,273,000</b>	1,043,000
Interest income	<b>37,000</b>	28,000
Actuarial gains/(losses)	<b>43,000</b>	74,000
Employer contributions	<b>113,000</b>	106,000
Employee contributions	<b>27,000</b>	25,000
Benefits paid	<b>(12,000)</b>	(3,000)
<b>Closing fair value of scheme assets</b>	<b>1,481,000</b>	1,273,000

**25. OPERATING LEASE COMMITMENTS**

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2019</b>	2018
	£	£
Not later than 1 year	<b>2,717</b>	1,426
Later than 1 year and not later than 5 years	<b>3,433</b>	1,000
	<b>6,150</b>	2,426

**26. MEMBERS' LIABILITY**

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

**27. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

S Heal, Trustee, is also a Trustee of the School House Trust. During the year, the School House Trust donated £680 (2018: £1,384) to the academy. There was no balance outstanding at the year end.