

Registration number: 08018237

Thrunscoe Primary and Nursery Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2017

Forrester Boyd
26 South St Mary's Gate
Grimsby
DN31 1LW

Thrunscoe Primary and Nursery Academy

Contents

Reference and Administrative Details	1 to 2
Trustees' Annual Report	3 to 17
Governance Statement	18 to 21
Statement on Regularity, Propriety and Compliance	22
Statement of Trustees' Responsibilities	23
Independent Auditor's Report on the Financial Statements	24 to 26
Independent Reporting Accountant's Report on Regularity	27 to 28
Statement of Financial Activities incorporating Income and Expenditure Account	29 to 30
Balance Sheet	31
Statement of Cash Flows	32
Notes to the Financial Statements	33 to 54

Thrunscoe Primary and Nursery Academy

Reference and Administrative Details

Members	J Goodwin J Evans M Ward D Copinger G Crawford
Governors and Trustees (Directors)	S Bullock D Copinger, Chair of Governors, Resources & Audit Committee G Crawford, Resources & Audit Committee (resigned 29 March 2017) J Goodwin, Resources & Audit Committee B Mills, Resources & Audit Committee P Taylor N Saxby, Resources & Audit Committee C Standley S Bate A Power (appointed 4 October 2016) R Sperr I Stead K Taylor (appointed 4 October 2016)
Senior Management Team	J Goodwin, Headteacher K Paling, School Business Manager A Clark, Deputy Head J Moss, Assistant Head V Copinger, Lead Teacher A Hawkey, Lead Teacher J Howden, Lead Teacher S Bate, Lead Teacher
Principal and Registered Office	Thrunscoe Primary and Nursery Academy Trinity Road Cleethorpes N E Lincs DN35 8UL
Company Registration Number	08018237

Thrunscoe Primary and Nursery Academy

Reference and Administrative Details (continued)

Auditors	Forrester Boyd 26 South St Mary's Gate Grimsby DN31 1LW 22 August 2017
Bankers	Lloyds Bank 44 St Peter's Avenue Cleethorpes DN35 8HL
Solicitors	Wilkin Chapman llp Cartergate House 26 Chantry Lane Grimsby DN31 2LJ

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017

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

The trust operates a primary academy for pupils aged 3 to 11 serving a catchment area in Cleethorpes. It had a pupil capacity of 285 on census date October 2016, which will rise to 315 by September 2018, and a 52 part-time place nursery. The number on roll on census date October 2016 was 279 with 46 in the nursery. The nursery has further intakes in January and April. Including the Nursery, the academy has a total pupil capacity of 341.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity and as such the Trustees delegate their powers to the governing body. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The Company was incorporated on 7 April 2012. The Company registration number is 8018237. The charitable company is known as Thrunscoe Primary and Nursery Academy and is also known as Thrunscoe Primary Academy.

The Governors act as the trustees for the charitable activities of Thrunscoe Primary and Nursery Academy and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted 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 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.

Trustees' indemnities

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees up to 31st July 2016. From 1st August liability indemnity was maintained via the ESFA Risk Protection Arrangement.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Method of recruitment and appointment or election of Trustees

The Academy Trust has provision in its Memorandum and Articles of Association for the following governors, with a minimum of three: the Head teacher; any staff governors (other than the Head teacher) provided the total number of employees does not exceed one third of the governing body; 1 LA governor; at least two parent governors. In addition, the members may appoint up to eight additional governors with no more than three co-opted.

Governors hold office for a period of 4 years and can be re-appointed for further periods. Each governor takes responsibility for monitoring the Academy's activities in specific operational areas and constant regard is had to the skills mix of the governors on both the full governing body and committees, to ensure that the board of governors has all the necessary skills required to contribute fully to the Academy's development.

The Governors have formed a number of sub-committees to efficiently govern the running of Thrunscoe Primary and Nursery Academy.

Trustees are appointed by the Members except for the following positions:

- Staff representatives – elected by their peers who are contracted by the Academy
- Parent representatives – elected by those people who have parental responsibility for a child on the roll of Thrunscoe Primary and Nursery Academy

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

Induction and training for all Governors is predominantly delivered through a service level agreement with North East Lincolnshire Council. Additional training, in response to identified need, is arranged through the Senior Leadership Team. On-line training facilities are also available to governors through subscription to Ten Governor.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Organisational structure

The governors delegate such powers and functions as they consider are required by the headteacher for the internal organisation, management and control of the Academy (including the implementation of all policies approved of by the governors) and for the direction of the teaching and curriculum at the academy. The headteacher holds the role of Accounting Officer.

The work of the Governing Body is distributed between a number of sub committees whose roles are outlined below.

Resources and & Audit committee (Quorum 3)
(Incorporating Finance, Audit and Personnel)

Terms of Reference: Executive powers to deal with discipline (including dismissal of staff), grievances, collective disputes, pay/grading issues and redeployment/reallocation of staff and financial and audit matters as outlined in the Academies Handbook

Appeals Committee (Quorum 3)

Terms of Reference: Executive powers to hear appeals including appeals in relation to decisions taken by the Personnel Committee on:- discipline (including dismissal of staff), grievances, collective disputes, pay/grading issues and redeployment/reallocation of staff.

Complaints Committee (Quorum 3)

Terms of Reference:

Executive powers to deal with parental complaints including the response to the parent.

General Purpose Committee (Statutory) (Quorum 3)

(Incorporating Premises, Health and Safety, Risk Assessment and Policy)

Terms of Reference: Executive powers to deal with matters relating to Premises, Health and Safety, Risk Assessment and Policy

Pupil Discipline Committee (Statutory) (Quorum 3)

Terms of Reference:

Executive powers to review the use of exclusion within the Academy, including consideration of the views of the parent of an excluded pupil, and deciding whether or not to confirm exclusions of more than fifteen school days in a term or those where a pupil would miss an opportunity to take a public examination.

Standards and Monitoring Committee (Quorum 3)

Terms of Reference:

Executive powers to monitor standards and act in a supporting/ challenging role.

Safeguarding Committee (Quorum 3)

Terms of Reference:

Executive powers to deal with Safeguarding issues.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Arrangements for setting pay and remuneration of key management personnel

Pay for Key Management Personnel is set with consideration of the management responsibility assigned to the leadership post and progression previously earned over the duration of the post. TLR payments both permanent and temporary correspond to the level of teaching leadership undertaken by the individual in post. The academy continues to use the pay scales recommended in the Teachers Pay and Conditions Document for all teaching staff and support staff are paid according to the National Joint Council pay scales and Local Authority pay ranges.

Pay progression is awarded on successful completion of the Performance Management cycle. When the most senior staff have reached the maximum of their pay ranges, the academy has the option to award a retention allowance in order to maintain high levels of experience and expertise.

Connected organisations, including related party relationships

Thrunscoe Primary and Nursery Academy is a single academy trust. To enhance its work and meet its duty to support the work of other educational establishments, the Academy operates within a number of networks. The most prominent of these is a local partnership with four local primary single academy trusts.

The academy has links with the Cleethorpes Rotary Club, a charitable organisation, through two of the governors who are members of the Rotary Club. The Rotary Club regularly donates towards academy events and initiatives.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Objectives and activities

Objects and aims

The Governors agree to ensure that the Academy strives towards the following:

To be able to help everyone achieve their full potential and provide an environment of respect, confidence and happiness so that children become good citizens. We want to make a positive difference to the children in our care and to provide a good foundation for their education. We will ensure that all involved in our academy, including the families, feel valued and happy and that all pupils will make good progress in their learning as they travel through the academy. We aim to inspire and maximise potential and to enable all to produce their best. We will endeavour to provide positive role models for the pupils and encourage them to do the same so that all can contribute to a safe, happy and healthy environment.

We believe we should all be good role models and that everyone should be valued and respected. Everyone has the ability to succeed and by providing the right environment for all we will stimulate learning and intellectual, physical, emotional and social development. We believe everyone is unique and that uniqueness should be celebrated. We believe that it is essential that we are patient and that learning should be a partnership where everyone works together for the benefit of all through mutual respect and by valuing the feelings of others. We believe that there should be clear expectations and that all should feel they can express themselves freely but respectfully. We believe everyone should be given equal chances and that by working together as a team we can all make a difference. We believe the academy should be fun and exciting for all and that our pupils should feel safe, able to ask questions and provided with all the help and encouragement that they need; the ability to listen is a gift. We believe everyone is special and has the right to be valued for themselves.

We value these things and think they are important:

- Trust, honesty, openness and loyalty
- Politeness, good manners, kindness and consideration
- Other people's views and opinions
- Others' opinions
- Responsibility and choice
- Individuality, independence and initiative
- Team work
- Praise/appreciation
- Constructive criticism
- Team membership and relationships and the contributions of others.
- Pride in all we do
- Hard work and doing our best at all times
- Reliability and commitment
- Safety, security and confidentiality
- Time
- Happiness, enjoyment and a sense of humour
- Praise and recognition
- Children's responses and confidences.
- Freedom to choose
- Self-discipline

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Objectives, strategies and activities

Our key objective continues to be to improve outcome for the children through the consistent delivery of high quality teaching and learning.

We annually prioritise areas to achieve this:

Academy Priorities 2017-18

Curriculum Action Plan 2017-18

Key Improvement Priority: To prioritise objectives (particularly writing) within our curriculum to suit the needs of our pupils whilst ensuring thorough curriculum coverage (inc PSHE), cross-curricular links, wider experiences and progression across the academy.

Reading Action Plan 2017-18

Key Improvement Priority: To create an ethos within the Academy that positively promotes reading for life, an appreciation of books and the enjoyment they bring.

To continue good practise exemplified during the 2016/2017 academic year.

Spelling Action Plan 2017-18

Key Improvement Priority: To raise the profile of spelling, particularly the teaching of spelling rules, within each key stage across the academy.

Writing Action Plan 2017-18

Key Improvement Priority: To ensure all writing genres and GP objectives are covered throughout the academic year and to increase the frequency that pupils write by incorporating all expected writing outcomes (with GP objectives) within the Long Term Curriculum Plans for each term thus ensuring pupils are producing writing outcomes for most subjects across the curriculum.

Behaviour Action Plan 2017-18

Key Improvement Priority: To increase the number of pupils attaining higher levels in national tests through encouraging the promotion of positive learning behaviours within pupils to increase effort levels and higher order thinking

Maths Action Plan 2017-18

Key Improvement Priorities: To develop the consistency of high quality teaching and learning throughout the academy through the development of the application of mathematical skills in problem solving and reasoning

Wellbeing Award for Schools Action Plan 2017-18

Key Improvement Priority: To ensure that the academy is committed to promoting and protecting the emotional wellbeing and mental health of the academy community culminating in the achievement of the Wellbeing Award for Schools

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission in exercising their powers and duties.

The Academy has continued to focus its resources on providing academic and pastoral support to its pupils and their families. The academy works closely with the attached Local Authority Children's Centre

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Achievements and performance

Key non-financial performance indicators:

The success of the Academy is primarily measured by comparing pupil performance at the end of Foundation Stage, Year 1, Year 2 and Year 6 against a series of national test averages. Standardised summative assessment coupled with teacher assessment is used to gauge progress and outcomes. The unvalidated data for 2017 is shown below for the academy and nationally ().

EYFS

Good level of development 75% (69%)

Year 1 Phonics Screening

Number of people achieving the expected standard 84% (81%)

End of Key Stage One

	Reading	Writing	Maths
Expected	82% (74%)	70% (65%)	84% (73%)
Greater Depth	32% (24%)	7% (13%)	23% (18%)

End of Key Stage Two

	Reading	Writing	GPS	Maths	R, W, M combined
Expected	87% (71%)	80% (76%)	90% (77%)	87% (75%)	80% (61%)
Greater Depth	17% (25%)	17% (18%)	40% (31%)	17% (23%)	3% (6%)
Progress Scores	+0.9 (-5)	+1.1 (-7)		+0.8 (-5)	
Average Scaled Score	104 (104)		107 (106)	104 (104)	

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Review of Academy Development Priorities 2016-17

Academy Development Priorities 2016-17

- To raise attainment in numeracy across the academy through the use of higher order questioning skills in mathematical problem solving then to extend these strategies and techniques across the curriculum.
- To narrow the gap of disadvantaged pupils with their peers both within the academy and nationally by meeting their broad range of needs, through individual progress meetings, tracking progress, targeted delivery and intervention programmes.
- To raise standards in reading comprehension through regular application of core reading objectives via writing outcomes
- To further develop parental engagement to enhance pupil achievement.
- Pupils to show an increased understanding and application of all aspects of GPS through writing outcomes.
- To plan and provide outdoor learning activities within the Foundation Stage consistent with indoor provision, to secure more rapid learning for children.

Priority 1 review:

To raise attainment in numeracy across the academy through the use of higher order questioning skills in mathematical problem solving then to extend these strategies and techniques across the curriculum.

Progress across the academy has been at least good over the year. The vast majority of pupils have at least reached their 6 point target. By the end of KS1 84% of pupils achieved the expected standard or above in maths; +11% above the national average of 73%. KS2 pupils achieved equally as well in maths, with 87% of pupils achieving expected levels; +12% above the national average of 75%. Arithmetic has shown itself to be a particular strength. To improve further, the academy will continue to focus on develop pupil's ability to use and apply their mathematical skills within a problem solving context.

Priority 2:

To narrow the gap of disadvantaged pupils with their peers both within the academy and nationally by meeting their broad range of needs, through individual progress meetings, tracking progress, targeted delivery and intervention programmes.

Over the year the academy has continued to evaluate and adapt its provision in line with the needs of the pupils. Termly 1:1 meeting have been held between teachers and pupils, with developmental areas being identified, discussed and shared with parents. Specific initiatives have been implemented across the academy to address the needs of individual and small groups of pupils. These have been delivered through 'Precision Teach' sessions, 1:1 Team @ Work (SEND) support, 1:1 Speech and Language Therapy and quality first teaching. Dedicated homework clubs have been held for both KS1 and KS2 to support pupils who find it difficult to complete homework out of school and after school and holiday booster classes have been attended by 60% of our Yr6 pupils.

Progress towards narrowing the gap continues year on year with our aim being to have closed the gap completely by the end of Yr 6. End of Key Stage data for 2016-17 indicates that in the areas of maths reading and writing the gap between PPG pupils and non PPG pupils nationally remains at its widest at the end of Foundation Stage. However, by the end of Key Stage 2 our PPG pupils outperformed non-PPG pupils nationally in all three areas: reading (+14%), writing (+1) and maths (+10%).

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Priority 3 review:

To raise standards in reading comprehension through regular application of core reading objectives via writing outcomes

Pupil progress in reading throughout the academy has been positive. The vast majority of pupils in KS1 and 2 made at least the expected 6 points progress required.

At the end of KS1 and KS2 pupils achieved above the national average in their standardised reading tests with 82% of Yr2 pupils achieving at or above expected in comparison to the national average of 74 (+8%) and 87% of year 6 pupils achieved expected in comparison to the national figure of 71% (+16%)

Priority 4 review:

To further develop parental engagement to enhance pupil achievement.

This remains an on-going priority. Established events such as a termly bingo evening and class presentations linked to termly topic themes have proved extremely popular, with up to 60+ parents attending events.. Nursery Open Days continue to be received extremely favorably with a significant number of positive comments being recorded on the feedback sheets. The academy continues to have excellent attendance at our termly open afternoons and all end of term productions continue to sell out. We were again delighted with the response to our 'Making Day' invitation to parents to help with the preparation of goods to be sold at the Christmas Bazaar. Grandparents Day proved overwhelmingly successful, with virtually all pupils being joined by at least one grandparent. Pupils were able to share their knowledge of their classes focused artist and grandparents were able to support in preparing a piece of art work in the artist's particular style. It is the academy's intention to make this an annual event.

Priority 5 review:

Pupils to show an increased understanding and application of all aspects of GPS through writing outcomes.

Pupils within the academy continue to develop their understanding of all aspects of GPS through their writing outcomes. End of Key Stage test data indicates that pupils are developing a secure knowledge of all elements of grammar and punctuation but continue find the application of spelling rules challenging when required to draw upon them in their writing. End of Key Stage 2 GPVS outcomes show that 90% of Yr6 pupils achieved the expected standard; +13% above the national average of 77%.

Writing outcomes across the academy remain varied. Issues with spelling are impacting on writing attainment. Although pupils have achieved above the national averages in writing at the end of KS1 70% (65%) +5% and KS2 80% (76%) +4% this aspect of literacy remains a focus for improvement. To support this development the academy has also made the improvement of spelling a priority for 2017-18.

Priority 6 review:

To plan and provide outdoor learning activities within the Foundation Stage consistent with indoor provision, to secure more rapid learning for children.

An audit of outdoor provision and learning has been undertaken. All activities are now planned with clear learning objectives and success criteria which are displayed alongside the resources provided. New quality equipment has been purchased which encourages the application of discreetly taught skills in the outdoor environment. Pupil interaction with the activities is monitored and outcomes recorded by the designated adults outside.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Due to the high value of the quotes received to provide extended covered outdoor a space, the decision was taken to reorganise the existing canopied area activities to allow for easier and more effective access and use with permanent designated literacy, numeracy and construction areas created, rather than allocate extra funding for the additional covered space. Outdoor provision will remain under review

Sporting:

We continue to offer a very wide and diverse choice of sporting activities that give our children the chance to enjoy new experiences in sport as well as taking part in competitive sports both inside and outside of the academy. Our numbers of children participating remains very high. The academy has gained the Sainsburys Schools Games Mark at Silver level.

Performing Arts:

We have successful music tuition for more than eighty children as part of group teaching. Instrumental teaching includes trombone, guitar, ukulele, cello, recorder, violin, singing and samba drumming. The children are given the opportunity to perform in a variety of contexts and venues.

Educational Visits and Trips:

We endeavour to find creative stimuli that will motivate our children to learn. Part of this philosophy includes exposing our children to experiences in and out of the academy that will capture their imagination and give them access to experiences that they would not normally come into contact with.

Each year group is given a significant budget to support their children going outside of the academy to learn and to bring "Wow" experiences back into the academy to inspire them.

Community:

We have worked hard to make our academy a centre for learning inside its community. In conjunction with the attached children centre we offer a variety of services including adult educational opportunities, health support, multi-agency provision, parenting support and social and emotional support.

Going concern

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

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Key Performance Indicators

Although the academy has an in-year deficit due to an increase in the PAN and lagged funding, the five year budget plan shows that reserves brought forward on conversion are still sufficient to maintain the academy finances until funding catches up to pupil numbers in 2019. The 2016-17 out-turn is in line with the initial budget set for the year, despite the spending on the boiler room being in excess of the funding received at the year end.

Employee turnover continues to be low.

Pupil attendance for the year continues to be good at 95.88%. Pupil migration over the year saw 13 in year admissions and 21 in year leavers, however funding continues to lag behind admissions as 45 pupils were admitted to the reception year group whilst only 30 pupils left year 6. The academy has 6 available pupil places, years 1 to 6 have 1 place available each and the reception year group is full.

Our Ofsted inspection in July 2016 found that the academy "continues to be good". The Ofsted report states:

- the quality of teaching is stronger than at the time of the previous inspection
- the head and teachers have ensured much improvement so that pupils receive a rich, vibrant and relevant curriculum.
- The views of pupils are influential in helping teachers to plan lessons
- Governors take account of a breadth of evidence to determine how well the school is doing and they are regular visitors to school.
- Safeguarding is rigorous in keeping pupils safe

Financial review

The Academy Trust remains in a viable financial position. Reserves are in place to mitigate the risks associated with unforeseen costs, however, due to lagged funding from an increase in PAN in 2013, there is an in-year deficit for the year ended 31st August 2017. Funding is not due to catch up to pupil numbers until 2019. The re-organisation of the leadership team from September 2017 will have a positive effect on the academy's finances, reducing the effect of a drop in per pupil funding.

The Academy Trust is principally funded by the Education and Skills Funding Agency. Resources have been purchased over the year to support the Development Plan priorities. Improvements have been made to outdoor provision with enhancements to the KS2 playground and new equipment for the Foundation Stage outdoor area. The academy continues to subsidise educational visits, sporting events and music projects to enhance the overall learning experience for pupils.

The academy was successful in obtaining funding for replacement of old boilers and associated plant in boiler room 1, through a CIF grant and SALIX loan with contribution from the academy's capital reserves.

The Academy operates under its 'Finance Policy and Procedures', 'Scheme of Delegated Authority' and 'Investments and Reserves Policy'.

Financial and risk management objectives and policies

The Academy trust, by the nature of its work, has limited exposure to financial risks such as credit, cash flow and liquidity risks. The Academy Trust provides for its employees through the Teachers' Pension Scheme and East Riding Pension Fund.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

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. The Governors have determined that the appropriate level of free reserves would like to be held at a sum equivalent to a minimum of one month's expenditure, approximately £110,000 plus any designated funds for projects.

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. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted pension fund) is £117,075 (2016: £135,812).

The Academy held fund balances at 31 August 2017 of £4,281,713 (2016: £4,263,081) comprising £4,797,638 (2016: £4,876,269) of restricted fixed asset funds which can only be realised by disposing of fixed assets, £nil (2016: £nil) of restricted general funds, £117,075 (2016: £135,812) of unrestricted general funds and a pension reserve deficit of £633,000 (2016: £749,000).

Steps are being taken to eliminate the pension scheme deficit as contributions have increased since converting to an academy. It is possible that the deficit can have an effect on the cashflow of the academy, as it may mean the contributions will have to change again in the future.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Investment policy

Aims

Our aim is to spend the public monies with which we are entrusted for the direct educational benefit of our students as soon as is prudent. The Academy does not consider the investment of surplus funds as a primary activity, rather it is the result of good financial management.

The aim of this policy is to ensure that funds which the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the academy's income but without putting the capital value at unacceptable risk.

Objectives

- To ensure that adequate cash balances are maintained in the current account to cover day-to-day working capital requirements;
- To ensure that there is no unacceptable risk of loss to the capital value of any financial assets invested;
- To protect the capital value of financial assets against inflation;
- To optimise returns on invested funds

Guidelines

Regular cash flows are prepared and monitored to ensure there are adequate liquid funds to meet all payroll commitments, outstanding creditors that are due for payment and any short term capital investment expenditure.

The governors will invest surplus reserves to maximise returns whilst remaining available at short term notice.

Management of financial assets

The Academy has yet to appoint independent financial advisors to manage its financial assets. The Academy's advisors will however be entrusted to:

- Ensure cash is earning best rates of return possible;
- Undertake due diligence on banks and buildings societies before investments made;
- Analyse the financial strength of financial institutions on an on-going basis;
- Advise the Academy on the investment of any financial assets surplus to its short to medium term requirements; and
- Ensure there is an appropriate spread of investments to minimise risk of loss.

All cash and investments are to be held in the name of the Academy. Any financial advisor appointed by the academy will be required to present to the Finance and Audit committee on an annual basis on the performance of its investments.

Reporting and monitoring

The Finance and Audit committee will have responsibility for agreeing the investment strategy and monitoring the performance of investments.

The Finance and Audit committee is to report formally to the Full Governing body on at least an annual basis. This report will include performance of investments and compliance with investment guidelines.

Policy review

This Policy shall be reviewed annually by the Finance and Audit committee to determine if modifications are necessary or desirable. If modifications are made, they shall be subject to approval by the Full Governing body.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Strategic Report

All cash and investments are to be held in the name of the Academy. Any financial advisor appointed by the academy will be required to present to the Finance and Audit committee on an annual basis on the performance of its investments.

Reporting and monitoring

The Finance and Audit committee will have responsibility for agreeing the investment strategy and monitoring the performance of investments.

The Finance and Audit committee is to report formally to the Full Governing body on at least an annual basis. This report will include performance of investments and compliance with investment guidelines.

Policy review

This Policy shall be reviewed annually by the Finance and Audit committee to determine if modifications are necessary or desirable. If modifications are made, they shall be subject to approval by the Full Governing body.

Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular, those relating to leadership, teaching, behaviour and safety, achievement and finance. Systems are in place to regularly review policies and procedures relating to the above areas. The Academy actively seeks external review, advice and guidance to support the process.

The academy has an effective system of internal financial controls. The Members and Governors have reviewed current examples of best practice and have set policies on internal controls which cover the following:

- the type of risk the Academy faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks materialising;
- the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise;
- the costs of operating particular controls relative to the benefits obtained.
- clarified the responsibility of the Senior Leadership Team to implement the governors' policies and to identify and evaluate risks for the governors consideration;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the control system in the Academy's operations so that it becomes part of the culture of the Academy;
- developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment; and
- included procedures for reporting failings immediately to appropriate levels of management and the governors together with details of corrective action being undertaken.

The academy has a defined pension reserve deficit which has increased in recent years due to market factors however, steps are being taken to eliminate the pension scheme deficit as contributions have increased since converting to an academy.

Thrunscoe Primary and Nursery Academy

Trustees' Annual Report for the Year Ended 31 August 2017 (continued)

Auditor


In so far as the Trustees are aware:

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

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Forrester Boyd as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Annual Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 28 November 2017 and signed on its behalf by:


.....
D Copinger
Governor and trustee

Thrunscoe Primary and Nursery Academy

Governance Statement

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to J Goodwin, 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 Thrunscoe Primary and Nursery Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Annual Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
S Bullock	2	3
S Bate	3	3
D Copinger	3	3
G Crawford	1	1
J Goodwin	3	3
B Mills	3	3
A Power	3	3
N Saxby	2	3
R Sperr	3	3
C Standley	2	3
I Stead	3	3
K Taylor	1	3
P Taylor	3	3

Governance reviews

The next self-evaluation of the governing body will be conducted in the Spring term 2018.

Thrunscoe Primary and Nursery Academy

Governance Statement (continued)

The Resource & Audit Committee is a sub-committee of the main Governing Body. Its purpose is to review actual financial reports compared to the budget, authorise expenditure over a certain amount, and to ensure the systems and controls are working efficiently and effectively. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
D Copinger	2	3
G Crawford	0	2
J Goodwin	3	3
B Mills	1	1
A Power	1	2
N Saxby	3	3
I Stead	1	2

Review of value for money

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

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

- Regular monitoring whereupon alternative sources for procurement are investigated and the merits of best value applied.
- Use has been made of DfE procurement frameworks resulting in financial savings in the purchase of IT equipment. The DfE procurement frameworks will continue to be utilised throughout 2017-18
- Following the end of a long term insurance policy, the academy is now using the DfE's Risk Protection Arrangement in place of conventional insurance resulting in financial savings without loss of cover.
- HLTA staff have been utilised to cover teacher absences rather than employing agency supply teachers.
- Collaboration with the Local Authority to form an effective buying group for the procurement of gas services on a 3 year contract.
- A review of several service contracts for plumbing, glazing, alarms, waste management and uniform supply confirmed that best value is being received.
- A tender for work to carry out the boiler and plant replacement resulted in the appointment of reputable consultants and heating engineers at the best price. Work has subsequently been carried out on budget and in good time.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Thrunscoe Primary and Nursery Academy for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Thrunscoe Primary and Nursery Academy

Governance Statement (continued)

Capacity to handle risk

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

The risk and control framework

The Academy 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 Governing Body;
- regular reviews by the Resource & Audit 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 Governing Body has considered the need for a specific internal audit function and has decided to re-appoint Forrester Boyd as internal reviewers to undertake periodic internal reviews.

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

- testing of high level systems
- testing of income systems
- testing of VAT reclaim systems

After each review, the internal auditor has reported to the Governing Body through the Resource and Audit Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

Review of effectiveness

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


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

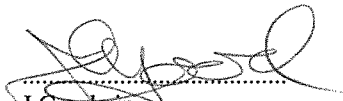
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Thrunscoe Primary and Nursery Academy

Governance Statement (continued)

Approved by order of the members of the Governing Body on 28 November 2017 and signed on its behalf by:


.....
D Copinger


.....
J Goodwin
Accounting officer


Thrunscoe Primary and Nursery Academy

Statement on Regularity, Propriety and Compliance

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

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

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



J Goodwin
Accounting officer

28 November 2017

Thrunscoe Primary and Nursery Academy

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 on 28 November 2017 and signed on its behalf by:


.....
D Copinger
Governor and trustee

Thrunscoe Primary and Nursery Academy

Independent Auditor's Report on the Financial Statements to the Members of Thrunscoe Primary and Nursery Academy

Opinion

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

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you 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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

Thrunscoe Primary and Nursery Academy

Independent Auditor's Report on the Financial Statements to the Members of Thrunscoe Primary and Nursery Academy (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report, incorporating the Strategic 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (incorporating the Strategic Report).

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Statement of Trustees' Responsibilities [set out on page 23], the Trustees (who are also the Directors of the Academy Trust for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

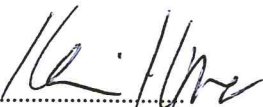
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Thrunscoe Primary and Nursery Academy

Independent Auditor's Report on the Financial Statements to the Members of Thrunscoe Primary and Nursery Academy (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


.....
Kevin Hopper ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South St Mary's Gate
Grimsby
DN31 1LW

Date:.....28/11/17.....

Thrunscoe Primary and Nursery Academy

Independent Reporting Accountant's Assurance Report on Regularity to Thrunscoe Primary and Nursery Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 August 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Thrunscoe Primary and Nursery Academy during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Thrunscoe Primary and Nursery Academy accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 August 2012 and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency. 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:

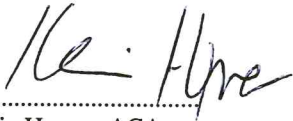
- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all the activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer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

Thrunscoe Primary and Nursery Academy

**Independent Reporting Accountant's Assurance Report on Regularity to Thrunscoe
Primary and Nursery Academy and the Education and Skills Funding Agency
(continued)**

Conclusion

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



.....
Kevin Hopper ACA

For and on behalf of Forrester Boyd, Chartered Accountants

26 South St Mary's Gate
Grimsby
DN31 1LW

28 November 2017

Thrunscoe Primary and Nursery Academy

Statement of Financial Activities for the Year Ended 31 August 2017 **(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £
Income and endowments from:					
Donations and capital grants	2	14,727	-	72,768	87,495
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	17,501	1,484,729	-	1,502,230
Other trading activities	4	36,323	-	-	36,323
Investments	5	140	-	-	140
Total		<u>68,691</u>	<u>1,484,729</u>	<u>72,768</u>	<u>1,626,188</u>
Expenditure on:					
Raising funds	6	75,252	-	-	75,252
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	1,527,644	180,660	1,708,304
Total		<u>75,252</u>	<u>1,527,644</u>	<u>180,660</u>	<u>1,783,556</u>
Net expenditure		(6,561)	(42,915)	(107,892)	(157,368)
Transfers between funds		(12,176)	(17,085)	29,261	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	21	-	176,000	-	176,000
Net movement in (deficit)/funds		(18,737)	116,000	(78,631)	18,632
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		<u>135,812</u>	<u>(749,000)</u>	<u>4,876,269</u>	<u>4,263,081</u>
Total funds/(deficit) carried forward at 31 August 2017		<u>117,075</u>	<u>(633,000)</u>	<u>4,797,638</u>	<u>4,281,713</u>

Comparative figures are stated on page 30.

Thrunscoe Primary and Nursery Academy

Statement of Financial Activities for the Year Ended 31 August 2016 **(including Income and Expenditure Account)**


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	11,601	-	7,012	18,613
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	17,830	1,373,665	-	1,391,495
Other trading activities	4	42,405	-	-	42,405
Investments	5	240	-	-	240
Total		<u>72,076</u>	<u>1,373,665</u>	<u>7,012</u>	<u>1,452,753</u>
Expenditure on:					
Raising funds	6	58,904	-	-	58,904
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	1,440,227	99,193	1,539,420
Total		<u>58,904</u>	<u>1,440,227</u>	<u>99,193</u>	<u>1,598,324</u>
Net income/(expenditure)		13,172	(66,562)	(92,181)	(145,571)
Transfers between funds		(10,641)	10,641	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	21	-	(123,000)	-	(123,000)
Net movement in funds/(deficit)		2,531	(178,921)	(92,181)	(268,571)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		<u>133,281</u>	<u>(570,079)</u>	<u>4,968,450</u>	<u>4,531,652</u>
Total funds/(deficit) carried forward at 31 August 2016		<u>135,812</u>	<u>(749,000)</u>	<u>4,876,269</u>	<u>4,263,081</u>

Thrunscoe Primary and Nursery Academy

(Registration number: 08018237)
Balance Sheet as at 31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	4,797,638	4,865,067
Current assets			
Debtors	12	64,668	61,829
Cash at bank and in hand		<u>161,157</u>	<u>147,214</u>
		225,825	209,043
Creditors: Amounts falling due within one year	13	<u>(108,750)</u>	<u>(62,029)</u>
Net current assets		<u>117,075</u>	<u>147,014</u>
Total assets less current liabilities		<u>4,914,713</u>	<u>5,012,081</u>
Net assets excluding pension liability		4,914,713	5,012,081
Pension scheme liability	21	<u>(633,000)</u>	<u>(749,000)</u>
Net assets including pension liability		<u>4,281,713</u>	<u>4,263,081</u>
Funds of the Academy:			
Restricted funds			
Restricted fixed asset fund		4,797,638	4,876,269
Restricted pension fund		<u>(633,000)</u>	<u>(749,000)</u>
		4,164,638	4,127,269
Unrestricted funds			
Unrestricted general fund		<u>117,075</u>	<u>135,812</u>
Total funds		<u>4,281,713</u>	<u>4,263,081</u>

The financial statements on pages 29 to 54 were approved by the Trustees, and authorised for issue on 28 November 2017 and signed on their behalf by:


.....
D Copinger
Governor and trustee

Thrunscoe Primary and Nursery Academy

Statement of Cash Flows for the Year Ended 31 August 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	17	(30,339)	(60,993)
Cash flows from investing activities	18	<u>44,282</u>	<u>4,474</u>
Change in cash and cash equivalents in the year		13,943	(56,519)
Cash and cash equivalents at 1 September		<u>147,214</u>	<u>203,733</u>
Cash and cash equivalents at 31 August	19	<u><u>161,157</u></u>	<u><u>147,214</u></u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017

1 Accounting policies

General information

The academy trust is a public benefit entity set up as a private company, limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:
Thrunscoe Primary and Nursery Academy
Trinity Road
Cleethorpes
NE Lincs
DN35 8UL

These financial statements were authorised for issue by the Board on 28 November 2017.

Statement of 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.

Basis of preparation

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

Thrunscoe Primary and Nursery Academy meets the definition of a public benefit entity under FRS102.

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

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Grants

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

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.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

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.

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.

Tangible fixed assets

Assets costing £1,500 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.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Buildings	58 years straight line basis
Leasehold land	125 years straight line basis
Computer equipment	3 years straight line basis
Furniture and equipment	5 years straight line basis

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

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.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Long term leasehold properties:

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

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.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Pension 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.

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 the notes to the financial statements, 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 and the contributions recognised in the period to which they relate.

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

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

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 trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education/sponsor/other 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 Education and Skills Funding Agency/Department for Education.

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.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 31/08/2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	Total 2017 £	Total 2016 £
Educational trips and visits	13,360	-	13,360	10,686
Capital grants	-	72,768	72,768	7,012
Other donations	1,367	-	1,367	915
	<u>14,727</u>	<u>72,768</u>	<u>87,495</u>	<u>18,613</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE/ESFA revenue grants				
General Annual Grant	-	1,236,649	1,236,649	1,168,202
Pupil Premium Funding	-	127,606	127,606	118,619
	-	1,364,255	1,364,255	1,286,821
Other government grants				
Early Years Funding	-	98,805	98,805	58,221
Other Local Authority Grants	-	21,669	21,669	28,623
	-	120,474	120,474	86,844
Non-government grants and other income				
Catering income	17,501	-	17,501	17,830
Total grants	17,501	1,484,729	1,502,230	1,391,495

4 Activities for generating funds

	Unrestricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	1,575	1,575	2,228
Recharges and reimbursements	26,130	26,130	23,932
Other sales	8,618	8,618	16,245
	36,323	36,323	42,405

5 Investment income

	Unrestricted funds £	Total 2017 £	Total 2016 £
Short term deposits	140	140	240

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

6 Expenditure

	Non Pay Expenditure			Total 2017	Total 2016
	Staff costs £	Premises £	Other costs £	£	£
Expenditure on raising funds	24,430	-	50,822	75,252	58,904
Academy's educational operations					
Direct costs	996,994	-	121,565	1,118,559	1,060,164
Allocated support costs	204,733	264,519	120,493	589,745	479,256
	<u>1,226,157</u>	<u>264,519</u>	<u>292,880</u>	<u>1,783,556</u>	<u>1,598,324</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Operating leases - plant and machinery	3,693	1,628
Fees payable to auditor - audit	4,650	4,450
- other services	2,265	1,435
Computer Equipment Depreciation	5,218	10,341
Fixtures & Fittings Depreciation	10,931	9,253
Land & Buildings Depreciation	<u>79,906</u>	<u>79,599</u>

7 Charitable activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations	1,118,559	1,060,164
Support costs - educational operations	<u>589,745</u>	<u>479,256</u>
	<u>1,708,304</u>	<u>1,539,420</u>

	Educational operations £	Total 2017 £	Total 2016 £
Analysis of support costs			
Support staff costs	204,733	204,733	162,713
Depreciation	96,055	96,055	99,193
Technology costs	6,319	6,319	6,495
Premises costs	168,464	168,464	81,190
Other support costs	103,361	103,361	120,406
Governance costs	<u>10,813</u>	<u>10,813</u>	<u>9,259</u>
Total support costs	<u>589,745</u>	<u>589,745</u>	<u>479,256</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

8 Staff

Staff costs

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	926,540	882,801
Social security costs	71,674	57,297
Pension costs	220,668	176,459
	<u>1,218,882</u>	<u>1,116,557</u>
Supply teacher costs	7,275	6,244
	<u>1,226,157</u>	<u>1,122,801</u>

Staff numbers

The average head count (including senior management team) employed by the Academy during the year expressed as an average was as follows:

	2017 No	2016 No
Charitable Activities		
Management	2	2
Teaching Leadership	6	6
Teachers	11	9
Classroom Support	19	18
Administration and Support	14	14
	<u>52</u>	<u>49</u>

The number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

	2017 No	2016 No
Charitable Activities		
Management	2	2
Teaching Leadership	6	6
Teachers	9	6
Classroom Support	11	10
Administration and support	7	7
	<u>35</u>	<u>31</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

8 Staff (continued)

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2017 No	2016 No
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>

Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £537,884 (2016: £510,268).

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

J Goodwin (Principal):

Remuneration: £70,000 - £75,000 (2016 - £65,000 - £70,000)

Employer's pension contributions: £10,000 - £15,000 (2016 - £10,000 - £15,000)

J Moss (Teacher):

Remuneration: (2016 - £10,000 - £15,000)

Employer's pension contributions: (2016 - £0 - £5,000)

B Mills (Teacher):

Remuneration: £25,000 - £30,000 (2016 - £20,000 - £25,000)

Employer's pension contributions: £0 - £5,000 (2016 - £0 - £5,000)

P Taylor (Learning Mentor):

Remuneration: £15,000 - £20,000 (2016 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2016 - £0 - £5,000)

S Bate (Teacher):

Remuneration: £40,000 - £45,000 (2016 - £10,000 - £15,000)

Employer's pension contributions: £5,000 - £10,000 (2016 - £0 - £5,000)

During the year ended 31 August 2017, travel and subsistence expenses totalling £364 (2016 - £157) were reimbursed or paid directly to 2 trustees (2016 - 1).

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

10 Trustees' and officers' insurance

The academy trust 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 unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2016	5,075,000	46,265	75,617	5,196,882
Additions	17,798	10,828	-	28,626
At 31 August 2017	<u>5,092,798</u>	<u>57,093</u>	<u>75,617</u>	<u>5,225,508</u>
Depreciation				
At 1 September 2016	238,797	25,316	67,702	331,815
Charge for the year	79,906	10,931	5,218	96,055
At 31 August 2017	<u>318,703</u>	<u>36,247</u>	<u>72,920</u>	<u>427,870</u>
Net book value				
At 31 August 2017	<u>4,774,095</u>	<u>20,846</u>	<u>2,697</u>	<u>4,797,638</u>
At 31 August 2016	<u>4,836,203</u>	<u>20,949</u>	<u>7,915</u>	<u>4,865,067</u>

Included within leasehold land and buildings is £4,774,095 (2016: £4,836,203) relating to long leasehold land and buildings.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

12 Debtors

	2017 £	2016 £
Trade debtors	2,422	2,101
Prepayments	13,159	21,214
Accrued grant and other income	28,204	25,226
VAT recoverable	20,883	13,288
	<u>64,668</u>	<u>61,829</u>

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	60,975	18,169
Other taxation and social security	18,732	17,807
Pension scheme creditor	22,035	19,832
Accruals	7,008	6,221
	<u>108,750</u>	<u>62,029</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

14 Funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	1,180,541	(1,163,456)	(17,085)	-
Other DfE Grants	-	56,108	(56,108)	-	-
Pupil Premium Funding	-	127,606	(127,606)	-	-
Local Authority Funding	-	120,474	(120,474)	-	-
	<u>-</u>	<u>1,484,729</u>	<u>(1,467,644)</u>	<u>(17,085)</u>	<u>-</u>
Restricted fixed asset funds					
Devolved Capital Funding	15,209	7,267	(22,476)	-	-
Capital expenditure from GAG	24,857	-	(30,575)	29,261	23,543
Assets transferred from Local Authority	4,836,203	-	(62,108)	-	4,774,095
Condition Improvement Fund	-	65,501	(65,501)	-	-
	<u>4,876,269</u>	<u>72,768</u>	<u>(180,660)</u>	<u>29,261</u>	<u>4,797,638</u>
Restricted pension funds					
Pension Reserve	<u>(749,000)</u>	<u>-</u>	<u>(60,000)</u>	<u>176,000</u>	<u>(633,000)</u>
Total restricted funds	4,127,269	1,557,497	(1,708,304)	188,176	4,164,638
Unrestricted funds					
Unrestricted general funds	<u>135,812</u>	<u>68,691</u>	<u>(75,252)</u>	<u>(12,176)</u>	<u>117,075</u>
Total funds	<u>4,263,081</u>	<u>1,626,188</u>	<u>(1,783,556)</u>	<u>176,000</u>	<u>4,281,713</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

14 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy. The academy trust was not subject to a limit on GAG carry forward.

Universal Infants Free School Meal funding is primarily to be used to provide children with a free school meal. However, any amounts not spent on this purpose can be used for any other purpose applicable to the objectives of the academy.

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

Devolved capital allocated directly by the DfE must be spent on capital purposes.

Capital expenditure from GAG income is made up of any fixed assets purchased during the year and the expense is the depreciation relating to these additions.

Restricted Pension Funds represents the LGPS pension deficit.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	4,797,638	4,797,638
Current assets	117,075	108,750	-	225,825
Current liabilities	-	(108,750)	-	(108,750)
Pension scheme liability	-	(633,000)	-	(633,000)
Total net assets	<u>117,075</u>	<u>(633,000)</u>	<u>4,797,638</u>	<u>4,281,713</u>

16 Commitments under operating leases

Operating leases

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

	2017 £	2016 £
Amounts due within one year	5,513	1,470
Amounts due between one and five years	<u>8,164</u>	<u>3,426</u>
	<u>13,677</u>	<u>4,896</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2017	2016
	£	£
Net expenditure	(157,368)	(145,571)
Depreciation	96,055	99,193
Donated capital and capital grants	(72,768)	(7,012)
Interest receivable	(140)	(240)
Defined benefit pension scheme cost less contributions payable	16,000	23,000
Defined benefit pension scheme finance cost	44,000	6,000
Increase in debtors	(2,839)	(1,899)
Increase/(decrease) in creditors	<u>46,721</u>	<u>(34,464)</u>
Net cash outflow from operating activities	<u><u>(30,339)</u></u>	<u><u>(60,993)</u></u>

18 Cash flows from investing activities

	2017	2016
	£	£
Interest from investments	140	240
Purchase of tangible fixed assets	(28,626)	(2,778)
Capital funding received from sponsors and others	<u>72,768</u>	<u>7,012</u>
Net cash inflow from capital expenditure and financial investment	<u><u>44,282</u></u>	<u><u>4,474</u></u>

19 Analysis of cash and cash equivalents

	At 31 August	At 31 August
	2017	2016
	£	£
Cash at bank and in hand	<u>161,157</u>	<u>147,214</u>
Total cash and cash equivalents	<u><u>161,157</u></u>	<u><u>147,214</u></u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

20 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.

21 Pension 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, which is managed by . Both are multi-employer 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 2012 and of the LGPS 31 March 2016.

Contributions amounting to £21,745 (2016: £19,832) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations (continued)

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- 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 year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation 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 TPS in the period amounted to £94,503 (2016: £89,725).

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

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is a multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 contribution made for the year ended 31 August 2017 was £99,000 (2016 - £97,000), of which employer's contributions totalled £82,000 (2016 - £80,000) and employees' contributions totalled £17,000 (2016 - £17,000). The agreed contribution rates for future years are 27.4 per cent for employers and 5-7 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.

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	2.60	2.30
Rate of increase for pensions in payment/inflation	2.40	2.10
Discount rate for scheme liabilities	<u>2.50</u>	<u>2.10</u>

Sensitivity analysis

	At 31 August 2017 £	At 31 August 2016 £
0.5% decrease in real discount rate	161,000	185,000
0.5% increase in salary increase	27,000	75,000
Mortality assumption – 1 year increase	52,000	39,000
0.5% increase in the pension increase rate	<u>131,000</u>	<u>104,000</u>

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males retiring today	21.70	21.90
Females retiring today	24.20	24.10
Retiring in 20 years		
Males retiring in 20 years	23.70	24.20
Females retiring in 20 years	<u>26.40</u>	<u>26.70</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations (continued)

The actual return on scheme assets was £23,000 (2016 - £78,000).

The Academy Trust's share of the assets in the scheme were:

	At 31 August 2017 £	At 31 August 2016 £
Equities	472,860	415,500
Other bonds	86,580	60,940
Property	73,260	60,940
Cash and other liquid assets	33,300	16,620
Total market value of assets	<u>666,000</u>	<u>554,000</u>

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	126,000	86,000
Interest income	(13,000)	(16,000)
Interest cost	29,000	39,000
Total amount recognized in the SOFA	<u>142,000</u>	<u>109,000</u>

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

	2017 £	2016 £
At start of period	1,303,000	979,000
Current service cost	126,000	86,000
Interest cost	29,000	39,000
Employee contributions	17,000	17,000
Actuarial (gain)/loss	(166,000)	185,000
Benefits paid	(10,000)	(3,000)
At 31 August	<u>1,299,000</u>	<u>1,303,000</u>

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

	2017 £	2016 £
At start of period	554,000	382,000
Interest income	13,000	16,000
Actuarial gain/(loss)	10,000	62,000
Employer contributions	82,000	80,000
Employee contributions	17,000	17,000
Benefits paid	(10,000)	(3,000)
At 31 August	<u>666,000</u>	<u>554,000</u>

Thrunscoe Primary and Nursery Academy

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

22 Related party transactions

Owing to the nature of the Academy Trusts operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are in accordance with the Academy's financial regulations and are conducted in line with the Academies Financial Handbook published by the ESFA, and normal procurement procedures.

During the year the academy made the following related party transactions:

Cleethorpes Rotary Club

(Two of the academy governors are members)

A donation of £595 (2016: £235) was made to the academy during the year. At the balance sheet date the amount due to Cleethorpes Rotary Club was £Nil (2016 - £Nil).

Standley Educational Consultancy

(C Standley is a governor)

During the year C Standley provided the Academy with consultancy services costing £750 (2016: £300). At the balance sheet date the amount due to Standley Educational Consultancy was £Nil (2016 - £Nil).