

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	S Clowes J Summerhayes H Trotman H Keast R Sutherland
Trustees	S Clowes ³ K Cook ³ N Fairbrother ¹ C Harris ^{1,2} H Keast ² A Kelland, Staff Trustee ² J Moore (appointed 23 October 2018) J Skinner (appointed 1 September 2018) J Summerhayes, Chair ¹ R Sutherland ^{1,3} H Trotman (resigned 30 April 2018) ¹ B Walton, Headteacher ^{1,2,3} J White ² B Horler (appointed 30 October 2017, resigned 24 July 2018) ³

¹ Business Committee Member

² Mainstream Teaching and Learning Committee Member

³ Wellbeing, Safety and Behaviour Committee Member

Company registered number	07641618
Company name	Brookside Community Primary School Academy Trust
Principal and Registered office	Brooks Road Street Somerset BA16 0PR
Company secretary	S Cinicola
Accounting officer	B Walton
Executive Leadership Team	B Walton, Headteacher S Cinicola, Business Manager S Ashford, Deputy Headteacher C Lane, Assistant Headteacher from 1 January 2018
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank Plc Street Somerset BA16 0ED

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Solicitors	Porter Dodson LLP The Quad Blackbrook Park Avenue Taunton Somerset TA1 2PX
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**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Street, Somerset. It has a pupil capacity of 534 and had a roll of 534 in the school census on 17 May 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Brookside Community Primary School Academy Trust 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 pages 1 to 2.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Academy shall have the following Trustees who are appointed by Members as set out in its Articles of Association and funding agreement:

- Up to 19 Trustees;
- Any staff Trustees who may be appointed by the Members or through such process as they may determine, provided the total number of Trustees who are employed by the Academy does not exceed one third of the total number of Trustees;
- The Headteacher; and,
- Any further or additional Trustees who may be appointed by the Secretary of State under articles 62,62A,63.

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

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

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

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

There are 5 committees as follows:

- Business Committee - this meets at least four times a year and functions as the Audit Committee. The committee is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with regulatory requirements and reporting, receiving reports from the internal auditor and drafting the annual budget including setting staffing levels. This committee is also responsible for all matters relating to the premises of the Academy;
- Mainstream Teaching and Learning Committee - this meets at least four times a year to consider and advise the governing body on standards, assessment and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy in relation to the School Improvement Plan;
- Specialist, Early Years and Safeguarding Committee - this meets at least four times a year to monitor the effectiveness of Teaching & Learning within Brookside Academy across the Nursery, Early Years and Specialist Provision and to monitor safeguarding in the Academy;
- Admissions Committee - this meets termly to deal with all matters relating to admissions and appeals; and
- Pay Committee – this meets at least once a year to determine the performance management requirements for the Headteacher and Executive Leadership Team. This committee also reviews teachers' performance management process.

The following decisions are reserved for the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plans and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Members and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and the Executive Leadership Team (ELT). The ELT comprises the Headteacher, Deputy Headteacher, Assistant Headteacher and the Business Manager. The ELT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the Executive Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration for being a Trustee in the year.

Details of Trustee's expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually. Any increase is linked to the performance management and any nationally agreed rates.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Brookside Community Primary School Academy Trust. There are no sponsors associated with the Academy but a Parent Teacher Association (Friends of Brookside) supports the Academy independently.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the community, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, including specialist and nursery provision.

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

The aims of the Academy during the year ended 31 August 2018 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils;
- To provide a broad and balanced curriculum, including extra-curricular activities;
- To develop high quality sustainable play for every child across the Academy;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To provide value for money for the funds expended;
- To develop the Academy's capacity to manage change; and,
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan (SDP). Improvement focuses identified for this year include:

- At least 70% of pupils achieve age related expectations in Reading, Writing and Mathematics;
- A commitment to teacher's professional development and sharing of best practice;
- Brookside Academy being secure within financial challenges. All individual budgets are balanced and future spend is outlined clearly;
- Develop leadership capacity at all levels;
- Ensuring Nursery Provision continues to offer an outstanding provision;
- Short term and long term staff and pupil wellbeing is central to the school's ethos and vision; and,
- Data systems ensure progress and achievement, of ALL pupils, is tracked and informing practice.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Public Benefit

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

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

The Academy also provides fully inclusive Holiday Activity provision for children aged 4-16.

Health visitors and midwives are based on the Academy site and have a close working relationship with nursery staff.

The Academy works with Strode College and currently has fourteen apprentices employed on the apprenticeships programme. In November 2017, the Academy was highly commended in the medium employer category at the South West National Apprenticeship Awards. This led to the Academy being named as a top 100 Apprenticeship Employer 2017 at the National Awards.

STRATEGIC REPORT

Achievements and Performance

The Academy was named as the winner of the 2018 Times Educational Supplement (TES) School Awards in two categories, Alternative Provision School of the year and Community and Collaboration Award.

This was on the back of a successful Ofsted inspection in January 2018. Key points in the report included:

- Leaders have established a culture of safeguarding where the ethos of 'it is everybody's responsibility' is embedded;
- Leaders have high expectations of pupils and place pupils at the heart of every decision made about the school priorities;
- Governors support the leaders well, offer proportionate challenge when required, and are knowledgeable about the school and well placed to drive improvements; and,
- Staff are well placed to meet the needs of the pupils. Through the appointment of specialist staff and in-house training, leaders have established a highly effective team.

The Academy continues to develop internal spaces and the peripatetic music room has been relocated to enable the space to become part of the early year's classroom. The midwives room adjacent to the nursery foyer was made available when the team were relocated; this has had a re-fit and is now an extension of the nursery. This will enable additional offering of nursery provision to children with special educational needs (SEN).

The bottom of the school field has been extensively developed and a new outdoor play area has been installed. A marquee has been erected at the top of the school field. It is being used as an outdoor classroom space, a venue for parents at sports day, an extra area for children to use at wet play times. The marquee was hired by Avalon School for their leavers School Prom. The Foundation Stage outside play area has been refurbished with new playground markings, a large awning installed and a stage area created. A new external door has been fitted to Hummingbirds class allowing easier access to the playground area for these pupils. A marquee extension has been added to the After School Club building to manage the increase in numbers for the extended school provision.

Results

The Academy benchmarks its results against county and national data where appropriate and the results for the academic year 2017/18 were as follows:

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Early Years Foundation Stage Profile

70.5% of children achieved a good level of development across all key areas of learning. This is in line with national standards and up 0.5% on the previous year.

Year 1

85% of children passed the phonic screening check. This is above the national standard, though down 4% on the previous year.

Key Stage 1 (5% of the cohort were in Specialist Provision - included in this data. This means that there is an average specialist provision impact of -3% on our overall results)

Reading

70% of children met the expected standard (in line with 2017) including 27% exceeding the expected standard (slightly down on 2017 – 31%)

Writing

69% of children met the expected standard (in line with 2017) including 17% exceeding the expected standard (up 6% on 2017).

Mathematics

76% of children met the expected standard (down 12% on 2017) including 27% exceeding the expected standard (up 2% on 2017).

Key Stage 2 (11% of the cohort were in Specialist Provision - included in this data. This means that there is an average specialist provision impact of -9% on our overall results – Last year the impact was only -5% on overall results)

Reading

69% were at the expected standard including 23% exceeding the expected standard. This improved upon 2017 results.

Spelling, Punctuation and Grammar (SPaG)

72% were at the expected standard including 34% exceeding the expected standard. This improved upon 2017 results.

Mathematics

70% were at the expected standard including 15% exceeding the expected standard. This is in line with 2017 standards.

Writing (Teacher Assessed)

69% were at the expected standard including 17% exceeding the expected standard. This improved on 2017 results.

Our Combined achieving the Reading, Writing and Mathematics expected standard was 63%. This was a significant improvement on 2017 results.

Key Performance Indicators

As funding is based on pupil numbers this is also a key performance indicator. Statutory funding is based on school census numbers of 534. The Trust provides all year round extended schools provision which generates funds for the Trust. The total number of different children accessing extended schools provision was 346 (Holiday Activities 157 (57 with Special Needs), After School Club 88 and Breakfast Club 101).

Student attendance was set as a key performance indicator at the start of the period, the target was 96.0% (2017: 96.0%). In 2018 student attendance was 95.2%.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Team Leaders and the Executive Leadership Team.

Going Concern

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

FINANCIAL REVIEW

Financial Review

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

During the year ended 31 August 2018, total expenditure of £3,260,427 was covered by recurrent grant funding from the DfE, together with other incoming resources of £3,187,818. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £72,609.

At 31 August 2018 the net book value of fixed assets was £6,321,808 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Reserves Policy

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

The Trustees have set a reserves target of £300k which equates to one months worth of wage costs in addition to a projected loss of funding due to current inflated pupil numbers due to a large year group currently within the Trust. At the year end the academy has this level of reserves.

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

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No further form of investment is authorised.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Principal Risks And Uncertainties

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

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA, the LA & fees payable in relation to the Nurseries. In the last year 87% (2017: 90%) of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

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

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. In January 2018 Ofsted deemed Safeguarding to be effective stating "Leaders have established a culture of safeguarding where the ethos of 'it is everybody's responsibility' is embedded".

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

Fraud and mismanagement of funds - The Academy has appointed an internal auditor to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

Financial and Risk Management Objectives and Policies

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustee's and Business Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 20 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is limited.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

PLANS FOR FUTURE PERIODS

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

The Academy is in the fourth year of a five-year School Development Plan which will ensure the strategic direction of the school in the areas of business, leadership and standards.

After significant investment in capital build the Trust is continuing to ensure:

- It meets the needs of a three form entry cohort and is able to prepare for when the cohort leaves the academy in 2021;
- Expansion of our specialist provision to meet increased numbers and relocation of provision; and,
- That rising standards are maintained and built upon.

We will do this through a School Development Plan that focusses upon strategic matters of business, leadership, standards within Nursery, Mainstream, Specialist and Extended Schools provision.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

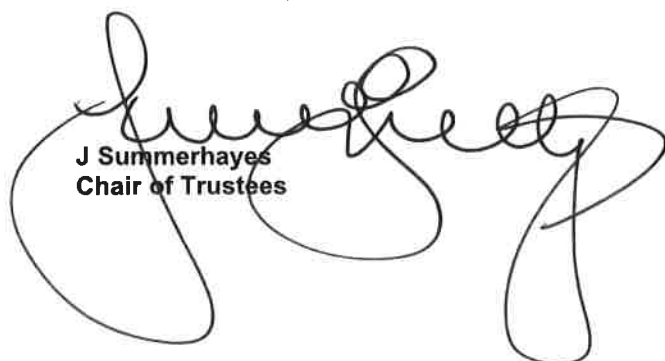
AUDITORS

In so far as the Trustees are aware:

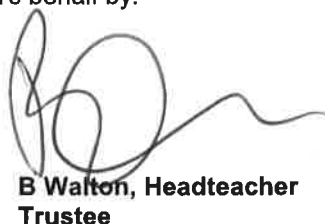
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on30/11/18..... and signed on the board's behalf by:



**J Summerhayes
Chair of Trustees**



**B Walton, Headteacher
Trustee**

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Brookside Community Primary School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Clowes	6	6
K Cook	4	6
N Fairbrother	1	6
C Harris	5	6
H Keast	4	6
A Kelland, Staff Trustee	4	6
J Moore	0	0
J Skinner	0	0
J Summerhayes	6	6
R Sutherland	4	6
H Trotman	4	4
B Walton	6	6
J White	6	6
B Horler	3	5

Trustees annually review their impact and strategic direction. There was a skills audit (November 2015) and the outcomes were shared to help develop future recruitment onto the governing body. The committee chairs meet three times per year to discuss Trustee recruitment and identify skills gaps to support Trustee recruitment.

The Business Committee is a sub-committee of the main Board of Trustees. Its purpose is to deal with all financial matters that impact on the Academy and functions as the Audit Committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
N Fairbrother	1	4
C Harris	4	4
J Summerhayes	3	4
R Sutherland	4	4
H Trotman	1	2
B Walton	4	4

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher 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 Academy 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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Achieving a good Ofsted report in January 2018
- Continually reviewing of back office systems and processes ensures a more efficient communication with parents and carers. A new website with mobile app will be launched in September 2018
- Further developing the outside area to ensure play time incidents are kept to a minimum and children have the best outdoor play experiences
- Continued commitment to the apprenticeship programme ensures we can 'grow our own' support staff. An allocated mentor for each apprentice will provide nurture and development support.
- Focused support of Pupil Premium pupils has ensured this vulnerable group has made continued good progress.
- Improving academic standards across the academy demonstrates that the quality of teaching and learning is continuing to improve.

We continue to work very closely with Sen.se (Special Education Needs Somerset Expertise), CLP (Community Learning Partnership), Avalon Special School, Crispin Secondary School and the Local Authority including supporting other schools through leadership support. Through working strongly within these networks, we have developed our own provision and practice.

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 Brookside Community Primary School Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Business 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; and,
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Somerset County Council as internal auditor.

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: Purchase systems checks; income system checks; payroll system checks; and accounting record keeping checks.

On a termly basis, the auditor reports to the Board of Trustees through the Business Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

There were no significant findings or matters to report from the visits in the period.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- 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 Business Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 30/11/18 and signed on their behalf, by:



**J Summerhayes
Chair of Trustees**



**B Walton, Headteacher
Accounting Officer**

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Brookside Community Primary School Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



**B Walton
Accounting Officer**

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

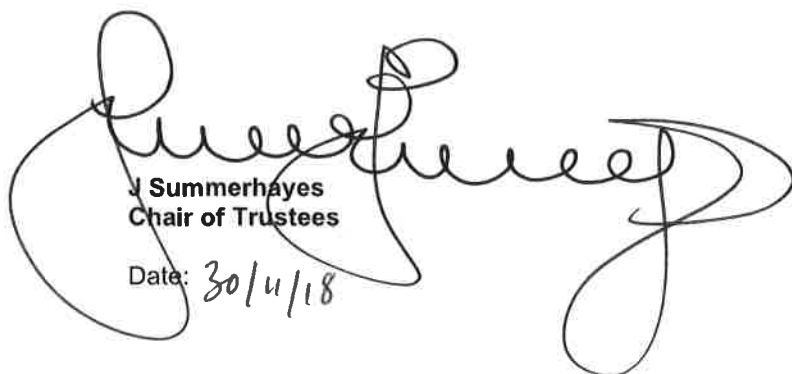
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



J Summerhayes
Chair of Trustees
Date: 30/4/18

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST**

OPINION

We have audited the financial statements of Brookside Community Primary School Academy Trust (the 'Academy') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square

Bristol

BS1 4NT

Date: 9/12/18

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BROOKSIDE
COMMUNITY PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 September 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Brookside Community Primary School Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Brookside Community Primary School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Brookside Community Primary School Academy Trust 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 Brookside Community Primary School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Brookside Community Primary School Academy Trust's funding agreement with the Secretary of State for Education dated 30 June 2011, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BROOKSIDE
COMMUNITY PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION & 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 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Joseph Scaife FCA DChA (Reporting Accountant)

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

Date: 9/12/18

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	35,626	11,496	15,399	62,521	65,362
Charitable activities	3	544,307	2,520,583	-	3,064,890	3,062,848
Other trading activities	4	74,781	-	-	74,781	17,441
Investments	5	1,025	-	-	1,025	1,503
TOTAL INCOME		655,739	2,532,079	15,399	3,203,217	3,147,154
EXPENDITURE ON:						
Charitable activities		582,851	2,677,576	215,532	3,475,959	3,387,366
TOTAL EXPENDITURE	6	582,851	2,677,576	215,532	3,475,959	3,387,366
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	16	72,888	(145,497)	(200,133)	(272,742)	(240,212)
		-	(90,518)	90,518	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		72,888	(236,015)	(109,615)	(272,742)	(240,212)
Actuarial gains/(losses) on defined benefit pension schemes	20	-	694,000	-	694,000	892,000
NET MOVEMENT IN FUNDS		72,888	457,985	(109,615)	421,258	651,788
RECONCILIATION OF FUNDS:						
Total funds brought forward		221,089	(3,283,339)	6,338,305	3,276,055	2,624,267
TOTAL FUNDS CARRIED FORWARD		293,977	(2,825,354)	6,228,690	3,697,313	3,276,055

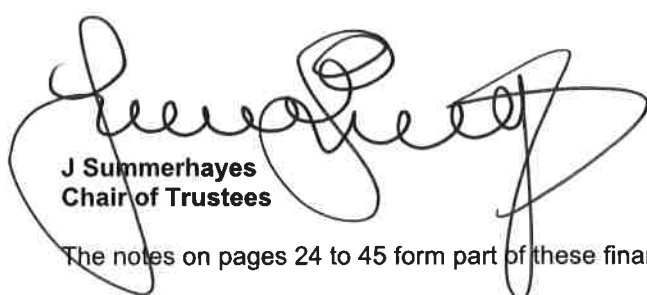
The notes on pages 24 to 45 form part of these financial statements.

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07641618

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	2017 £
FIXED ASSETS				
Tangible assets	13		6,321,808	6,366,499
CURRENT ASSETS				
Debtors	14	121,229	89,546	
Cash at bank and in hand		739,809	699,135	
		<u>861,038</u>	<u>788,681</u>	
CREDITORS: amounts falling due within one year	15	(190,533)	(187,125)	
NET CURRENT ASSETS			<u>670,505</u>	<u>601,556</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,992,313</u>	<u>6,968,055</u>
Defined benefit pension scheme liability	20	(3,295,000)	(3,295,000)	
NET ASSETS			<u><u>3,697,313</u></u>	<u><u>3,276,055</u></u>
FUNDS OF THE ACADEMY TRUST				
Restricted funds:				
General funds	16	469,646	408,661	
Fixed asset funds	16	6,228,690	6,338,305	
Restricted funds excluding pension liability		<u>6,698,336</u>	<u>6,746,966</u>	
Pension reserve		<u>(3,295,000)</u>	<u>(3,692,000)</u>	
Total restricted funds			<u>3,403,336</u>	<u>3,054,966</u>
Unrestricted funds	16		<u>293,977</u>	<u>221,089</u>
TOTAL FUNDS			<u><u>3,697,313</u></u>	<u><u>3,276,055</u></u>

The financial statements on pages 21 to 45 were approved by the Trustees, and authorised for issue, on 30/11/18 and are signed on their behalf, by:


J Summerhayes
Chair of Trustees


B Walton, Headteacher
Trustee

The notes on pages 24 to 45 form part of these financial statements.

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	204,509	183,725
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,025	1,503
Proceeds from the sale of tangible fixed assets		-	1,600
Purchase of tangible fixed assets		(180,259)	(91,734)
Capital grants from DfE Group		15,399	20,482
Net cash used in investing activities		(163,835)	(68,149)
Change in cash and cash equivalents in the year		40,674	115,576
Cash and cash equivalents brought forward		699,135	583,559
Cash and cash equivalents carried forward	19	739,809	699,135

The notes on pages 24 to 45 form part of these financial statements.

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Brookside Community Primary School Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

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

1.3 FUND ACCOUNTING

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

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

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

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

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

1.5 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.

Expenditure on charitable activities are costs incurred on the Academy's educational operations, including support costs and those costs relating to the governance of the Academy apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land and buildings	-	Over the life of the lease and 2% straight line
Motor vehicles	-	20% straight line
Office equipment	-	10% straight line
Computer equipment	-	33.33% straight line

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.

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.9 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.10 OPERATING LEASES

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.12 TAXATION

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

1.13 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

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 net income/expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	35,626	11,496	-	47,122	53,930
Capital Grants	-	-	15,399	15,399	11,432
	<u>35,626</u>	<u>11,496</u>	<u>15,399</u>	<u>62,521</u>	<u>65,362</u>
Total 2017	<u>36,103</u>	<u>8,777</u>	<u>20,482</u>	<u>65,362</u>	

3. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	1,515,511	1,515,511	1,570,968
Other DfE/ESFA grants	-	508,268	508,268	487,921
	<u>-</u>	<u>2,023,779</u>	<u>2,023,779</u>	<u>2,058,889</u>
Other Government grants				
High Needs	-	496,804	496,804	490,961
Other government grants non capital	-	-	-	5,000
	<u>-</u>	<u>496,804</u>	<u>496,804</u>	<u>495,961</u>
Other funding				
Income for hosting trainee teachers	2,000	-	2,000	3,002
Nursery income funded	249,153	-	249,153	287,722
Nursery income unfunded/fee paying	259,745	-	259,745	214,921
Learning Support Centre	116	-	116	1,224
Internal catering income	33,263	-	33,263	-
Other	30	-	30	1,129
	<u>544,307</u>	<u>-</u>	<u>544,307</u>	<u>507,998</u>
	<u>544,307</u>	<u>2,520,583</u>	<u>3,064,890</u>	<u>3,062,848</u>
Total 2017	<u>506,895</u>	<u>2,555,953</u>	<u>3,062,848</u>	

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	15,370	-	15,370	15,591
External Catering	59,411	-	59,411	-
Consultancy	-	-	-	250
Other	-	-	-	1,600
	<u>74,781</u>	<u>-</u>	<u>74,781</u>	<u>17,441</u>
Total 2017	<u>17,441</u>	<u>-</u>	<u>17,441</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	1,025	-	1,025	1,503
	<u>1,025</u>	<u>-</u>	<u>1,025</u>	
Total 2017	<u>1,503</u>	<u>-</u>	<u>1,503</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Direct costs	2,124,992	184,950	218,075	2,528,017	2,533,508
Support costs	487,528	232,052	228,362	947,942	853,858
	<u>2,612,520</u>	<u>417,002</u>	<u>446,437</u>	<u>3,475,959</u>	<u>3,387,366</u>
Total 2017	<u>2,525,822</u>	<u>368,672</u>	<u>492,872</u>	<u>3,387,366</u>	

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. DIRECT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	65,000	70,000
Educational supplies and services	57,043	51,208
Staff development	11,498	13,769
Visits and activities	40,133	30,166
Supply teachers	13,875	29,083
Technology costs	30,526	29,573
Wages and salaries	1,590,436	1,620,630
National insurance	118,737	112,636
Pension cost	415,819	368,667
Depreciation	184,950	207,776
	2,528,017	2,533,508
	<hr/>	<hr/>
Total 2017	<hr/> 2,533,508 <hr/>	

8. SUPPORT COSTS

	Total 2018	Total 2017
Pension finance costs	31,000	25,000
Recruitment and other staff costs	6,205	3,274
Maintenance of premises and equipment	62,276	45,015
Cleaning	53,729	53,088
Rent and rates	20,479	19,352
Heat and light	26,834	23,449
Insurance	13,715	12,322
Security and transport	15,730	8,193
Catering	82,560	100,196
Technology costs	3,413	4,013
Office overheads	5,500	17,558
Legal and professional	82,318	81,571
Bank interest and charges	2,239	3,460
(Profit) / Loss on disposal of fixed assets	711	-
Governance	14,416	17,656
Wages and salaries	333,628	304,187
National insurance	23,807	21,289
Pension cost	130,093	98,413
Depreciation	39,289	15,822
	947,942	853,858
	<hr/>	<hr/>
Total 2017	<hr/> 853,858 <hr/>	

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	224,239	223,598
Auditors' remuneration - audit	7,075	6,950
Auditors' remuneration - other services	1,850	1,938
Operating lease rentals	4,862	6,621
	<u>238,026</u>	<u>239,107</u>

BROOKSIDE COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,907,517	1,859,087
Social security costs	142,544	133,925
Operating costs of defined benefit pension schemes	545,912	467,080
	<u>2,595,973</u>	<u>2,460,092</u>
Supply teacher costs - agency	11,129	28,743
Staff restructuring and relocation costs	5,418	36,987
	<u>2,612,520</u>	<u>2,525,822</u>

b. Non-statutory/non-contractual staff severance payments

All staff restructuring costs incurred in the period were contractual payments.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	31	24
Pupil support	68	73
Admin, IT, premises, catering	20	16
Management	1	4
	<u>120</u>	<u>117</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	26	18
Pupil support	53	60
Admin, IT, premises and catering	13	10
Management	1	4
	<u>93</u>	<u>92</u>

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS (continued)

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Executive Leadership 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 £313,751 (2017: £310,518).

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

11. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits fell within the following bands in the year: B Walton: Remuneration £80,000 - £85,000 (2017: £75,000 - £80,000), Employer's Pension Contributions £10,000 - £15,000 (2017: £5,000 - £10,000); P Vallely: Remuneration £Nil (2017: £15,000 - £20,000), Employer's Pension Contributions £Nil (2017: £0 - £5,000); A Kelland: Remuneration £30,000 - £35,000 (2017: £25,000 - £30,000) Employer's Pension Contributions £5,000 - £10,000 (2017: £0 - £5,000) and R Horler: Remuneration £20,000 - £25,000 (2017: £Nil) Employer's Pension Contributions £0 - £5,000 (2017: £Nil).

During the year ended 31 August 2018, expenses totalling £177 (2017: £Nil) were reimbursed to 2 Trustees (2017: Nil).

12. TRUSTEES' AND OFFICERS' INSURANCE

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

13. TANGIBLE FIXED ASSETS

	Long term leasehold land and buildings £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
COST					
At 1 September 2017	6,700,446	44,762	650,837	233,824	7,629,869
Additions	45,782	-	123,805	10,672	180,259
Disposals	-	-	-	(711)	(711)
At 31 August 2018	<u>6,746,228</u>	<u>44,762</u>	<u>774,642</u>	<u>243,785</u>	<u>7,809,417</u>
DEPRECIATION					
At 1 September 2017	741,263	41,140	271,014	209,953	1,263,370
Charge for the year	124,806	2,122	77,803	19,508	224,239
At 31 August 2018	<u>866,069</u>	<u>43,262</u>	<u>348,817</u>	<u>229,461</u>	<u>1,487,609</u>
NET BOOK VALUE					
At 31 August 2018	<u>5,880,159</u>	<u>1,500</u>	<u>425,825</u>	<u>14,324</u>	<u>6,321,808</u>
At 31 August 2017	<u>5,959,183</u>	<u>3,622</u>	<u>379,823</u>	<u>23,871</u>	<u>6,366,499</u>

14. DEBTORS

	2018 £	2017 £
Trade debtors	500	5,368
Prepayments and accrued income	98,830	67,287
VAT recoverable	21,899	16,891
	<u>121,229</u>	<u>89,546</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other taxation and social security	34,136	35,044
Other creditors	42,514	43,543
Accruals and deferred income	113,883	108,538
	<u>190,533</u>	<u>187,125</u>

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NOTES TO THE FINANCIAL STATEMENTS
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15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2018	2017
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2017	68,698	72,954
Resources deferred during the year	56,552	68,698
Amounts released from previous years	(68,698)	(72,954)
	<hr/>	<hr/>
Deferred income at 31 August 2018	56,552	68,698
	<hr/>	<hr/>

Deferred income relates to grants received in advance for free school meals, individually assigned resources, short breaks, insurance and lettings income.

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16. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	86,363	54,167	(32,623)	-	-	107,907
Extended Schools	99,827	117,771	(99,775)	-	-	117,823
Nursery provision	34,899	391,127	(390,334)	-	-	35,692
Catering	-	92,674	(60,119)	-	-	32,555
	<u>221,089</u>	<u>655,739</u>	<u>(582,851)</u>	<u>-</u>	<u>-</u>	<u>293,977</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	68,356	1,527,825	(1,436,829)	(84,522)	-	74,830
Individually assigned resources	21,514	11,123	(6,447)	-	-	26,190
Donations - School	-	11,496	(11,496)	-	-	-
Pupil premium	866	104,540	(98,733)	-	-	6,673
Universal infant free school meals	-	70,654	(70,654)	-	-	-
PE & Sports premium	2,855	20,760	(21,374)	(2,050)	-	191
Specialist Provision funding	314,917	785,681	(734,890)	(3,946)	-	361,762
Other government grants	153	-	(153)	-	-	-
Pension reserve	(3,692,000)	-	(297,000)	-	694,000	(3,295,000)
	<u>(3,283,339)</u>	<u>2,532,079</u>	<u>(2,677,576)</u>	<u>(90,518)</u>	<u>694,000</u>	<u>(2,825,354)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion - School	5,754,517	-	(118,871)	-	-	5,635,646
Fixed assets purchased from GAG and other DfE revenue grants	515,634	-	(86,128)	86,572	-	516,078
DfE/ESFA Capital grants	24,931	15,399	(9,233)	-	-	31,097
Fixed assets purchased from Specialist Provision	20,858	-	(395)	3,946	-	24,409
Fixed Asset Donations	22,365	-	(905)	-	-	21,460
	<u>6,338,305</u>	<u>15,399</u>	<u>(215,532)</u>	<u>90,518</u>	<u>-</u>	<u>6,228,690</u>
Total restricted funds	<u>3,054,966</u>	<u>2,547,478</u>	<u>(2,893,108)</u>	<u>-</u>	<u>694,000</u>	<u>3,403,336</u>
Total of funds	<u>3,276,055</u>	<u>3,203,217</u>	<u>(3,475,959)</u>	<u>-</u>	<u>694,000</u>	<u>3,697,313</u>

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

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16. STATEMENT OF FUNDS (continued)

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) during the year in order to fund the continuing activities of the school. During the year £86,572 (2017: £23,451) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

Individually assigned resources - Funding received by the Local Authority to fund further support for students with additional needs.

Donations - School - Donations that have been given for a specific purpose. All donations were spent throughout the year for the purpose for which they were received.

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers. The money carried forward will be used to narrow the gaps in children's learning in reading, writing and maths. The funds will be used for teachers and teaching assistants to work across the school with identified children who need targeted intervention in Literacy and Numeracy. They will work flexibly across the school supporting children at their point of need.

Universal infant free school meals - This represents funding from the ESFA to cover the cost of providing free school meals to all pupils in reception, year 1 and year 2.

PE & Sports premium - Funding received to develop and improve the PE and sports activities that the Academy offers to pupils.

Specialist Provision funding - Funding received from Somerset County Council and the ESFA to enable the Academy to offer places to children with High Needs so that one on one care and education can be provided. This balance has built up over the last three years following a review of income and funding being allocated to the correct budget lines. We anticipate a significant reduction in funding from 19/20 due to cuts in the Local Authority and part of this balance will be used to continue to offer the services and support to our children with high needs. In the 18/19 budget a teacher and senior leader post was only budgeted for to December 2018 these posts will now be extended to August 2019 to meet additional demand within the department.

Other - This represents grants received to cover the cost of rates incurred by the school and other smaller grants given for a specific purpose.

Pension reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the Academy from the Local Authority on conversion to an Academy.

DfE/ESFA Capital grants - School - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Fixed Asset Donations - Donations made to the school to purchase fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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16. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
GENERAL FUNDS						
General funds	89,450	56,674	(59,761)	-	-	86,363
Extended Schools	80,234	102,886	(83,293)	-	-	99,827
Nursery provision	10,087	402,382	(377,570)	-	-	34,899
	<u>179,771</u>	<u>561,942</u>	<u>(520,624)</u>	<u>-</u>	<u>-</u>	<u>221,089</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	160,765	1,582,696	(1,490,889)	(184,216)	-	68,356
Individually assigned resources	-	25,050	(3,536)	-	-	21,514
Donations - School	-	8,777	(8,777)	-	-	-
Pupil premium	-	102,157	(101,291)	-	-	866
Universal infant free school meals	-	82,733	(82,733)	-	-	-
PE & Sports premium	3,185	10,140	(10,470)	-	-	2,855
Specialist Provision funding	109,369	748,024	(680,596)	138,120	-	314,917
Other government grants	-	5,153	(5,000)	-	-	153
Pension reserve	(4,320,000)	-	(264,000)	-	892,000	(3,692,000)
	<u>(4,046,681)</u>	<u>2,564,730</u>	<u>(2,647,292)</u>	<u>(46,096)</u>	<u>892,000</u>	<u>(3,283,339)</u>
RESTRICTED FIXED ASSET FUNDS						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion - School	5,887,317	-	(132,800)	-	-	5,754,517
Fixed assets purchased from GAG	565,181	-	(72,998)	23,451	-	515,634
DfE/ESFA Capital grants	17,101	11,432	(3,602)	-	-	24,931
Fixed assets purchased from Specialist Provision	-	-	(1,787)	22,645	-	20,858
Fixed Asset Donations	21,578	9,050	(8,263)	-	-	22,365
	<u>6,491,177</u>	<u>20,482</u>	<u>(219,450)</u>	<u>46,096</u>	<u>-</u>	<u>6,338,305</u>
Total restricted funds	<u>2,444,496</u>	<u>2,585,212</u>	<u>(2,866,742)</u>	<u>-</u>	<u>892,000</u>	<u>3,054,966</u>
Total of funds	<u>2,624,267</u>	<u>3,147,154</u>	<u>(3,387,366)</u>	<u>-</u>	<u>892,000</u>	<u>3,276,055</u>

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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	98,763	-	6,223,045	6,321,808
Current assets	245,671	609,722	5,645	861,038
Creditors due within one year	(50,457)	(140,076)	-	(190,533)
Pension scheme liability	-	(3,295,000)	-	(3,295,000)
	<u>293,977</u>	<u>(2,825,354)</u>	<u>6,228,690</u>	<u>3,697,313</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	28,194	-	6,338,305	6,366,499
Current assets	192,895	595,786	-	788,681
Creditors due within one year	-	(187,125)	-	(187,125)
Provisions for liabilities and charges	-	(3,692,000)	-	(3,692,000)
	<u>221,089</u>	<u>(3,283,339)</u>	<u>6,338,305</u>	<u>3,276,055</u>

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

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(272,742)	(240,212)
Adjustment for:		
Depreciation charges	224,239	223,598
Dividends, interest and rents from investments	(1,025)	(1,503)
Loss/(profit) on the sale of fixed assets	711	(1,600)
Increase in debtors	(31,683)	(6,798)
Increase/(decrease) in creditors	3,408	(33,278)
Capital grants from DfE and other capital income	(15,399)	(20,482)
Defined benefit pension scheme cost less contributions payable	201,000	169,000
Defined benefit pension scheme finance cost	96,000	95,000
Net cash provided by operating activities	<u>204,509</u>	<u>183,725</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	589,809	649,135
Notice deposits (less than 3 months)	150,000	50,000
	<u>739,809</u>	<u>699,135</u>

20. PENSION COMMITMENTS

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

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 £39,288 were payable to the schemes at 31 August 2018 (2017: £40,469) 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.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 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.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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20. PENSION COMMITMENTS (continued)

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

The employer's pension costs paid to TPS in the period amounted to £141,460 (2017: £108,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £261,000 (2017: £279,000), of which employer's contributions totalled £204,000 (2017: £221,000) and employees' contributions totalled £57,000 (2017: £58,000). The agreed contribution rates for future years are 20.9% for employers and 5.5%-12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	24.0 years	23.9
Females	25.2 years	25.1
Retiring in 20 years		
Males	26.3 years	26.2
Females	27.5 years	27.4

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate +0.1%	(145,000)	(147,000)
Discount rate -0.1%	148,000	151,000
Mortality assumption - 1 year increase	207,000	210,000
Mortality assumption - 1 year decrease	(200,000)	(203,000)

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20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,928,000	1,680,000
Gilts	144,000	130,000
Other bonds	242,000	235,000
Property	238,000	213,000
Cash and other liquid assets	127,000	103,000
	<u>2,679,000</u>	<u>2,361,000</u>
Total market value of assets	<u>2,679,000</u>	<u>2,361,000</u>

The actual return on scheme assets was £104,000 (2017: £307,000).

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

	2018 £	2017 £
Current service cost	(405,000)	(390,000)
Interest income	62,000	47,000
Interest cost	(158,000)	(142,000)
	<u>(501,000)</u>	<u>(485,000)</u>
Total	<u>(501,000)</u>	<u>(485,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	6,053,000	6,485,000
Current service cost	405,000	390,000
Interest cost	158,000	142,000
Employee contributions	57,000	58,000
Actuarial gains	(654,000)	(863,000)
Benefits paid	(45,000)	(159,000)
	<u>5,974,000</u>	<u>6,053,000</u>
Closing defined benefit obligation	<u>5,974,000</u>	<u>6,053,000</u>

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20. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	2,361,000	2,165,000
Interest income	62,000	47,000
Actuarial losses	40,000	29,000
Employer contributions	204,000	221,000
Employee contributions	57,000	58,000
Benefits paid	(45,000)	(159,000)
	<u>2,679,000</u>	<u>2,361,000</u>
Closing fair value of scheme assets	<u>2,679,000</u>	<u>2,361,000</u>

21. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	4,180	3,652
Between 1 and 5 years	3,327	2,970
	<u>7,507</u>	<u>6,622</u>
Total	<u>7,507</u>	<u>6,622</u>

22. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

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

No related party transactions took place in the period of account.

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23. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	<u>819,050</u>	<u>704,503</u>
Financial liabilities measured at amortised cost	<u>96,025</u>	<u>83,383</u>

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

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

24. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

25. GENERAL INFORMATION

Brookside Community Primary School Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Brooks Road, Street, Somerset, BA16 0PR.

