

Company Registration No. 07797058 (England and Wales)

**SIR WILLIAM BURROUGH PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016**

SIR WILLIAM BURROUGH PRIMARY SCHOOL

CONTENTS

| | Page |
|----------------------------------------------------------------------------|-------------|
| Reference and administrative details | 1 - 2 |
| Governors' report | 3 - 7 |
| Governance statement | 8 - 10 |
| Statement on regularity, propriety and compliance | 11 |
| Statement of governors' responsibilities | 12 |
| Independent auditor's report on the accounts | 13 - 14 |
| Independent reporting accountant's report on regularity | 15 - 16 |
| Statement of financial activities including income and expenditure account | 17 - 18 |
| Balance sheet | 19 |
| Statement of cash flows | 20 |
| Notes to the accounts including accounting policies | 21 - 37 |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

- D Twomey (Chairman)
- D White (Vice Chairman)
- A Newman (Principal and Accounting Officer)
- R Basir (Parent Governor)
- A Millar (Local Authority Governor)
- M Skelton (Community Governor)
- A Cummins (Staff Governor)

Members

- D Twomey
- D White
- A Miller

Senior management team

- Principal A Newman
- Deputy Principal A Wilson
- Assistant Principal D Whaley
- Assistant Principal D Eva

Secretary Schofield Sweeney LLP

Company registration number 07797058 (England and Wales)

Principal address

Salmon Lane
Limehouse
London
E14 7PQ

Registered office

Salmon Lane
Limehouse
London
E14 7PQ

Independent auditor

FMCB
Hathaway House
Popes Drive
Finchley
London
N3 1QF

Bankers

Lloyds TSB Bank plc
P O Box 1000
Andover
BX1 1LT

SIR WILLIAM BURROUGH PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Schofield Sweeney LLP
Church Bank House
Church Bank
Bradford
BD1 4DY

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 11 serving the local community of Tower Hamlets. It has a pupil capacity of 371 and had a roll of 356 in the school census on 6 October 2016, although more places have been filled since that date.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors are the trustees of Sir William Burrough Primary School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

Governors' indemnities

Governors benefit from indemnity insurance purchased at the academy trust's expense to cover the liability of the governors 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 trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the governors 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 governors in their capacity as director of the charitable company.

Method of recruitment and appointment or election of governors

The governors are appointed under the terms of the academy trust's articles of association as follows:

The number of governors shall not be less than three but not subject to any maximum.

The members may appoint up to four governors.

The members may appoint one staff governor.

The Local Authority may appoint one governor.

The parents of registered pupils at the academy shall appoint two governors.

The Principal.

The Secretary of State for Education may appoint additional governors as he thinks fit.

The governors may appoint up to three co-opted governors.

The term of office for all governors, except the Principal, is four years. The Principal's term of office runs parallel with her contract of employment. The governors who were in office at 31 August 2016 and who served throughout the year, except where shown are listed on page 1.

Policies and procedures adopted for the induction and training of governors

All new governors receive a thorough induction through the LEA's online Governor Training Programme, a tour of the School and a chance to meet staff and pupils. Additional on-going training in specialist topics is provided by the academy as required. Governors meet all statutory training requirements as regards to Safeguarding and Child Protection

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Organisational structure

Under its articles of association Sir William Burrough Primary School is responsible for the running of the academy. The governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by the use of budgets, making major decisions about the direction of Sir William Burrough Primary School.

The organisational structure of the academy trust consists of three levels. The members, governors and the Senior Leadership Team (SLT). The aim of the management structure is to devolve responsibility and encourage involvement in decision making.

The governors are responsible for setting all policies within Sir William Burrough Primary School, adopting an annual plan and have responsibilities for the school budget. The governors are also responsible for the appointment of senior staff at Sir William Burrough Primary School.

The governors are responsible for monitoring the performance of the Principal and the SLT.

The SLT members are the Principal, Deputy Principal and two Assistant Principals. The SLT manages the academy at an executive level implementing the policies laid down by the trustees and reporting back to them as a group. The senior managers are responsible for the authorisation of spending within agreed budgets and report back to the Governing Body at meetings scheduled during the academic year. Governors consider proposals relating to human resources, financial management budgets and policies.

Arrangements for setting pay and remuneration of key management personnel

Governors are voluntary and do not receive any remuneration for their activities on behalf of the academy trust. The Principal's salary is reviewed annually at a performance management meeting overseen by both Governors and an external personnel consultant. The salaries of other members of the SLT are set by the finance committee of the governing body, as advised by the Principal.

Related parties and other connected charities and organisations

Sir William Burrough Primary School is an independent academy trust and is not part of a wider network.

Objectives and activities

Objects and aims

The principal activity of the charitable company is to advance, for the public benefit, education amongst the communities of Limehouse and Tower Hamlets by establishing, maintaining and operating a school offering a broad and balanced curriculum.

The principle objectives and activity of the charitable company is the operation of an academy to provide a broad and balanced education up to the age of 11 for local people. The academy:

- Is at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community.
- Will undertake regular assessments of pupils' performance.
- Will establish an admissions policy and admission procedures which are in accordance with statutory requirements.
- Will place an emphasis on the needs of the individual pupils including pupils with special educational needs (SEN), both those with and without Educational Health Care Plans.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives, strategies and activities

The key priorities for the year are set out below.

- Encourage every child to speak in full sentences with high levels of courtesy, coherence and clarity.
- Correct spelling and punctuation in the moment of writing, with children self-editing and correcting as they go.
- Deepen analytical and critical skills in reading, and promote higher level questioning throughout the school.
- Mark for progression, with the children always knowing next steps.
- Incentivise all children to learn spelling rules and National Curriculum spelling lists with spelling bee awards.
- Meet the new higher standards of the National Curriculum in writing, spelling, punctuation and grammar in both key stages.
- Enhance mathematical problem solving skills at all ages and across all abilities.
- Implement and embed all the statutory requirements of the safeguarding agenda and the prevent duty.
- Enable all children to live to become well-rounded citizens of the twenty first century by enhancing their social, ethical and digital awareness.
- Be 'Ofsted ready' by keeping levels of challenge and engagement consistently high and ensure that all books are marked and clearly show progress.
- Maintain exceptional progress and attainment for all groups of children aiming for the majority of children to achieve above national expectations by the end of year 6.

Public benefit

The governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

Sat's Results 2016

Key Stage 2 Attainment

| | Expected +Level | | High Level | |
|-----------------|-----------------|----------|------------|----------|
| | SWB | National | SWB | National |
| Reading | 78% | 66% | 22% | 19% |
| Writing | 91% | 74% | 27% | 15% |
| Maths | 98% | 70% | 31% | 17% |
| SPaG | 93% | 72% | 33% | 22% |
| Secondary Ready | 76% | 53% | 13% | 5% |

Secondary Ready represents children who achieve the expected (or high) standard in each of Reading, Writing and Maths.

Key Stage 1 Attainment

| | Expected +Level | | High Level | |
|---------|-----------------|----------|------------|----------|
| | SWB | National | SWB | National |
| Reading | 80% | 74% | 18% | 24% |
| Writing | 80% | 65% | 18% | 13% |
| Maths | 84% | 73% | 27% | 18% |

Progress measures children's development from their levels at Key Stage 1 to Key Stage 2 for all pupils and separately, for all disadvantaged pupils. All schools are ranked in accordance of how much progress their pupils make. The table below shares where the school is in terms of this national ranking.

| | All SWB children | Disadvantaged SWB children |
|---------|------------------|----------------------------|
| Reading | Top 13% | Top 11% |
| Writing | Top 6% | Top 2% |
| Maths | Top 2% | Top 1% |

A greater percentage of disadvantaged children at the school in Key Stage 2 achieved higher levels than their non-disadvantaged peers nationally in all subjects.

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The vast majority of the academy trust's income is obtained from the DfE/EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

In July 2013 the Department for Education gave a guarantee that it would absorb any outstanding pension liabilities on academy closure and the EFA have confirmed this to us in writing. The school has explored a number of avenues to re-evaluate the school's risk assessment in light of the guarantee with the view of giving Sir William Burrough School the same repayment period and conditions as local authority maintained schools in Tower Hamlets but it has been found that the school is unable to make this change.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Reserves policy

The governors review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves (total funds less the amount held in fixed assets and restricted funds) is £46,233 (2015: £35,840). Reserves consist of unrestricted income funds of £37,508 and restricted funds (General Annual Grant) of £8,725. It is the aim of the governors to retain a prudent reserve sufficient to protect the academy from a reasonable level of unforeseen events without depriving its pupils of resources necessary to ensure their proper progress. As a general rule the governors' aim is to hold a constant reserve of 5% of GAG.

Based on the GAG for the year ended 31 August 2017, reserves of 5% would be £91,154. Actual reserves at 31 August 2016 were £46,233, around 2.5% of the 2016/17 GAG. The academy is aiming to increase its reserves through surpluses on the GAG. For the year ended 31 August 2016 the GAG showed a surplus of £8,725. The academy intends to monitor expenditure and make cost savings where it can in order to achieve a surplus.

Investment policy and powers

The academy holds no investments. Any bank balances surplus to immediate needs are placed on deposit in order to earn interest until the money is needed.

Principal risks and uncertainties

The governors have assessed the major risks to which the academy is exposed, and there are systems and controls in place to manage those risks. Where the risks cannot be satisfactorily mitigated, adequate insurance cover is maintained. The academy Financial Handbook provides further details.

The academy trust's principal risks and uncertainties are surrounding the future financing of the education and the implication for the academy. In the current economic climate, we are unable to predict with any certainties the financing of schools, especially with the current proposals to move to a National Funding Formula but nevertheless with the academy's cost base, future growth in pupil numbers and additional funding as an academy we believe we are well placed to meet the financial uncertainties we face in the future.

Plans for future periods

The academy trust will continue to improve the levels of performance of all its pupils at all levels. Future plans for the development of Sir William Burrough Primary School are contained within the school's improvement plans.

Auditor

In so far as the governors are aware:

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

A resolution proposing that FMCB be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 24 November 2016 and signed on its behalf by:

D Twomey
Chairman

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Sir William Burrough 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 governors has delegated the day-to-day responsibility to the principal, 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 Sir William Burrough Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met three times during the year. Attendance during the year at meetings of the board of governors was as follows:

| Governors | Meetings attended | Out of possible |
|---------------------------------------------|--------------------------|------------------------|
| D Twomey (Chairman) | 3 | 3 |
| D White (Vice Chairman) | 3 | 3 |
| A Newman (Principal and Accounting Officer) | 3 | 3 |
| R Basir (Parent Governor) | 2 | 3 |
| A Millar (Local Authority Governor) | 2 | 3 |
| M Skelton (Community Governor) | 3 | 3 |
| A Cummins (Staff Governor) | 2 | 3 |

The finance and general purposes committee is a sub-committee of the main board of governors. Its purpose is to monitor, review and supervise the finances of the academy. Attendance during the year at meetings of the sub-committee was as follows:

| Governors | Meetings attended | Out of possible |
|---------------------------------------------|--------------------------|------------------------|
| D Twomey (Chairman) | 3 | 3 |
| D White (Vice Chairman) | 2 | 3 |
| A Newman (Principal and Accounting Officer) | 3 | 3 |
| A Millar (Local Authority Governor) | 2 | 3 |

Review of value for money

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

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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

- Obtaining a lower tariff for electricity. The cost of this is currently 3.99 pence per unit and this will drop to 3.79 pence per unit from January 2017.
- Photocopying costs have fallen due to new leasing arrangements.
- The Deputy Principal acts also as the school's business manager thereby resulting in cost savings.

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sir William Burrough Primary School for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

The risk and control framework

The academy trust'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 governors;
- 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 governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the governors have appointed School Accounting and Finance Services Limited as financial consultants to the academy.

The role of School Accounting and Finance Services Limited includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The company together with the Deputy Principal who acts as the school's business manager, reports to the board of governors three times per year through the finance and general purposes committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of governors.

There is also an external audit each year in the autumn. The findings of the auditors is reported to the Principal, Deputy Principal, the governors, School Accounting and Finance Services Limited and the EfA.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of effectiveness

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

- the work of School Accounting and Finance Services Limited
- the work of the external auditor

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee to ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 24 November 2016 and signed on its behalf by:

D Twomey
Chairman

A Newman
Principal and Accounting Officer

SIR WILLIAM BURROUGH PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

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

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

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

A Newman
Accounting Officer

24 November 2016

SIR WILLIAM BURROUGH PRIMARY SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The governors (who act as trustees for Sir William Burrough Primary School and are also the directors of Sir William Burrough Primary School for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts 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 accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of governors on 24 November 2016 and signed on its behalf by:

D Twomey
Chairman

SIR WILLIAM BURROUGH PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF SIR WILLIAM BURROUGH PRIMARY SCHOOL

We have audited the accounts of Sir William Burrough Primary School for the year ended 31 August 2016 set out on pages 17 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 12, the governors, who are also the directors of Sir William Burrough Primary School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF SIR WILLIAM BURROUGH PRIMARY SCHOOL (CONTINUED)

Matters on which we are required to report by exception

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

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

Jeffrey Zinkin FCA (Senior Statutory Auditor)
for and on behalf of FMCB

Chartered Accountants

Statutory Auditor

Hathaway House

Popes Drive

Finchley

London

N3 1QF

Dated: 7 December 2016

SIR WILLIAM BURROUGH PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SIR WILLIAM BURROUGH PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 8 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sir William Burrough Primary School during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Sir William Burrough Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sir William Burrough Primary School's funding agreement with the Secretary of State for Education dated 1 December 2011 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Considering the evidence obtained by us to support our audit opinion.
- Conducting further procedures as we considered to be appropriate.
- Considering the risk of irregular transactions occurring.
- Considering the existence of transactions from which governors, staff and related parties could derive personal benefit.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SIR WILLIAM BURROUGH PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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

Jeffrey Zinkin FCA
Reporting Accountant
FMCB
Hathaway House
Popes Drive
Finchley
London
N3 1QF

Dated: 07 December 2016

SIR WILLIAM BURROUGH PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

| | Notes | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total 2016 £ | Total 2015 £ |
|-------------------------------------------------------------|-------|----------------------------|-----------------------------------|------------------|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 2,438 | - | 7,915 | 10,353 | 8,810 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 5 | - | 2,385,688 | - | 2,385,688 | 2,344,938 |
| Other trading activities | 4 | 2,826 | - | - | 2,826 | 4,637 |
| Investments | 6 | 195 | - | - | 195 | 197 |
| Total income and endowments | | <u>5,459</u> | <u>2,385,688</u> | <u>7,915</u> | <u>2,399,062</u> | <u>2,358,582</u> |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 3,791 | - | - | 3,791 | 8,978 |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | - | 2,388,883 | 103,611 | 2,492,494 | 2,490,270 |
| Total expenditure | 7 | <u>3,791</u> | <u>2,388,883</u> | <u>103,611</u> | <u>2,496,285</u> | <u>2,499,248</u> |
| Net income/(expenditure) | | 1,668 | (3,195) | (95,696) | (97,223) | (140,666) |
| Transfers between funds | | - | (4,080) | 4,080 | - | - |
| Other recognised gains and losses | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 19 | - | (16,000) | - | (16,000) | (21,000) |
| Net movement in funds | | 1,668 | (23,275) | (91,616) | (113,223) | (161,666) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 35,840 | (302,000) | 5,942,358 | 5,676,198 | 5,837,864 |
| Total funds carried forward | | <u>37,508</u> | <u>(325,275)</u> | <u>5,850,742</u> | <u>5,562,975</u> | <u>5,676,198</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

| Comparative year information Year ended 31 August 2015 | Notes | Unrestricted | Restricted funds: | | Total |
|-------------------------------------------------------------|-------|-----------------|-------------------|------------------|------------------|
| | | Funds | General | Fixed asset | 2015 |
| | | £ | £ | £ | £ |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | 911 | - | 7,899 | 8,810 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 5 | - | 2,344,938 | - | 2,344,938 |
| Other trading activities | 4 | 4,637 | - | - | 4,637 |
| Investments | 6 | 197 | - | - | 197 |
| Total income and endowments | | <u>5,745</u> | <u>2,344,938</u> | <u>7,899</u> | <u>2,358,582</u> |
| Expenditure on: | | | | | |
| Raising funds | 7 | 8,978 | - | - | 8,978 |
| Charitable activities: | | | | | |
| - Educational operations | 8 | - | 2,385,495 | 104,775 | 2,490,270 |
| Total expenditure | 7 | <u>8,978</u> | <u>2,385,495</u> | <u>104,775</u> | <u>2,499,248</u> |
| Net income/(expenditure) | | (3,233) | (40,557) | (96,876) | (140,666) |
| Transfers between funds | | (46,806) | (4,638) | 51,444 | - |
| Other recognised gains and losses | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 19 | - | (21,000) | - | (21,000) |
| Net movement in funds | | <u>(50,039)</u> | <u>(66,195)</u> | <u>(45,432)</u> | <u>(161,666)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>85,879</u> | <u>(235,805)</u> | <u>5,987,790</u> | <u>5,837,864</u> |
| Total funds carried forward | | <u>35,840</u> | <u>(302,000)</u> | <u>5,942,358</u> | <u>5,676,198</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2016

| | | 2016 | | 2015 | |
|---------------------------------------------------------|-------|----------------|------------------|----------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 5,861,983 | | 5,954,464 |
| Current assets | | | | | |
| Stocks | 13 | 2,500 | | 1,000 | |
| Debtors | 14 | 106,912 | | 59,547 | |
| Cash at bank and in hand | | 124,349 | | 170,028 | |
| | | <u>233,761</u> | | <u>230,575</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | (189,256) | | (196,463) | |
| Net current assets | | | 44,505 | | 34,112 |
| Total assets less current liabilities | | | <u>5,906,488</u> | | <u>5,988,576</u> |
| Creditors: amounts falling due after more than one year | 16 | | (9,513) | | (10,378) |
| Net assets excluding pension liability | | | <u>5,896,975</u> | | <u>5,978,198</u> |
| Defined benefit pension liability | 19 | | (334,000) | | (302,000) |
| Net assets | | | <u>5,562,975</u> | | <u>5,676,198</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | 18 | | | | |
| - Fixed asset funds | | | 5,850,742 | | 5,942,358 |
| - Restricted income funds | | | 8,725 | | - |
| - Pension reserve | | | (334,000) | | (302,000) |
| Total restricted funds | | | <u>5,525,467</u> | | <u>5,640,358</u> |
| Unrestricted income funds | 18 | | 37,508 | | 35,840 |
| Total funds | | | <u>5,562,975</u> | | <u>5,676,198</u> |

The accounts set out on pages 17 to 37 were approved by the board of governors and authorised for issue on 24 November 2016 and are signed on its behalf by:

D Twomey
Chairman

Company Number 07797058

SIR WILLIAM BURROUGH PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|--------------------------------------------------------------------|-------|-----------|----------------|-----------|----------------|
| Cash flows from operating activities | | | | | |
| Net cash provided by (used in) operating activities | 21 | | (42,659) | | 12,592 |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 195 | | 197 | |
| Capital grants from DfE and EFA | | 7,915 | | 7,899 | |
| Payments to acquire tangible fixed assets | | (11,130) | | (71,449) | |
| | | | (3,020) | | (63,353) |
| Change in cash and cash equivalents in the reporting period | | | | | |
| | | | (45,679) | | (50,761) |
| Cash and cash equivalents at 1 September 2015 | | | 170,028 | | 220,789 |
| Cash and cash equivalents at 31 August 2016 | | | <u>124,349</u> | | <u>170,028</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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

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

Sir William Burrough Primary School meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Sir William Burrough Primary School prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 25.

1.2 Going concern

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

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, governors' meetings and reimbursed expenses.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

| | |
|--------------------------------|----------------------------|
| Land and buildings | 1% and 15% straight line |
| Computer equipment | 33.34% straight line |
| Fixtures, fittings & equipment | 20% reducing balance basis |

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.

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.9 Taxation

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

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

1.12 First time adoption of FRS102

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 25 for an explanation of the transition.

1.13 Critical accounting estimates and areas of judgement

Accounting 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.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

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

2 Comparative year information

| Year ended 31 August 2015 | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total 2015 £ |
|-------------------------------------------------------------|----------------------------|-----------------------------------|------------------|--------------------|
| Income and endowments from: | | | | |
| Donations and capital grants | 911 | - | 7,899 | 8,810 |
| Charitable activities: | | | | |
| - Funding for | - | 2,344,938 | - | 2,344,938 |
| Other trading activities | 4,637 | - | - | 4,637 |
| Investments | 197 | - | - | 197 |
| Total income and endowments | <u>5,745</u> | <u>2,344,938</u> | <u>7,899</u> | <u>2,358,582</u> |
| Expenditure on: | | | | |
| Raising funds | 8,978 | - | - | 8,978 |
| Charitable activities: | | | | |
| - Educational operations | - | 2,385,495 | 104,775 | 2,490,270 |
| Total expenditure | <u>8,978</u> | <u>2,385,495</u> | <u>104,775</u> | <u>2,499,248</u> |
| Net income/(expenditure) | (3,233) | (40,557) | (96,876) | (140,666) |
| Transfers between funds | (46,806) | (4,638) | 51,444 | - |
| Other recognised gains and losses | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | - | (21,000) | - | (21,000) |
| Net movement in funds | <u>(50,039)</u> | <u>(66,195)</u> | <u>(45,432)</u> | <u>(161,666)</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

3 Voluntary income

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Other donations | 2,438 | - | 2,438 | 911 |

4 Activities for generating funds

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------|----------------------------|--------------------------|--------------------|--------------------|
| Other income | 2,826 | - | 2,826 | 4,637 |

5 Funding for the academy trust's educational operations

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| DfE / EFA grants | | | | |
| General annual grant (GAG) | - | 1,823,020 | 1,823,020 | 1,856,157 |
| Other DfE / EFA grants | - | 237,908 | 237,908 | 186,318 |
| | - | 2,060,928 | 2,060,928 | 2,042,475 |
| Other government grants | | | | |
| Local authority grants | - | 292,146 | 292,146 | 282,725 |
| Special educational projects | - | 10,400 | 10,400 | 6,080 |
| | - | 302,546 | 302,546 | 288,805 |
| Other funds | | | | |
| Other incoming resources | - | 22,214 | 22,214 | 13,658 |
| Total funding | - | 2,385,688 | 2,385,688 | 2,344,938 |

6 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|-------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Other investment income | 195 | - | 195 | 197 |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Expenditure

| | Staff costs £ | Premises & equipment £ | Other costs £ | Total 2016 £ | Total 2015 £ |
|-----------------------------------------|---------------------|------------------------------|---------------------|--------------------|--------------------|
| Academy's educational operations | | | | | |
| - Direct costs | 1,401,608 | 22,041 | 404,270 | 1,827,919 | 1,782,675 |
| - Allocated support costs | 154,254 | 160,469 | 349,852 | 664,575 | 707,595 |
| | <u>1,555,862</u> | <u>182,510</u> | <u>754,122</u> | <u>2,492,494</u> | <u>2,490,270</u> |
| Other expenditure | | | | | |
| Raising funds | - | - | 3,791 | 3,791 | 8,978 |
| | <u>-</u> | <u>-</u> | <u>3,791</u> | <u>3,791</u> | <u>8,978</u> |
| Total expenditure | <u>1,555,862</u> | <u>182,510</u> | <u>757,913</u> | <u>2,496,285</u> | <u>2,499,248</u> |

Net income/(expenditure) for the year includes:

| | 2016 £ | 2015 £ |
|---------------------------------------|----------------|----------------|
| Fees payable to auditor for: | | |
| - Audit | 9,000 | 9,000 |
| - Other services | 750 | 750 |
| Operating lease rentals | 4,890 | 13,848 |
| Depreciation of tangible fixed assets | 103,611 | 104,775 |
| | <u>118,251</u> | <u>128,373</u> |

8 Charitable activities

| | 2016 £ | 2015 £ |
|----------------------------------------|------------------|------------------|
| All from restricted funds: | | |
| Direct costs - educational operations | 1,827,919 | 1,782,675 |
| Support costs - educational operations | 664,575 | 707,595 |
| | <u>2,492,494</u> | <u>2,490,270</u> |

| | 2016 £ | 2015 £ |
|----------------------------------|----------------|----------------|
| Analysis of support costs | | |
| Support staff costs | 154,254 | 216,119 |
| Depreciation and amortisation | 81,570 | 82,734 |
| Premises costs | 162,926 | 138,747 |
| Other support costs | 251,110 | 259,155 |
| Governance costs | 14,715 | 10,840 |
| | <u>664,575</u> | <u>707,595</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Staff costs

| | 2016 £ | 2015 £ |
|----------------------------------------------------|-----------|-----------|
| Wages and salaries | 1,207,347 | 1,294,159 |
| Social security costs | 111,891 | 104,148 |
| Operating costs of defined benefit pension schemes | 185,828 | 140,403 |
| | <hr/> | <hr/> |
| Staff costs | 1,505,066 | 1,538,710 |
| Supply staff costs | 23,647 | 40,679 |
| Staff restructuring costs | 15,000 | 17,510 |
| Staff development and other staff costs | 12,149 | 17,612 |
| | <hr/> | <hr/> |
| Total staff expenditure | 1,555,862 | 1,614,511 |

Staff numbers

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

| | 2016 Number | 2015 Number |
|----------------------------|----------------|----------------|
| Teachers | 17 | 16 |
| Administration and support | 16 | 20 |
| Management | 5 | 5 |
| | <hr/> | <hr/> |
| | 38 | 41 |

Higher paid staff

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

| | 2016 Number | 2015 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 1 | - |
| £70,001 - £80,000 | 1 | 1 |
| £120,001 - £130,000 | 1 | 1 |
| | <hr/> | <hr/> |

Staff restructuring costs includes a £15,000 non-statutory/non-contractual payment paid to one individual (2015: £17,510 paid to one individual).

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £302,600 (2015: £291,113).

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

10 Governors' remuneration and expenses

The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. No expenses were reimbursed in the year or the preceding year to the other governors.

The value of governors' remuneration was as follows:

A Newman (principal) £125,001 - £130,000 (2015: £120,001 - £125,000)

A Cummins (staff) £55,001 - £60,000 (2015: £50,001 - £55,000)

R Basir (parent) £15,001 - £20,000 (2015: £15,001 - £20,000)

Other related party transactions involving the governors are set out within the related parties note.

11 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. Insurance is provided through the Education Funding Agency's risk protection arrangements for academy trusts. The insurance provides cover up to £10,000,000 on any one loss in any one membership year. No specific cost can be attributed to this insurance cover as it is included in the overall cost of insurance cover.

12 Tangible fixed assets

| | Land and buildings | Computer equipment | Fixtures, fittings & equipment | Total |
|-----------------------|--------------------|--------------------|--------------------------------|-----------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 September 2015 | 6,098,128 | 74,411 | 56,653 | 6,229,192 |
| Additions | 11,130 | - | - | 11,130 |
| At 31 August 2016 | 6,109,258 | 74,411 | 56,653 | 6,240,322 |
| Depreciation | | | | |
| At 1 September 2015 | 219,777 | 36,409 | 18,542 | 274,728 |
| Charge for the year | 73,948 | 22,041 | 7,622 | 103,611 |
| At 31 August 2016 | 293,725 | 58,450 | 26,164 | 378,339 |
| Net book value | | | | |
| At 31 August 2016 | 5,815,533 | 15,961 | 30,489 | 5,861,983 |
| At 31 August 2015 | 5,878,351 | 38,002 | 38,111 | 5,954,464 |

The land and buildings are a long leasehold. It is the school at Salmon Lane, London E14 2BG. The London Borough of Tower Hamlets has granted a 125-year lease starting from 1 December 2011. The leasehold land and buildings have been included in the financial statements at their reinstatement value for insurance purposes net of VAT. The leasehold land and buildings were valued in 2013 by external valuers.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

| | | | |
|-----------|----------------------------------------------------------------|-------------------|-------------------|
| 13 | Stocks | 2016 | 2015 |
| | | £ | £ |
| | School uniform | 2,500 | 1,000 |
| | | <u> </u> | <u> </u> |
| 14 | Debtors | 2016 | 2015 |
| | | £ | £ |
| | Trade debtors | 64,149 | 884 |
| | VAT recoverable | 30,163 | 42,596 |
| | Other debtors | 4,517 | 4,431 |
| | Prepayments and accrued income | 8,083 | 11,636 |
| | | <u> </u> | <u> </u> |
| | | 106,912 | 59,547 |
| | | <u> </u> | <u> </u> |
| 15 | Creditors: amounts falling due within one year | 2016 | 2015 |
| | | £ | £ |
| | Trade creditors | 41,978 | 49,098 |
| | Other taxation and social security | 30,696 | 28,292 |
| | Other creditors | 25,407 | 23,112 |
| | Accruals and deferred income | 91,175 | 95,961 |
| | | <u> </u> | <u> </u> |
| | | 189,256 | 196,463 |
| | | <u> </u> | <u> </u> |
| 16 | Creditors: amounts falling due after more than one year | 2016 | 2015 |
| | | £ | £ |
| | Other creditors | 9,513 | 10,378 |
| | | <u> </u> | <u> </u> |

Other creditors is an unsecured concessionary loan repayable by equal annual instalments of £1,728 over six years.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

| 17 Deferred income | 2016 £ | 2015 £ |
|------------------------------------------|---------------|---------------|
| Deferred income is included within: | | |
| Creditors due within one year | 67,804 | 70,521 |
| Deferred income at 1 September 2015 | 70,521 | 18,852 |
| Released from previous years | (70,521) | (18,852) |
| Amounts deferred in the year | 67,804 | 70,521 |
| Deferred income at 31 August 2016 | 67,804 | 70,521 |

At the balance sheet date deferred income included £20,139 (2015: £22,051) for free school meals and Pupil Premium funding of £47,665 (2015: £48,470). The deferred income relates to the year ended 31 August 2016.

| 18 Funds | Balance at 1 September 2015 £ | Incoming resources £ | Resources expended £ | Gains, losses & transfers £ | Balance at 31 August 2016 £ |
|-------------------------------------|----------------------------------------|----------------------------|----------------------------|-----------------------------------|-----------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant | - | 1,823,020 | (1,810,215) | (4,080) | 8,725 |
| Other DfE / EFA grants | - | 237,908 | (237,908) | - | - |
| Other government grants | - | 302,546 | (302,546) | - | - |
| Other restricted funds | - | 22,214 | (22,214) | - | - |
| Funds excluding pensions | - | 2,385,688 | (2,372,883) | (4,080) | 8,725 |
| Pension reserve | (302,000) | - | (16,000) | (16,000) | (334,000) |
| | (302,000) | 2,385,688 | (2,388,883) | (20,080) | (325,275) |
| Restricted fixed asset funds | | | | | |
| DfE / EFA capital grants | 10,479 | 7,915 | (11,629) | - | 6,765 |
| Inherited funds | 5,705,929 | - | (58,824) | - | 5,647,105 |
| Capital expenditure from GAG | 225,950 | - | (33,158) | 4,080 | 196,872 |
| | 5,942,358 | 7,915 | (103,611) | 4,080 | 5,850,742 |
| Total restricted funds | 5,640,358 | 2,393,603 | (2,492,494) | (16,000) | 5,525,467 |
| Unrestricted funds | | | | | |
| General funds | 35,840 | 5,459 | (3,791) | - | 37,508 |
| Total funds | 5,676,198 | 2,399,062 | (2,496,285) | (16,000) | 5,562,975 |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Funds

(Continued)

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

The General Annual Grant (GAG) represents the core funding for educational activities of the school that has been provided by the EFA. The General Annual Grant fund has been set up because the GAG must be used for the normal running costs of the school. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount it could carry forward at 31 August 2016.

The other restricted grants represent incoming resources for the following specific purposes.

Other DfE/EFA grants includes EFA Pupil Premium funding of £193,880, School PE and Sport Funding of £9,340, Universal Free School Meals of £34,523 and Reception Baseline funding of £165.

Other government grants includes funding from the London Borough of Tower Hamlets of £208,910 for nursery education and £21,695 to help children who have special needs and £61,541 for school meals. Other government grants also includes funding of £9,500 from London Leadership, £800 from Medway Council and £100 from Kingston University.

Other restricted reserves includes dinner money £5,152, school milk of £2,970 and parents contributions to visits and clubs of £14,092.

The pension reserve represents the net deficit on the LGPS defined benefit pension scheme. Future GAG funding from the EFA is expected to be sufficient to fund the deficit.

The Inherited Fixed Assets Fund has been set up to recognise the tangible assets gifted to the academy upon conversion by the local authority. This is the school site inherited from the local authority upon which a 125 year lease commencing from 1 December 2011 has been granted and a peppercorn rent is payable.

The capital expenditure funds comprises funding from the GAG and from other EFA grants.

19 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 and of the LGPS 31 March 2013.

Contributions amounting to £23,255 (2015: £21,229) were payable to the schemes at 31 August 2016 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £126,780 (2015: £103,641).

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are per cent for employers and per cent for employees. The estimated value of employer contributions for the forthcoming year is £72,000.

The employers' contribution rate for the academy for the period to 31 March 2016 was 23.6% and 21.8% from that date against 15.8% it had been paying before conversion in December 2011. Due to conversion the recovery period for the academy's share of the LGPS deficit was reduced to 14 years compared to 19 years for local authority schools in the Borough of Tower Hamlets. The local authority schools also benefit from an annual lump sum contribution paid by Tower Hamlets to the LGPS. The academy does not benefit from this payment. It has to fully fund its share of LGPS pension scheme deficit from its day to day funding that does not reflect the cost of financing this deficit. The academy is placed at a disadvantage because these additional pension charges have to be financed from reductions in classroom budgets.

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

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.

| Total contributions made | 2016 £ | 2015 £ |
|--------------------------|---------------|---------------|
| Employer's contributions | 53,938 | 38,558 |
| Employees' contributions | 14,204 | 10,337 |
| Total contributions | <u>68,142</u> | <u>48,895</u> |

| Principal actuarial assumptions | 2016 % | 2015 % |
|------------------------------------------|-----------|-----------|
| Rate of increases in salaries | 1.9 | 4.0 |
| Rate of increase for pensions in payment | 2.1 | 2.6 |
| Discount rate | 2.0 | 3.7 |
| Inflation assumption (CPI) | 2.1 | 2.6 |

The sensitivity regarding the assumptions used to measure the scheme liabilities are set out below.

Change in assumptions at 31 August 2016

| | Approximate % increase to employer liability | Approximate monetary amount (£000's) |
|--------------------------------------------|----------------------------------------------------|--------------------------------------------|
| 0.5% decrease in real discount rate | 13% | 200 |
| 1 year increase in members life expectancy | 3% | 47 |
| 0.5% increase in the salary increase rate | 6% | 92 |
| 0.5% increase in the pension increase rate | 7% | 103 |

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

| | 2016 Years | 2015 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 22.2 | 22.2 |
| - Females | 24.2 | 24.2 |
| Retiring in 20 years | | |
| - Males | 24.3 | 24.3 |
| - Females | 26.4 | 26.4 |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

| 19 Pensions and similar obligations | (Continued) | |
|--------------------------------------------------------------------------------|-------------------|-------------------|
| The academy trust's share of the assets in the scheme | 2016 | 2015 |
| | Fair value | Fair value |
| | £ | £ |
| Equities | 873,539 | 679,000 |
| Bonds | 159,944 | 150,000 |
| Cash | 73,821 | 60,337 |
| Property | 123,175 | 110,000 |
| | <u>1,230,479</u> | <u>999,337</u> |
| Actual return on scheme assets - gain/(loss) | <u>177,000</u> | <u>29,000</u> |
| Amounts recognised in the statement of financial activities | 2016 | 2015 |
| | £ | £ |
| Current service cost (net of employee contributions) | 59,000 | 37,000 |
| Net interest cost | <u>10,938</u> | <u>12,558</u> |
| Changes in the present value of defined benefit obligations | | 2016 |
| | | £ |
| Obligations at 1 September 2015 | | 1,301,337 |
| Current service cost | | 59,000 |
| Interest cost | | 48,938 |
| Employee contributions | | 14,204 |
| Actuarial loss | | 155,000 |
| Benefits paid | | (14,000) |
| At 31 August 2016 | | <u>1,564,479</u> |
| Changes in the fair value of the academy trust's share of scheme assets | | 2016 |
| | | £ |
| Assets at 1 September 2015 | | 999,337 |
| Interest income | | 38,000 |
| Return on plan assets (excluding amounts included in net interest): | | |
| Actuarial gain | | 139,000 |
| Employer contributions | | 53,938 |
| Employee contributions | | 14,204 |
| Benefits paid | | (14,000) |
| At 31 August 2016 | | <u>1,230,479</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total 2016 £ |
|------------------------------------------------------------|----------------------------|-----------------------------------|------------------|--------------------|
| Fund balances at 31 August 2016 are represented by: | | | | |
| Tangible fixed assets | - | - | 5,861,983 | 5,861,983 |
| Current assets | 37,850 | 195,911 | - | 233,761 |
| Creditors falling due within one year | (342) | (187,186) | (1,728) | (189,256) |
| Creditors falling due after one year | - | - | (9,513) | (9,513) |
| Defined benefit pension liability | - | (334,000) | - | (334,000) |
| | <u>37,508</u> | <u>(325,275)</u> | <u>5,850,742</u> | <u>5,562,975</u> |

21 Reconciliation of net expenditure to net cash flows from operating activities

| | 2016 £ | 2015 £ |
|----------------------------------------------------------|-----------------|---------------|
| Net expenditure for the reporting period | (97,223) | (140,666) |
| Adjusted for: | | |
| Capital grants from DfE/EFA and other capital income | (7,915) | (7,899) |
| Investment income | (195) | (197) |
| Defined benefit pension costs less contributions payable | 5,062 | (1,558) |
| Defined benefit pension net finance cost/(income) | 10,938 | 12,558 |
| Depreciation of tangible fixed assets | 103,611 | 104,775 |
| (Increase)/decrease in stocks | (1,500) | 4,000 |
| (Increase)/decrease in debtors | (47,365) | 46,450 |
| Increase/(decrease) in creditors | (8,072) | (4,871) |
| Net cash used in operating activities | <u>(42,659)</u> | <u>12,592</u> |

22 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

| | 2016 £ | 2015 £ |
|-----------------------------------|--------------|---------------|
| Amounts due within one year | 3,668 | 3,668 |
| Amounts due in two and five years | 4,890 | 9,780 |
| | <u>8,558</u> | <u>13,448</u> |

SIR WILLIAM BURROUGH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

23 Related party transactions

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

There were no related party transactions in the year or in the preceding year.

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

25 Reconciliations on adoption of FRS 102

Reconciliation of funds for the previous financial period

| | 1 September 2014 £ | 31 August 2015 £ |
|------------------------------------------------------------|-----------------------------|-----------------------------|
| Funds as reported under previous UK GAAP and under FRS 102 | 5,837,864 | 5,676,198 |
| | <u> </u> | <u> </u> |

Reconciliation of net loss for the previous financial period

| | 2015 £ |
|----------------------------------------------------------------------|-----------------------------|
| Net expenditure as reported under previous UK GAAP and under FRS 102 | (161,666) |
| | <u> </u> |

Notes to reconciliations on adoption of FRS 102

Pensions and similar obligations

The actuarial loss on LGPS has been restated from £41,558 to £21,000 and the difference has been included in expenditure on educational operations. There has been no effect on net expenditure.