

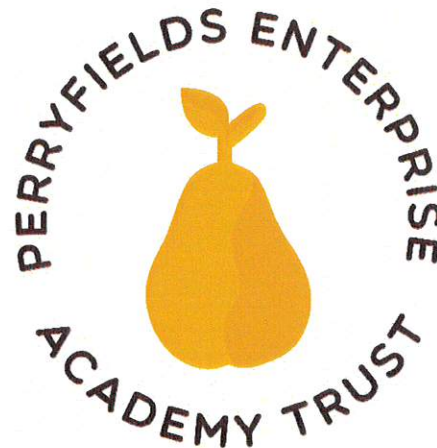
Registration number: 10446206

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018



Edmund Carr LLP
Chartered Accountants and Statutory Auditor
146 New London Road
Chelmsford
Essex
CM2 0AW

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 10
Governance Statement	11 to 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditor's Report on the Financial Statements	17 to 19
Independent Reporting Accountant's Report on Regularity	20 to 21
Statement of Financial Activities incorporating Income and Expenditure Account	22 to 23
Balance Sheet	24
Statement of Cash Flows	25
Notes to the Financial Statements	26 to 47

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Reference and Administrative Details

Members	W Kett C Place J Bower M Siddall J Jeapes J Maybrick (appointed 22 June 2018)
Trustees (Directors)	S Root B Verspeak C Povah J Hasler L Chapman (appointed 11 July 2018) P Sedgwick (appointed 11 July 2018) J Nicholas (appointed 11 July 2018) J Bower (resigned 10 July 2018)
Chief Executive Officer	J Hasler
Governors	S Root B Verspeak C Povah J Hasler L Howlett L Chapman P Sedgwick J Nicholas C Chilvers (resigned 10 July 2018) J Parmar (resigned 19 June 2018) J Maybrick (resigned 10 July 2018)
Senior Management Team	J Hasler, Headteacher / CEO L Howlett S Edwards C Stevens, CFO (resigned 31/08/2018) J Chandler, CFO

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Reference and Administrative Details (continued)

Registered Office Perryfields Junior School
Lawn Lane
Springfield
Chelmsford
Essex
CM1 7PP

Company Registration Number 10446206

Auditors Edmund Carr LLP
Chartered Accountants and Statutory Auditor
146 New London Road
Chelmsford
Essex
CM2 0AW

Bankers Lloyds Bank
High Street Chelmsford
77 High Street
Chelmsford
Essex
CM1 1DU

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

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 purposes of both a trustees' report, and a directors' report under company law.

The trust operates one academy for pupils aged 7 to 11 in Chelmsford with a pupil capacity of 272. At the end of the 2017-18 academic year there were 301 pupils on roll due to an agreement with the local authority to admit a bulge year of thirty extra Year 3 pupils in the academic year 2016-17.

Structure, governance and management

Constitution

The Multi Academy Trust is a company limited by guarantee and is an exempt charity. At the sign off date Perryfields Junior School was the only academy in the MAT. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company was incorporated on 26 October 2016. The company registration number is 10446206.

The Governor's act as the trustees for the charitable activities of Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Perryfields Enterprise Academy Trust: Led by Perryfields Junior School.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Academy insurers encompass all relevant insurance including Trustees third party indemnity provision. In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business.

Method of recruitment and appointment or election of Trustees

Trustees are recruited and appointed or elected as outlined in the Academy's Articles of Association paragraphs 45 to 63.

Policies and procedures adopted for the induction and training of Trustees

The induction programme for new Trustees would involve a tour of the school, meetings with students and staff and provision of policy and procedures documents that are appropriate to their role. During their first term an informal meeting will also be arranged to meet and ask questions of other Trustees; further meetings will be arranged depending on need. The Board of Trustees meet at least once a term and any training needs are identified at this time to ensure Trustees receive training on all matters necessary to enable them to perform their duties effectively.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Trustees' Report for the Year Ended 31 August 2018 (continued)

Organisational structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of Budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Trustees have delegated responsibilities to Local Governing Bodies as outlined in their terms of reference and the PEAT Policy "Scheme of Delegation and Governance" and the separate PEAT Scheme of Delegation document.

The senior leadership team consists of:

Perryfields Junior School:
Jane Hasler - Headteacher
Samantha Edwards - Assistant Headteacher
Louise Howlett - Assistant Headteacher

The Senior Leadership Team control the school at an executive level, implementing policies and reporting to the Trust Board. The Senior Leadership Team is responsible for the day-to-day operation of the school, in particular organising staff, resources and children. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes and for implementing the clear Scheme of Delegation which is in place and reviewed annually. The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trust follows the recommended national pay structure for both teachers and local government and updates the Pay Policy every year to reflect those changes, also complying with the School Teachers Pay and Conditions Document (STPCD). Salary ranges for the senior leadership team are based on the group size of the school which is set using the table within the STPCD plus Retention and Recruitment allowances when applicable. Any salary changes are approved by the Local Governing Body of each school and the Executive Headteacher followed by approval from the Trust Board.

Connected organisations, including related party relationships

Perryfields Junior School is a member of the Chelmsford Teaching Schools Alliance steering group which promotes the training and development of teachers both within the network of schools and beyond.

The school is an associate member of Chelmsford Education Network, a group of mixed infant, junior and primary schools whose focus is close collaborative working and the provision of training and development for teachers and support staff and peer support.

Perryfields Junior School works closely with Essex Primary SCITT for the provision of initial teacher training.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Trustees' Report for the Year Ended 31 August 2018 (continued)

Objectives and activities

Objects and aims

As an outstanding school, which consistently produces excellent academic standards, Perryfields Junior School was the founding member of Perryfields Enterprise Academy Trust. We are confident in our ability to cascade our vision of holistic provision and our relentless culture of high expectations to schools within our locality and beyond.

Through a collaborative and consistent approach which is driven by Perryfields teaching approach, PEAT will:

- provide all pupils with an innovative and enterprising education that raises aspirations for all and develops resilient, creative and happy learners.
- create a culture of high expectations of teaching and learning, resulting in outstanding practice/learning throughout the trust.
- provide the opportunities to develop leadership skills through school to school support. Identify and train Specialist Leaders in education (SLE's) who will ensure high quality subject leadership and maximise its impact across the trust.
- provide a structured and rigorous programme of development which ensures that all staff are confident, proactive and skilled practitioners who are able to deliver excellence.

We would like to grow as an academy trust whereby all PEAT schools actively support each other and share emergent and best practice for everyone's benefit whilst celebrating their distinct identities within our trust. We also aim to share our pedagogy and approach to any schools within our area on an ad-hoc basis.

Objectives, strategies and activities

Objectives for the academic year 2018-19:

- To continue to provide high quality teaching and learning across the Trust
- To sustain rates of progress and achievement
- To promote PEAT with a view to bringing more schools into the Trust
- To ensure Pupil Premium children make better than expected progress
- To work in partnership with Essex LA and other agencies to improve education across Essex and beyond
- To support and encourage NQTs and SCITT students to join Perryfields Junior School and provide them with the opportunity to be mentored by outstanding PJS staff
- To provide highly skilled teachers to share good practice with local schools, particularly through the Chelmsford Education Network.

Strategies to achieve objectives:

- Collaboration and sharing of resources within the Trust
- Strategic and effective recruitment plan for new staff including outstanding mentoring programme and CPD
- To investigate strategies to retain outstanding staff, including through a modern working environment, in-work benefits and working practices, and career progression

Public benefit

The key public benefit delivered by PEAT is to maintain and develop high quality educational provision for children in Chelmsford. The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Achievements and performance

Perryfields Junior School:

Overall achievement at this school is outstanding because:

- The proportion of children attaining the expected standard and higher standard at the end of KS2 has been consistently above the national average over a sustained period of time.
- Taking account of their starting point, the proportion of pupils who make and exceed expected progress is above the national average.

Key non-financial performance indicators

Perryfields Junior School KS2 SATs Results 2018

	2018 Results			
	Reading	Writing	Maths	Grammar, Punctuation & Spelling
Expected Standard (scale score-at least 100)	90%	94%	97%	90%
	77%	79%	76%	78%
	75%	78%	76%	78%
Higher Standard (110-120)	53%	34%	63%	63%
	28%	TBA	24%	34%
	109	NA	110	111
Average scaled score	109	NA	110	111
	105	NA	104	106

Reading, writing, maths combined

At/Above Expected standard	87%
	64%
	75%
At/Above higher standard	26%
	10%
	18%

School
Essex
National

Pupil Progress 2018 (Key Stage 1-Key Stage 2)

Reading	1.6 (Range -0.2 to 3.0)
Writing	0.5 (Range -0.9 to 1.9)
Maths	3.5 (Range -2.2 to 4.8)

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Key financial performance indicators (continued)

	Unit	2018	2017
Restricted and unrestricted general funds	£	344,955.00	275,303.00
Total payroll as a percentage of total restricted and unrestricted income	%	74.84	58.61
Total teaching staff as a percentage of total staff costs	%	48.83	56.10
Cash flow balance	£	423,304.00	357,719.00

The cash flow has remained positive throughout the year and has a contingency reserve for future years.

Going concern

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

Financial review

The principal source of funding for the Trust is the General Annual Grant (GAG) funding that it receives from the Education and Skills Funding Agency (ESFA). For the year to 31 August 2018, the Trust received £995,364 in GAG funding. A high percentage of this funding is spent on wages and support costs to deliver the Trust's primary objective of the provision of high quality teaching and learning.

The Trust have an Accounting Policy, an Anti-Fraud and Corruption Policy, a Capital and Revenue Reserves Policy, a Capitalisation and Depreciation Policy, a Charging and Remissions Policy, a Conflict of Interest Policy, Finance Regulations, a Risk Management Strategy and a tendering Policy.

The Trust still holds a Regional Growth Fund grant of £60,000, to be spent on the growth for the Trust. No additional schools have joined the Trust to date, however, there is planned expenditure in 2018/19 to to further develop the Trust's provision for expansion.

The Trust held £344,955 in restricted and unrestricted general reserves at 31 August 2018. This is earmarked for school improvement projects.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Reserves policy

The Trustees review the cash reserve levels of the Trust. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees believe that the current reserve level provides sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £231,181 and restricted reserves is £113,774.

Due to the accounting rules for the Local Government Pension Scheme under FRS 102, the Trust is recognising a pension fund deficit of £727,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The recognition of this deficit has no direct impact on the free reserves of the Trust.

At 31st August 2018 the total funds comprised:

Unrestricted - £231,181
Restricted General Fund - £113,774
Fixed Asset Fund - £2,059,723
Restricted Pension Fund - £727,000

Investment policy

The Trust has a policy of investing its cash balances with a view to maximising returns, but where greater weight is assigned to the safety of the investment.

A sufficient balance must be held in the current account so that the school's financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future need and kept under review.

The investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the Academy.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Principal risks and uncertainties

The Trustees assess the principal risks and uncertainties facing the trust as follows:

Staff retention and recruitment:

The quality of staff, both teaching and support, is crucial in sustaining the high achievements of the school. An important factor in addressing this risk is the Trust's emphasis on high quality, personalised professional development for all staff.

Falling rolls:

This is unlikely, as the only school within the Trust is heavily oversubscribed. There will be a decrease in roll in the academic year 2020/21 as a result of the current bulge year leaving year six, however this is planned for.

Budget constraints:

It is anticipated that the introduction of the National Funding Formula will benefit the Trust, however, in allowing for inflation it will be important to balance expenditure on educational provision with available funding and reserves.

Fundraising

Perryfields Enterprise Academy Trust is mindful of the need to generate income. This is achieved using a variety of approaches including: an efficient kitchen for catering; an outstanding after school childcare club; a very active timetable of fundraising events such as Summer and Christmas Fetes, and other many events run by the 'Friends of Perryfields Junior School'. These activities are extremely successful and do not impact negatively on our ethos of encouraging our pupils to undertake fundraising events for external charities.

Plans for future periods

The Trust will continue striving to improve the levels of performance of all pupils at all levels and to continue to provide an extensive range of extra curricular opportunities for all our pupils. The Trustees recognise that through good financial management they will be able to invest in and improve the quality of educational provision.

The Trust will work with the Regional Schools Commissioner to support schools in need in Chelmsford and the surrounding area with a view to bringing these schools into the Trust should the need arise.

The Trust will continue working with Essex Local Authority and local schools to develop educational opportunities for children in Essex.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

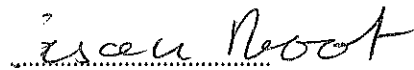
Trustees' Report for the Year Ended 31 August 2018 (continued)

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on 28 November 2018 and signed on its behalf by:



S Root
Trustee

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited 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 Executive 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 Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited and the Secretary of State for Education. The Executive Headteacher is 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 9 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 Root	7	9
J Maybrick	8	9
B Verspeak	8	9
J Parmar	2	7
J Bower	7	9
J Hasler	9	9
C Povah	7	9

At the Trust Board meeting on the 6 September 2017, the seven people listed above were confirmed as Directors (Trustees) of the Trust. Susan Root and Julie Maybrick were relected as Executive Chair and Executive Vice Chair in September 2017.

Jamie Parmar resigned in June 2018 and Julie Maybrick and John Bower resigned in July 2018.

Three new Trust Board Members were appointed from 1 September 2018: Lianne Chapman, John Nicholas and Paul Sedgwick. All were originally parent governors of Perryfields Junior School.

In addition, to the five original Members appointed in December 2016, Julie Maybrick was appointed in September 2018. The Members of the Trust are:

Mr John Bower
Cllr Julia Jeapes
Mr William Kett
Mrs Julie Maybrick
Mr Colin Place
Mr Mark Siddall

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Governance Statement (continued)

Governance reviews

The Directors of PEAT instigated a Governance Improvement Plan (GIP) for January 2017 to December 2020 which is reviewed termly and revised annually. This has objectives covering Compliance, Skills and Expertise, Succession Planning and Future Growth.

- Compliance – The PEAT Handbook has been reviewed and a comprehensive register of all policies is in place. An annual Agenda Schedule has been introduced.
- Skills and Expertise – A Link Governor has been put in place and training arranged. An induction plan for new LGB Governors and PEAT Directors has been put in place. Skills audits have been reviewed and NGA 20 and 21 questions are on the Agenda Schedule.
- Succession Planning – This has been linked to training and Director and LGB Governor expertise and numbers. The Trust is currently looking to appoint additional LGB Governors, both trust appointed and parent, to ensure successful succession planning.
- Communication – Two members meetings were held in the last academic year which included a tour of PJS during a working morning. An initial members meeting will be arranged for January 2019. There is a PEAT website and an Annual Newsletter to parents was sent in July 2018.
- Future Growth – Directors of PEAT are keen for the first four headings of the Governance Improvement Plan to be in place to allow the successful growth of our academy should the opportunity arise. An Academy Trust Induction process will be reviewed during the Spring Term 2019.

The Audit, Finance and Personnel Committee

The Audit, Finance and Personnel Committee is a sub-committee of the main board of trustees. Its purpose is to:

- assist the decision-making of the Board of Directors by enabling more detailed consideration to be given to the best means of fulfilling the Directors' responsibilities in ensuring sound management of the Academy's finances and resources, including proper planning, monitoring and probity.
- make appropriate comments and recommendations on the management of the Academy's finances and resources to the Board of Directors on a regular basis. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
S Root	2	3
J Maybrick	2	3
B Verspeak	3	3
J Parmar	2	2
J Bower	1	3
J Hasler	3	3
C Povah	2	3

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Governance Statement (continued)

Review of value for money

As accounting officer, the Executive 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 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:

- Obtaining quotes for goods and services over £5,000, reviewing annual contract prices and switching suppliers where better value is available.
- Applying the four principles of best value: Challenge, Compare, Consult and Compete.
- Deploying staff effectively to provide high quality teaching and learning, adult-pupil ratio and curriculum management.

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 Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited for the year ended 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 ending 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.

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 Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint SBM Services as internal auditor for the year to 31 August 2018.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Governance Statement (continued)

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

- Administration, Finance & Management Systems and Governance
- Income
- Payroll
- Purchasing & creditors
- Bank & cash
- Fixed assets
- Budget
- VAT

SBM Services reported to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities twice during this financial period, however it is anticipated that reports would be termly going forward. The schedule of works was delivered as planned and findings and remedial action has been presented to the Local Governing Body for review. There were no significant weaknesses found.

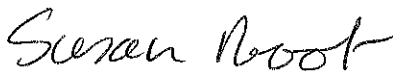
Review of effectiveness

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

- the work of the internal auditor/reviewer;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 28 November 2018 and signed on its behalf by:



.....
S Root
Trustee



.....
J Hasler
Chief Executive Officer

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited 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.



J Hasler
Accounting officer

28 November 2018

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Statement of Trustees' Responsibilities

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

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

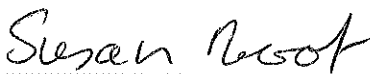
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the Board on 28 November 2018 and signed on its behalf by:



S Root
Trustee

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Independent Auditor's Report on the Financial Statements to the Members of Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Opinion

We have audited the financial statements of Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited (the 'Academy') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 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 results 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Independent Auditor's Report on the Financial Statements to the Members of Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the Trustees 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited


**Independent Auditor's Report on the Financial Statements to the Members of
Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited
(continued)**

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

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

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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.


.....
Thomas York (Senior Statutory Auditor)
For and on behalf of Edmund Carr LLP, Statutory Auditor

146 New London Road
Chelmsford
Essex
CM2 0AW

Date: 12/12/18.....

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Independent Reporting Accountant's Report on Regularity to Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 7 November 2016 and further to the requirements of the Education and 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 Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited during the period 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 Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited 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 Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the board of trustees's funding agreement with the Secretary of State for Education dated 26 October 2016 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 from 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 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- testing a sample of payments and receipts to documentation
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Independent Reporting Accountant's Report on Regularity to Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited and the Education Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


.....

Thomas York
For and on behalf of Edmund Carr LLP, Chartered Accountants

146 New London Road
Chelmsford
Essex
CM2 0AW

Date: 17/12/18.....

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

**Statement of Financial Activities for the Year Ended 31 August 2018
(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	5,262	5,530	9,341	20,133
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,086,845	-	1,086,845
Other trading activities	4	204,994	-	-	204,994
Investments	5	199	-	-	199
Total		<u>210,455</u>	<u>1,092,375</u>	<u>9,341</u>	<u>1,312,171</u>
Expenditure on:					
Raising funds	6	181,641	-	-	181,641
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	1,105,593	76,020	1,181,613
Total		<u>181,641</u>	<u>1,105,593</u>	<u>76,020</u>	<u>1,363,254</u>
Net income/(expenditure)		28,814	(13,218)	(66,679)	(51,083)
Transfers between funds		-	(42,944)	42,944	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	190,000	-	190,000
Net movement in funds/(deficit)		28,814	133,838	(23,735)	138,917
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2017		<u>202,367</u>	<u>(747,064)</u>	<u>2,083,458</u>	<u>1,538,761</u>
Total funds/(deficit) carried forward at 31 August 2018		<u>231,181</u>	<u>(613,226)</u>	<u>2,059,723</u>	<u>1,677,678</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

**Statement of Financial Activities for the Period from 26 October 2016 to 31 August 2017
(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2016/17 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	2,457	1,448	7,071	10,976
Transfer from local authority on conversion		177,209	-	2,101,206	2,278,415
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	811,530	-	811,530
Other trading activities	4	158,217	-	-	158,217
Investments	5	98	-	-	98
Total		337,981	812,978	2,108,277	3,259,236
Expenditure on:					
Raising funds	6	107,743	-	-	107,743
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	793,042	52,690	845,732
Total		107,743	793,042	52,690	953,475
Net income		230,238	19,936	2,055,587	2,305,761
Transfers between funds		(27,871)	-	27,871	-
Other recognised gains and losses					
Opening defined benefit pension scheme liability		-	(656,000)	-	(656,000)
Actuarial gains on defined benefit pension schemes	22	-	(111,000)	-	(111,000)
Net movement in funds/(deficit)		202,367	(747,064)	2,083,458	1,538,761
Reconciliation of funds					
Total funds/(deficit) carried forward at 31 August 2017		202,367	(747,064)	2,083,458	1,538,761

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

**(Registration number: 10446206)
Balance Sheet as at 31 August 2018**

	Note	31 August 2018 £	31 August 2017 £
Fixed assets			
Tangible assets	12	2,059,723	2,083,458
Current assets			
Debtors	13	29,845	47,267
Cash at bank and in hand		<u>423,304</u>	<u>357,719</u>
		453,149	404,986
Creditors: Amounts falling due within one year	14	<u>(108,194)</u>	<u>(129,683)</u>
Net current assets		<u>344,955</u>	<u>275,303</u>
Total assets less current liabilities		<u>2,404,678</u>	<u>2,358,761</u>
Net assets excluding pension liability		2,404,678	2,358,761
Pension scheme liability	22	<u>(727,000)</u>	<u>(820,000)</u>
Net assets including pension liability		<u>1,677,678</u>	<u>1,538,761</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		113,774	72,936
Restricted fixed asset fund		2,059,723	2,083,458
Restricted pension fund		<u>(727,000)</u>	<u>(820,000)</u>
		1,446,497	1,336,394
Unrestricted funds			
Other unrestricted fund		<u>231,181</u>	<u>202,367</u>
Total funds		<u>1,677,678</u>	<u>1,538,761</u>

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue on 28 November 2018 and signed on their behalf by:

Susan Root

.....
S Root
Trustee

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	31 August 2018 £	31 August 2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	98,989	385,492
Cash flows from investing activities	19	<u>(33,404)</u>	<u>(27,773)</u>
Change in cash and cash equivalents in the year		65,585	357,719
Cash and cash equivalents at 1 September		<u>357,719</u>	<u>-</u>
Cash and cash equivalents at 31 August	20	<u><u>423,304</u></u>	<u><u>357,719</u></u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

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), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

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

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited meets the definition of a public benefit entity under FRS 102.

Going concern

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

Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

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

Asset class	Depreciation method and rate
IT Equipment	3 years straight line
Leasehold land	125 years over the term of the lease
Leasehold buildings	35 years straight line

Liabilities

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

Provisions

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

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

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Leased assets

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

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust 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. 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 cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31/08/2018. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2017/18 Total £	2016/17 Total £
Other voluntary income					
Capital grants	-	-	9,341	9,341	7,071
Other donations	5,262	5,530	-	10,792	3,905
	<u>5,262</u>	<u>5,530</u>	<u>9,341</u>	<u>20,133</u>	<u>10,976</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2017/18 Total £	2016/17 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	995,364	995,364	694,988
Other DfE/ESFA grants	62,708	62,708	69,978
	<u>1,058,072</u>	<u>1,058,072</u>	<u>764,966</u>
Other government grants			
SEN Fund	15,629	15,629	10,085
Other Local authority grants	10,391	10,391	33,970
Staff absences insurance reimbursement	2,753	2,753	2,509
	<u>28,773</u>	<u>28,773</u>	<u>46,564</u>
Total grants	<u>1,086,845</u>	<u>1,086,845</u>	<u>811,530</u>

4 Other trading activities

	Unrestricted funds £	2017/18 Total £	2016/17 Total £
Hire of facilities	1,138	1,138	819
Catering income	105,500	105,500	83,721
School shop sales	1,363	1,363	162
Other sales	96,993	96,993	73,515
	<u>204,994</u>	<u>204,994</u>	<u>158,217</u>

5 Investment income

	Unrestricted funds £	2017/18 Total £	2016/17 Total £
Short term deposits	199	199	98

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

6 Expenditure

	Non Pay Expenditure			2017/18	2016/17
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Expenditure on raising funds					
Direct costs	54,372	-	127,269	181,641	107,743
Academy's educational operations					
Direct costs	634,825	-	23,841	658,666	464,588
Allocated support costs	<u>285,859</u>	<u>157,660</u>	<u>79,428</u>	<u>522,947</u>	<u>381,144</u>
	<u><u>975,056</u></u>	<u><u>157,660</u></u>	<u><u>230,538</u></u>	<u><u>1,363,254</u></u>	<u><u>953,475</u></u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2017/18 £	2016/17 £
Operating lease rentals	1,621	1,216
Depreciation	66,679	52,690
Fees payable to auditor - audit	6,500	6,500
- other audit services	500	500
	<u>500</u>	<u>500</u>

7 Charitable activities

	2017/18 £	2016/17 £
Direct costs - educational operations	658,666	464,588
Support costs - educational operations	522,947	381,144
	<u>1,181,613</u>	<u>845,732</u>

	Educational operations £	2017/18 Total £	2016/17 Total £
Analysis of support costs			
Support staff costs	285,859	285,859	199,519
Depreciation	66,679	66,679	52,690
Premises costs	90,981	90,981	59,562
Other support costs	72,428	72,428	62,373
Governance costs	7,000	7,000	7,000
	<u>522,947</u>	<u>522,947</u>	<u>381,144</u>
Total support costs			

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

8 Staff

Staff costs

	2017/18	2016/17
	£	£
Staff costs during the year were:		
Wages and salaries	695,860	496,184
Social security costs	49,405	34,088
Operating costs of defined benefit pension schemes	<u>229,791</u>	<u>144,007</u>
	975,056	674,279
Supply staff costs	<u>-</u>	<u>290</u>
	<u>975,056</u>	<u>674,569</u>

Staff numbers

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

	2017/18	2016/17
	No	No
Charitable Activities		
Teachers	15	15
Administration and support	37	33
Management	<u>2</u>	<u>2</u>
	<u>54</u>	<u>50</u>

Higher paid staff

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

	31 August	31 August
	2018	2017
	No	No
£60,001 - £70,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £221,473 (2017: £148,648).

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

9 Central services

No central services were provided by the academy trust to its academies during the period and no central charges arose.

10 Related party transactions - trustees' remuneration and expenses

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

J Hasler (Headteacher, CEO):

Remuneration: £60,000 - £65,000 (2017 - £60,000 - £65,000)

Employer's pension contributions: £10,000 - £15,000 (2017 - £5,000 - £10,000)

L Howlett (Staff Governor):

Remuneration: £35,000 - £40,000 (2017 - £30,000 - £35,000)

Employer's pension contributions: £5,000 - £10,000 (2017 - £5,000 - £10,000)

C Chilvers (Staff Governor):

Remuneration: £5,000 - £10,000 (2017 - £5,000 - £10,000)

Employer's pension contributions: £0 - £5,000 (2017 - £0 - £5,000)

During the year ended 31 August 2018, travel and subsistence expenses totalling £Nil (2017 - £Nil) were reimbursed or paid directly to 0 trustees (2017 - 0).

Other related party transactions involving the trustees are set out in note 23.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Leasehold improvements £	Total £
Cost				
At 1 September 2017	2,076,000	17,164	42,984	2,136,148
Additions	-	-	42,944	42,944
At 31 August 2018	<u>2,076,000</u>	<u>17,164</u>	<u>85,928</u>	<u>2,179,092</u>
Depreciation				
At 1 September 2017	43,699	7,544	1,447	52,690
Charge for the year	58,265	4,580	3,834	66,679
At 31 August 2018	<u>101,964</u>	<u>12,124</u>	<u>5,281</u>	<u>119,369</u>
Net book value				
At 31 August 2018	<u>1,974,036</u>	<u>5,040</u>	<u>80,647</u>	<u>2,059,723</u>
At 31 August 2017	<u>2,032,301</u>	<u>9,620</u>	<u>41,537</u>	<u>2,083,458</u>

During the period there was a leasehold improvement addition of £23,294 which represents the final 40% of the total costs of the wooden classroom which was started in the prior period. There were also leasehold improvement additions of £13,900 for playground goal units and £5,750 for an air conditioning unit.

13 Debtors

	31 August 2018 £	31 August 2017 £
VAT recoverable	1,967	10,921
Prepayments	23,065	25,845
Accrued grant and other income	4,813	10,501
	<u>29,845</u>	<u>47,267</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

14 Creditors: amounts falling due within one year

	31 August 2018	31 August 2017
	£	£
Trade creditors	7,283	17,742
Other taxation and social security	27,838	26,140
Accruals	13,073	24,361
Deferred income	<u>60,000</u>	<u>61,440</u>
	<u><u>108,194</u></u>	<u><u>129,683</u></u>

	31 August 2018	31 August 2017
	£	£
Deferred income		
Deferred income at 1 September 2017	61,440	-
Resources deferred in the period	-	61,440
Amounts released from previous periods	<u>(1,440)</u>	<u>-</u>
Deferred income at 31 August 2018	<u><u>60,000</u></u>	<u><u>61,440</u></u>

At the period end the academy was holding a DFE grant for the development of the MAT.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	72,936	995,364	(911,582)	(42,944)	113,774
Other DfE/ESFA grants	-	62,708	(62,708)	-	-
Other restricted income	-	5,530	(5,530)	-	-
Other local authority funds	-	28,773	(28,773)	-	-
	<u>72,936</u>	<u>1,092,375</u>	<u>(1,008,593)</u>	<u>(42,944)</u>	<u>113,774</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	-	9,341	(9,341)	-	-
Transfer from local authority on conversion	2,048,516	-	(64,454)	-	1,984,062
Capital expenditure from other funds	34,942	-	(2,225)	42,944	75,661
	<u>2,083,458</u>	<u>9,341</u>	<u>(76,020)</u>	<u>42,944</u>	<u>2,059,723</u>
Restricted pension funds					
Pension reserve	(820,000)	-	(97,000)	190,000	(727,000)
Total restricted funds	1,336,394	1,101,716	(1,181,613)	190,000	1,446,497
Unrestricted funds					
Other unrestricted funds	202,367	210,455	(181,641)	-	231,181
Total funds	<u>1,538,761</u>	<u>1,312,171</u>	<u>(1,363,254)</u>	<u>190,000</u>	<u>1,677,678</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

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

	Balance at 26 October 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	-	669,988	(597,052)	-	72,936
Start Up Grant	-	25,000	(25,000)	-	-
Other DfE/ESFA grants	-	69,977	(69,977)	-	-
Other restricted income	-	1,448	(1,448)	-	-
Other local authority funds	-	46,565	(46,565)	-	-
	<u>-</u>	<u>812,978</u>	<u>(740,042)</u>	<u>-</u>	<u>72,936</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	-	7,071	(7,071)	-	-
Transfer from local authority on conversion	-	2,101,206	(52,690)	-	2,048,516
Capital expenditure from other funds	-	-	7,071	27,871	34,942
	<u>-</u>	<u>2,108,277</u>	<u>(52,690)</u>	<u>27,871</u>	<u>2,083,458</u>
Restricted pension funds					
Pension reserve	-	-	(53,000)	(767,000)	(820,000)
Total restricted funds	-	2,921,255	(845,732)	(739,129)	1,336,394
Unrestricted funds					
Other unrestricted funds	-	337,982	(107,744)	(27,871)	202,367
Total funds	<u>-</u>	<u>3,259,237</u>	<u>(953,476)</u>	<u>(767,000)</u>	<u>1,538,761</u>

Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	31 August 2018 £	31 August 2017 £
Perryfields Junior School	344,955	275,303
Total before fixed assets and pension reserve	344,955	275,303
DfE/ESFA capital grants	2,059,723	2,083,458
Pension reserve	(727,000)	(820,000)
Total	<u>1,677,678</u>	<u>1,538,761</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

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

The General Annual Grant (GAG) and other DfE/ESFA grants represent the core funding for the educational activities of the school that has been provided to an academy via the ESFA by the DfE. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The LGPS Deficit fund separately identifies the pension deficit inherited from the local authority upon conversion to academy status. This fund is where all the pension scheme movements are recognised.

The other local authority funds represents grants received from Essex County Council in order to provide additional teaching resources to children with special educational needs. The costs of these teaching resources have been set against the income.

The DfE/ESFA capital grant income is an annual devolved capital grant received to assist the school with funding capital projects. All income has been shown in the SOFA in the year and is not deferred.

The transfer between funds of £42,944 relates to unrestricted and general restricted funds being used for a capital items including the completion of the wooden classroom for £23,294, playground goal units for £13,900 and air conditioning unit for £5,750.

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2018 £
Perryfields Junior School	<u>634,825</u>	<u>340,231</u>	<u>17,050</u>	<u>304,469</u>	<u>1,296,575</u>
Academy Trust	<u>634,825</u>	<u>340,231</u>	<u>17,050</u>	<u>304,469</u>	<u>1,296,575</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,059,723	2,059,723
Current assets	231,181	221,968	-	453,149
Current liabilities	-	(108,194)	-	(108,194)
Pension scheme liability	-	(727,000)	-	(727,000)
Total net assets	<u>231,181</u>	<u>(613,226)</u>	<u>2,059,723</u>	<u>1,677,678</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,083,458	2,083,458
Current assets	202,367	202,619	-	404,986
Current liabilities	-	(129,683)	-	(129,683)
Pension scheme liability	-	(820,000)	-	(820,000)
Total net assets	<u>202,367</u>	<u>(747,064)</u>	<u>2,083,458</u>	<u>1,538,761</u>

17 Commitments under operating leases

Operating leases

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

	31 August 2018 £	31 August 2017 £
Amounts due within one year	<u>-</u>	<u>1,621</u>

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

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

	31 August 2018	31 August 2017
	£	£
Net (expenditure)/income	(51,083)	2,305,761
Depreciation	66,679	52,690
Capital grants from DfE and other capital income	(9,341)	(2,108,277)
Interest receivable	(199)	(98)
Defined benefit pension scheme costs	97,000	53,000
Decrease/(increase) in debtors	17,422	(47,267)
(Decrease)/increase in creditors	(21,489)	129,683
Net cash provided by Operating Activities	<u>98,989</u>	<u>385,492</u>

19 Cash flows from investing activities

	31 August 2018	31 August 2017
	£	£
Dividends, interest and rents from investments	199	98
Purchase of tangible fixed assets	(42,944)	(34,942)
Capital funding received from sponsors and others	9,341	7,071
Net cash used in investing activities	<u>(33,404)</u>	<u>(27,773)</u>

20 Analysis of cash and cash equivalents

	31 August 2018	31 August 2017
	£	£
Cash at bank and in hand	<u>423,304</u>	<u>357,719</u>
Total cash and cash equivalents	<u>423,304</u>	<u>357,719</u>

21 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.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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%.

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.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £62,386 (2017: £56,105).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £88,778 (2017 - £59,000), of which employer's contributions totalled £70,405 (2017 - £46,000) and employees' contributions totalled £18,373 (2017 - £13,000). The agreed contribution rates for future years are 23.7 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	31 August 2018 %	31 August 2017 %
Rate of increase in salaries	3.80	4.20
Rate of increase for pensions in payment/inflation	2.30	2.70
Discount rate for scheme liabilities	2.70	2.60
Inflation assumptions (CPI)	2.30	2.70
RPI increases	3.30	3.60

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

	31 August 2018	31 August 2017
Retiring today		
Males retiring today	22.30	22.20
Females retiring today	24.80	24.70
Retiring in 20 years		
Males retiring in 20 years	24.50	24.30
Females retiring in 20 years	27.10	27.00

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

Sensitivity analysis

	31 August 2018 £'000	31 August 2017 £'000
Discount rate +0.1%	1,312.00	1,289.00
Discount rate -0.1%	1,383.00	1,358.00
Mortality assumption – 1 year increase	1,390.00	1,365.00
Mortality assumption – 1 year decrease	1,305.00	1,282.00
CPI rate +0.1%	1,354.00	1,349.00
CPI rate -0.1%	<u>1,340.00</u>	<u>1,298.00</u>

The academy trust's share of the assets in the scheme were:

	31 August 2018 £	31 August 2017 £
Equities	395,000	328,000
Gilts	33,000	31,000
Other bonds	36,000	20,000
Property	55,000	49,000
Cash and other liquid assets	21,000	16,000
Other	<u>80,000</u>	<u>59,000</u>
Total market value of assets	<u>620,000</u>	<u>503,000</u>

The actual return on scheme assets was £34,000 (2017 - £61,000).

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2017/18	2016/17
	£	£
Current service cost (net of employee contributions)	141,000	84,000
Net interest cost	-	15,000
Interest income	35,000	25,000
Interest cost	<u>(14,000)</u>	<u>(10,000)</u>
Total amount recognized in the SOFA	<u>162,000</u>	<u>114,000</u>

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

	2017/18	2016/17
	£	£
At start of period	1,323,000	-
Conversion of academy trusts	-	1,039,000
Current service cost	141,000	84,000
Interest cost	35,000	25,000
Employee contributions	18,000	13,000
Actuarial (gain)/loss	<u>(170,000)</u>	<u>162,000</u>
At 31 August	<u>1,347,000</u>	<u>1,323,000</u>

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

	2017/18	2016/17
	£	£
At start of period	503,000	-
Conversion of academy trusts	-	383,000
Interest income	14,000	10,000
Actuarial gain/(loss)	20,000	51,000
Employer contributions	65,000	46,000
Employee contributions	<u>18,000</u>	<u>13,000</u>
At 31 August	<u>620,000</u>	<u>503,000</u>

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Perryfields Enterprise Academy Trust: Led By Perryfields Junior School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Related party transactions (continued)

Expenditure related party transactions

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

C Siddall

C Siddall, spouse of M Siddall, a member of the trust, is employed by the academy trust in an administration role. C Siddall's appointment was made in open competition and M Siddall was not involved in the decision making process regarding appointment. C Siddall is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member..

