

**Registered number: 07800252 (England and Wales)**

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**For the Year Ended 31 August 2016**

**Wilmington Primary School  
(A Company Limited by Guarantee)**

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**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details of the Academy, its Trustees and Advisers**  
**For the Year Ended 31 August 2016**

**Trustees**

Douglas Hunter<sup>1,2</sup>  
Stephanie Beckley, Vice Chair<sup>2</sup>  
Duncan Finlayson, Head Teacher<sup>1,2,3</sup>  
Karin Clements, Chair<sup>1,2</sup>  
Sharon Martin<sup>2</sup>  
Wendy Stacy<sup>2,3</sup>  
Karen Morrissey<sup>2</sup>  
Christopher Billington (appointed 1 November 2015)<sup>2</sup>  
Anna Winters, Vice Chair (appointed 1 November 2015)<sup>2</sup>

- <sup>1</sup> Member, Trustee and Director  
<sup>2</sup> Member of Finance Committee  
<sup>3</sup> Staff

**Company registered number**

07800252

**Company name**

Wilmington Primary School

**Principal and registered office**

Wilmington Primary School  
Common Lane  
Wilmington  
Dartford  
Kent  
DA2 7DF

**Senior management team**

Duncan Finlayson, Headteacher  
Wendy Stacy, Deputy Head  
Debbie Haughton, KS1 Leader

**Independent auditors**

Kreston Reeves LLP  
Chartered Accountants  
Statutory Auditor  
37 St Margaret's Street  
Canterbury  
Kent  
CT1 2TU

**Wilmington Primary School**  
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**Trustees' Report**  
**For the Year Ended 31 August 2016**

The governors present their annual report together with the financial statements and auditor's report of the charitable company for the period ended 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area in the local area. It has a pupil capacity of 210 and had a roll of 208 in the school census at May 2016.

**Objectives and Activities**

**a. Objects and aims**

The Academy Trust's objective is specifically to advance for the public benefit education in the United Kingdom. In particular, but without prejudice, to the generality of the foregoing to establish, maintain, manage and develop Wilmington Primary School. The aim of the Academy Trust is to provide educational facilities and services to pupils aged 4-11 and the wider community for the public benefit.

**b. Objectives, strategies and activities**

The main objectives for the Academy are:

- To provide an excellent education that meets the needs of all pupils;
- To ensure that every child has access to high quality education in terms of resources and teaching;
- To raise the standard of educational achievement by all pupils;
- To improve the effectiveness of the Academy by continually reviewing the curriculum and organisational structure of the Academy;
- To provide a safe and caring school environment that promotes the pupils wellbeing and fosters their personal and social development;
- To provide a range of extracurricular activities and opportunities for wider learning;
- To deliver 'best value' for stakeholders;
- To comply with the highest standards of integrity, probity and transparency.

The priorities for the Academy are:

- **Attainment and Achievement:** to improve the rates of progress for all ability groups to reduce the attainment gap for children considered as disadvantaged;
- **Quality of Provision:** to continue the review and modification of the curriculum and explore collaborative working;
- **Teaching and Learning:** assessment for learning will be embedded in key subject areas and recorded systematically on the school's Target Tracker programme;
- **The promotion of independent learning** with children having confidence to learn from their mistakes;
- **Pupils Welfare:** to continue to provide a learning environment that is safe and promotes respect and tolerance;
- **Curriculum:** to review and explore curriculum provision to provide challenging and varied opportunities which prepares students for the future;
- **Leadership and Governance:** to continue to develop the programme of shared leadership.

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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2016**

**c. Activities for achieving objectives**

In order for the Academy to achieve these objectives the following actions are to be taken:

Attainment and achievement:

- Monitor the effective use of pupil information and assessment data to inform lesson planning while improving the quality of specialist lesson support and intervention for pupil of all abilities and needs;
- Provide a targeted programme of professional development for staff based on whole school and subject self-evaluation;

Quality of provision

- Review key stage schemes and use gap analysis from Sat's tests to ensure that skill development is embedded and consistent across the key stages;

Teaching and learning:

- Continuous improvement in the quality of oral and written formative feedback to pupils;
- Pupils to take more responsibility for their development of independent learning skills;

Pupil Welfare

- Review the effectiveness of key policies and procedures that support the safety and welfare of the pupils; • Assemblies to promote respect, tolerance and the understanding of British values;

Curriculum:

- Link wider curriculum threads to expand skills and knowledge while developing the core principles of learning;

Leadership and Governance:

- Continue to develop the understanding and sifting of key data to drive school improvement;
- Continue to develop effective lesson observation, work scrutiny and feedback to enhance learning

**d. Public benefit**

The Governors confirm that they have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the Academy's objectives and aims and they are satisfied that these aims and objectives are clearly for the public benefit.

**Strategic Report**

**Achievements and performance**

**a. Key financial performance indicators**

The Governors are of the opinion that, given the nature of the financial management of the Academy, there are limited key performance indicators which require specific monitoring.

These are:

- Pupil numbers which provides the basis for the funding at the Academy Trust
- Percentage of EFA income spend on staffing costs, both teaching and overall
- Pupil/Teaching ratios
- Capital projects and expenditure

**Wilmington Primary School**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2016**

**b. Review of activities**

The school has achieved a satisfactory 11+ pass rate and APD point scores in reading, writing and maths at the end of Key Stage 1 and 2. The creative subjects and sports are important priority areas for the school so that it continues to offer a balanced curriculum.

**c. Investment policy and performance**

The Governors do not have a formal investment policy except that no speculative or other investments which may place Academy funds at risk should be made. The Governors have agreed that surplus funds may be placed in fixed term deposit accounts at recognised UK clearing banks.

**Financial review**

During the period to 31 August 2016 total income, including capital income was £1,072,003 of which £34,843 was unrestricted income.

Total expenditure for the period 31 August 2016 was £1,006,203 of which:

- Employee costs of £637,618 represented 63% of total expenditure
- Premises Related costs of £157,147 represented 16% of total expenditure
- Educational supplies and services £41,931 represented 4% of total expenditure

The operating surplus excluding the pension reserve adjustments for the period ended 31 August 2016 was £65,800.

**a. Principal risks and uncertainties**

The Governors consider that the principal financial risks facing the Academy are:

- Reduction in overall government funding (per pupil)
- Structural decay (i.e. roof wear and tear after the expiry of the guarantee)

Additionally other risks and uncertainties could arise from damage to the reputation of the Academy which could arise from an adverse Ofsted or other governmental report or an event outside the control of the Governors. The Governors have conducted a review of the principal risks and have implemented measures to limit these risks as far as appropriate.

**b. 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 for preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2016**

**c. Reserves policy**

The Governors review the policy annually. The review considers the need to maintain a level of reserves which will allow the Academy to match income with commitments and the nature of the reserves. The Governors have not set a minimum level of reserves but seeks to maintain a level where there is sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies or urgent maintenance requirements.

The Academy's current level of reserves, both restricted and unrestricted, is shown within the financial statements (note 19). The total reserves as at 31 August 2016 was £2,903,167, of which £69,198 represents unrestricted funds.

The Academy maintains a pensions reserve fund which represents the Academy's share of the LGPS fund surplus or deficit, calculated in accordance with Financial Reporting Standard (FRS)102. Further details of the calculations and assumptions underlying the balance on this fund are set out in note 23 to the financial statements.

**d. Deficit**

The pension reserve restricted fund at 31 August 2016 is in deficit by £228,000. This represents the Academy's share of the LGPS fund deficit, calculated in accordance with Financial Reporting Standard (FRS)102 by Barnett Waddingham LLP. Employer contributions are reviewed every three years in consultation with the scheme's administrators, and employer contributions due by the Academy have been fixed for the three years from 1 April 2014.

**e. Principal funding**

The majority of the Academy's income is in the form of recurrent grants from the EFA and the use of this income is restricted to the particular purpose of the grant. The grants received from the EFA and the associated expenditure are shown as restricted funds in the statement of financial activities. The remainder of income was raised via fees and charges for lettings and the income is unrestricted.

**Structure, governance and management**

**a. Constitution**

The academy trust is a company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The governors act as the trustees for the charitable activities of Wilmington Primary and are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Wilmington Primary School.

Details of the governors who served throughout the year except as noted are included in the Reference and administrative details on page 1.

**b. Members' liability**

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

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**Trustees' Report (continued)  
For the Year Ended 31 August 2016**

**c. Method of recruitment and appointment or election of Trustees**

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the Articles of Association.

The initial members were the signatories of the Memorandum of Association. The Articles of Association require that the members appoint a minimum of three Governors, but no maximum.

The articles require the Academy trust shall have the following Governors:

- Head Teacher
- Up to four Governors appointed by the charity's members
- Staff Governors, provided that the total number of Governors (including the Head Teacher) who are employees of the Academy trust does not exceed one third of the total number of Governors
- A minimum of two Parent Governors, elected by parents of registered pupils at the Academy. A parent Governor must be a parent of a pupil at the Academy at the time when they are elected
- The Governors may appoint up to three Co-opted Governors
- The Secretary of State may appoint Governors in certain circumstances

A Governor's term of office is four years but Governors are eligible for re-election.

**d. Policies and procedures adopted for the induction and training of Trustees**

School management receives support from an online subscription service called 'The Key'.

**e. Pay policy for key management personnel**

Key management is defined as persons having authority and responsibility for planning, directing and controlling the activities of a reporting entity, directly or indirectly. In the case of Wilmington Primary School, the Head Teacher is the sole 'Key Management', having sole responsibility of running the school. Therefore regarding setting the pay and remuneration for the key personnel, the Head Teacher has an annual appraisal carried out by the performance management committee, which comprises of two Governors (one including the chair) and an external management consultant. During this appraisal staff are consulted and evidence is gathered of the Head Teacher's work. Targets are set by the performance management committee for the Head Teacher to aim for in the coming year. Pay increases are awarded according to the Head Teacher's performance but are subject to the position on the incremental leadership set by the Governing Body.



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**Trustees' Report (continued)  
For the Year Ended 31 August 2016**

**f. Organisational structure**

The Governors of Wilmington Primary School have overall responsibility for the successful delivery of the Academy's aims and objectives by setting the strategic direction and policies of the school, overseeing the effective management of the Academy's finances and resources and ensuring that the quality of teaching and learning results in appropriate levels of achievement.

The Governing Body is made up of the Head Teacher and Governors. The Governing Body is divided into a number of Governor's Committees:

- Admissions
- Personnel - Pay
- Disciplinary
- Disciplinary Appeals
- Finance Committee

The Head Teacher is responsible to the Governing Body for following the strategic direction set by the Governors, for implementing the Academy's agreed policies and for ensuring the delivery of excellent teaching and learning that results in appropriate levels of achievement. The Head Teacher is responsible for the day to day management of the Academy and devolves this responsibility to the Senior Leadership Team (SLT), made up of three Members, the SLT act as Line Managers for Subject Leaders who account to them for the efficient use of finances and resources, levels of student achievement, the effective delivery of schemes of work and the quality of teaching and learning.

**g. Connected organisations, including related party relationships**

Wilmington Primary School is in partnership with Swanley and District Partnership (a sports committee, organising competitive events and CPD opportunities for teachers within the Swanley area but including Dartford).

Wilmington Primary School is a member of this organisation and Duncan Finlayson is on the leadership team.

North West Kent Teaching School Alliance - Wilmington Primary School are a primary partner with responsibility for supporting new primary teachers.

Dartford West Consortium - a support group for the primary school in the Dartford west area.

**h. Governors' indemnities**

Subject to the provisions of the Companies Act 2006, the Academy maintains directors' and officers' liability insurance which gives appropriate cover for any liability incurred or legal action brought against them in their capacity as directors of the Academy.

**Plans for future periods**

**a. Future developments**

The school aims to continue raising standards, particularly in numeracy and literacy. Integrated curriculum projects will ensure that science, ICT and other key subject areas are not side-lined.

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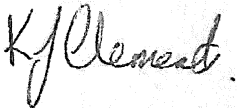
Trustees' Report (continued)  
For the Year Ended 31 August 2016

**Disclosure of information to auditors**

In so far as the governors are aware:

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

This report was approved by order of the board of governors, as the company directors, on 12 December 2016 and signed on its behalf by:



Karin Clements, Chair

**Wilmington Primary School**  
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**Governance Statement**

**Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Wilmington Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

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 4 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
Douglas Hunter	4	4
Stephanie Beckley, Vice Chair	4	4
Duncan Finlayson, Head Teacher	4	4
Karin Clements, Chair	3	4
Sharon Martin	3	4
Wendy Stacy	4	4
Karen Morrissey	4	4
Christopher Billington	3	3
Anna Winters, Vice Chair	3	3

Both Anna Winter and Chris Billington were appointed on 1 November 2015 as parent governors.

A comprehensive Ofsted directed review of governance was carried out by the full governing body in September 2013. Subsequent reviews of progress were made in the following autumn meetings of each new academic year. The governors reviewed their roles, particularly monitoring and evaluation of pupil progress. It is pleasing to report that in a subsequent Ofsted report from June 2015 it was stated that *'the headteacher is ably supported by an effective governing body. They are all fully committed to providing a high standard of education for all pupils'*. External and internal training supported the process so that key evidence and observations, surveys and data could more accurately measure the progress of groups relative to LA and national performance. Progress of lower middle attaining children has accelerated in the core subjects and is now more consistent across KS2 (and KS1) classes.

Training has been provided for the new parent governors to assist and ensure they can carry out their duties as governors with the necessary skills and knowledge.

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the Governing Body, by enabling a more detailed consideration to be given to the best interests of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

**Wilmington Primary School**  
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**Governance Statement (continued)**

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Douglas Hunter	4	4
Stephanie Beckley, Vice Chair	4	4
Duncan Finlayson, Head Teacher	4	4
Karin Clements, Chair	3	4
Sharon Martin	3	4
Wendy Stacy	4	4
Karen Morrissey	4	4
Christopher Billington	3	3
Anna Winters	3	3

**Review of Value for money**

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

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

- Streamlining teacher and TA resources in response to changes in the budget while maintaining effective support to each class
- Negotiating the delivery of high quality catering service with a neutral impact on the budget
- Annual review of effective performance management with clear staff roles and responsibilities
- Securing a grant for pipe improvements and new LED lighting, ensuring the heating and lighting is energy efficient and cost effective.

**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 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 Wilmington Primary School for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

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

**Wilmington Primary School**  
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**Governance Statement (continued)**

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance 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 Kreston Reeves LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On an annual basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of income (including DFE)
- testing of control account/bank reconciliations

Minor issues were identified in the first internal audit carried out by Kreston Reeves LLP in July 2016. All of the items have been addressed and new procedures have rectified the issues.

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**Governance Statement (continued)**

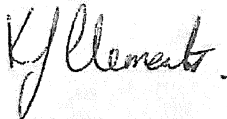
**Review of Effectiveness**

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

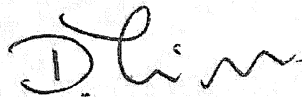
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 governing body on 12 December 2016 and signed on their behalf, by:



**Karin Clements**  
**Chair of Trustees**



**Duncan Finlayson, Head Teacher**  
**Accounting Officer**

**Wilmington Primary School**  
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**Statement of Trustees' Responsibilities**  
**For the Year Ended 31 August 2016**

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

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

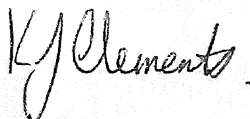
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 12 December 2016 and signed on its behalf by:



**Karin Clements**  
Chair of Trustees

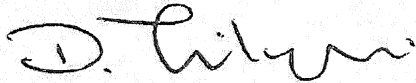
**Wilmington Primary School**  
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**Statement on Regularity, Propriety and Compliance**

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

I confirm that I and the academy trust 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 2015.

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



**Duncan Finlayson, Head Teacher**  
**Accounting Officer**

Date: 12 December 2016



**Wilmington Primary School**  
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**Independent Auditors' Report on the Financial Statements to the Members of Wilmington Primary School**

We have audited the financial statements of Wilmington Primary School for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

**Respective responsibilities of Trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

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

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Wilmington Primary School**  
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**Independent Auditors' Report on the Financial Statements to the Members of Wilmington Primary School**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

*Kreston Reeves LLP*

Peter Manser FCA DChA (Senior Statutory Auditor)

for and on behalf of

**Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor

Canterbury  
13 December 2016

**Wilmington Primary School  
(A Company Limited by Guarantee)**

**Independent Reporting Accountants' Assurance Report on Regularity to Wilmington Primary School and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 25 April 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wilmington Primary School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Wilmington Primary School's Accounting Officer and the reporting accountant**

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

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

**Approach**

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

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

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

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

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountants' Assurance Report on Regularity to Wilmington Primary School and the Education Funding Agency (continued)**

**Work undertaken**

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed minutes of Governing Body minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with

**Conclusion**

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

*Kreston Reeves LLP*

**Kreston Reeves LLP**

Reporting Accountant  
Chartered Accountants  
Canterbury

13 December 2016

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities Incorporating Income and Expenditure Account**  
**For the Year Ended 31 August 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>Income from:</b>						
Donations and capital grants	2	17,900	-	-	17,900	9,681
Charitable activities	3	-	845,684	191,476	1,037,160	1,036,030
Other trading activities	4	16,787	-	-	16,787	15,816
Investments	5	156	-	-	156	107
<b>Total income</b>		<b>34,843</b>	<b>845,684</b>	<b>191,476</b>	<b>1,072,003</b>	<b>1,061,634</b>
<b>Expenditure on:</b>						
Charitable activities		14,781	851,495	139,927	1,006,203	912,845
<b>Total expenditure</b>	6	<b>14,781</b>	<b>851,495</b>	<b>139,927</b>	<b>1,006,203</b>	<b>912,845</b>
<b>Net income / (expenditure) before transfers</b>		<b>20,062</b>	<b>(5,811)</b>	<b>51,549</b>	<b>65,800</b>	<b>148,789</b>
Transfers between Funds	19	-	(1,400)	1,400	-	-
<b>Net income / (expenditure) before other gains and losses</b>		<b>20,062</b>	<b>(7,211)</b>	<b>52,949</b>	<b>65,800</b>	<b>148,789</b>
Actuarial losses on defined benefit pension schemes	23	-	(80,000)	-	(80,000)	(3,000)
<b>Net movement in funds</b>		<b>20,062</b>	<b>(87,211)</b>	<b>52,949</b>	<b>(14,200)</b>	<b>145,789</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		49,136	(113,874)	2,982,105	2,917,367	2,771,578
<b>Total funds carried forward</b>		<b>69,198</b>	<b>(201,085)</b>	<b>3,035,054</b>	<b>2,903,167</b>	<b>2,917,367</b>

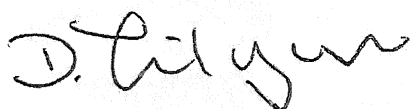
The notes on pages 22 to 41 form part of these financial statements.

Wilmington Primary School  
(A Company Limited by Guarantee)  
Registered number: 07800252

Balance Sheet  
As at 31 August 2016

	Note	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Tangible assets	14		2,951,516		2,982,105
<b>Current assets</b>					
Debtors	15	29,650		6,704	
Cash at bank and in hand		198,866		100,175	
		<u>228,516</u>		<u>106,879</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(41,365)</u>		<u>(41,617)</u>	
<b>Net current assets</b>			<u>187,151</u>		65,262
<b>Total assets less current liabilities</b>			<u>3,138,667</u>		<u>3,047,367</u>
<b>Creditors: amounts falling due after more than one year</b>	17		<u>(7,500)</u>		-
<b>Net assets excluding pension scheme liabilities</b>			<u>3,131,167</u>		<u>3,047,367</u>
Defined benefit pension scheme liability	23		<u>(228,000)</u>		<u>(130,000)</u>
<b>Net assets including pension scheme liabilities</b>			<u>2,903,167</u>		<u>2,917,367</u>
<b>Funds of the Academy</b>					
Restricted funds:					
Restricted funds	19	26,915		16,126	
Restricted fixed asset funds	19	3,035,054		2,982,105	
Restricted funds excluding pension liability		<u>3,061,969</u>		<u>2,998,231</u>	
Pension reserve		<u>(228,000)</u>		<u>(130,000)</u>	
Total restricted funds			<u>2,833,969</u>		2,868,231
Unrestricted funds	19		<u>69,198</u>		49,136
<b>Total funds</b>			<u>2,903,167</u>		<u>2,917,367</u>

The financial statements were approved by the Trustees, and authorised for issue, on 12 December 2016 and are signed on their behalf, by:



Duncan Finlayson  
Head Teacher



Karin Clements  
Chair of Trustees

The notes on pages 22 to 41 form part of these financial statements.

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flows**  
**For the Year Ended 31 August 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	21	<u>(94,481)</u>	<u>2,708</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(6,460)	(285,612)
Capital grants from DfE/EFA		<u>191,476</u>	<u>205,118</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>185,016</u>	<u>(80,494)</u>
<b>Cash flows from financing activities:</b>			
Cash inflows from new borrowing		8,000	-
Interest received		<u>156</u>	<u>107</u>
<b>Net cash provided by financing activities</b>		<u>8,156</u>	<u>107</u>
<b>Change in cash and cash equivalents in the year</b>		<b>98,691</b>	<b>(77,679)</b>
Cash and cash equivalents brought forward		<u>100,175</u>	<u>177,854</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>198,866</u></u>	<u><u>100,175</u></u>

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**1. Accounting Policies**

Wilmington Primary School is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Wilmington Primary School, Common Lane, Wilmington, Dartford, Kent, DA2 7DF. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

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

**1.1 Basis of preparation of financial statements**

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

Wilmington Primary School constitutes a public benefit entity as defined by FRS 102.

**First time adoption of FRS 102**

These financial statements are the first financial statements of Wilmington Primary School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Wilmington Primary School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

**1.2 Going concern**

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

**1.3 Company status**

The Academy is a company limited by guarantee. The members of the company are Trustees named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy.



**Wilmington Primary School  
(A Company Limited by Guarantee)**

**Notes to the Financial Statements  
For the Year Ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.4 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Education Funding Agency.

Investment income, gains and losses are allocated to the appropriate fund.

**1.5 Income**

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

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

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

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

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

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

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.6 Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised as tangible fixed assets.

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.

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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	no depreciation
Freehold buildings	-	over 50 years
Fixtures and fittings	-	25% on cost
Computer equipment	-	33% on cost

**1.8 Operating leases**

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

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.9 Taxation**

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

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.12 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.13 Liabilities and provisions**

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

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.14 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.15 Financial instruments**

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.16 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.

*Pensions and other post-employment benefits*

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

*Tangible fixed assets*

The Academy Trust has recognised tangible fixed assets with a carrying value of £2,951,516 at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the governors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Notes to the Financial Statements  
For the Year Ended 31 August 2016

1. Accounting Policies (continued)

Critical areas of judgement:

*Multi-employer defined benefit pension scheme*

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the governors, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 23 for further details.

2. Income from donations and capital grants

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	17,900	-	-	17,900	9,681

In 2015, of the total income from donations and capital grants, £9,681 was to unrestricted funds and £ NIL was to restricted funds

3. Funding for Academy's educational operations

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	788,235	788,235	772,005
Other DfE/EFA grants	-	57,449	57,449	56,706
Capital grant	-	191,476	191,476	205,118
British Council Grant	-	-	-	2,201
	-	1,037,160	1,037,160	1,036,030

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £1,036,030 was to restricted funds.

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**4. Other trading activities**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
School fund income	16,787	-	16,787	15,816

In 2015, of the total income from other trading activities, £15,816 was to unrestricted funds and £ NIL was to restricted funds.

**5. Investment income**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	156	-	156	107

In 2015, of the total investment income, £ 107 was to unrestricted funds and £ NIL was to restricted funds.

**6. Expenditure**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Activities:					
Direct costs	553,784	-	41,931	595,715	615,096
Support costs	83,834	157,147	169,507	410,488	297,749
	<u>637,618</u>	<u>157,147</u>	<u>211,438</u>	<u>1,006,203</u>	<u>912,845</u>

In 2016, of the total expenditure, £14,781 (2015 - £15,059) was to unrestricted funds and £991,422 (2015 - £897,786) was to restricted funds.

**7. Direct costs**

	Total 2016 £	Total 2015 £
Education supplies	38,467	27,262
Catering costs	3,464	3,587
British Council expenses	-	5,064
Supply teacher costs	7,169	12,506
Wages and salaries	439,304	467,877
National insurance	34,606	33,096
Pension cost	72,705	65,704
	<u>595,715</u>	<u>615,096</u>

**Wilmington Primary School**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**8. Support costs**

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Net pension finance cost (Note 23)	4,000	4,000
Maintenance of premises & equipment	21,500	17,725
Cleaning	13,436	13,038
Rates and water	6,485	5,787
Light and heat	14,139	10,557
Telephone	2,372	1,672
Printing, postage and stationery	13,940	11,856
Personnel and payroll	3,234	2,898
Computer costs	22,965	16,521
Insurance	14,994	16,637
Training and development	8,891	8,649
Every child a reader	1,800	1,950
School fund expenditure	14,391	15,059
School meals	33,119	31,334
Building repairs	102,878	1,644
Auditors' remuneration	5,900	5,800
Responsible officer fee	450	450
Other audit costs	795	795
Auditors' remuneration - non-audit	3,208	9,865
Finance officer	-	12,818
Other professional fees	1,108	1,226
Wages and salaries	58,370	51,390
National insurance	2,308	1,711
Pension cost	23,156	17,681
Depreciation	37,049	36,686
	<b>410,488</b>	<b>297,749</b>

**9. Net incoming resources/(resources expended)**

This is stated after charging:

	<b>2016 £</b>	<b>2015 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	37,049	36,686
Auditors' remuneration - audit	5,900	5,800
Auditors' remuneration - other services	4,003	10,660
Governance Internal audit costs	450	450



**Wilmington Primary School  
(A Company Limited by Guarantee)**

**Notes to the Financial Statements  
For the Year Ended 31 August 2016**

**10. Staff costs**

Staff costs were as follows:

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Wages and salaries	<b>497,674</b>	519,267
Social security costs	<b>36,914</b>	34,807
Operating costs of defined benefit pension schemes	<b>95,861</b>	83,385
	<u><b>630,449</b></u>	<u>637,459</u>
Supply teacher costs	<b>7,169</b>	12,506
	<u><b>637,618</b></u>	<u>649,965</u>

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

	<b>2016</b>	2015
	<b>No.</b>	<b>No.</b>
Teachers	<b>12</b>	12
Administration support	<b>19</b>	21
Management	<b>2</b>	2
	<u><b>33</b></u>	<u>35</u>

Average headcount expressed as a full time equivalent:

	<b>2016</b>	2015
	<b>No.</b>	<b>No.</b>
Teachers	<b>6</b>	7
Administration support	<b>7</b>	8
Management	<b>2</b>	2
	<u><b>15</b></u>	<u>17</u>

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

	<b>2016</b>	2015
	<b>No.</b>	<b>No.</b>
In the band £70,001 - £80,000	<b>1</b>	1

This employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for this employee amounted to £11,654 (2015: £9,872).

For the year ended 31 August 2016, the remuneration paid to key management personnel totalled £185,146 (2015: £178,750).

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**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other 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:

		<b>2016</b>	2015
		<b>£</b>	£
D Finlayson, Head Teacher and Trustee	Remuneration	<b>70,000-75,000</b>	70,000-75,000
	Pension contributions paid	<b>10,000-15,000</b>	5,000-10,000
W Stacy, Deputy head and Trustee	Remuneration	<b>50,000-55,000</b>	50,000-55,000
	Pension contributions paid	<b>5,000-10,000</b>	5,000-10,000

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

**12. 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £507 (2015 - £492).

**13. Pension finance cost**

	<b>2016</b>	2015
	<b>£</b>	£
Expected return on pension scheme assets	<b>7,000</b>	6,000
Interest on pension scheme liabilities	<b>(11,000)</b>	(10,000)
	<b><u>(4,000)</u></b>	<u>(4,000)</u>

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**14. Tangible fixed assets**

	Freehold Land and Buildings £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2015	3,088,104	10,814	25,300	3,124,218
Additions	-	5,067	1,393	6,460
At 31 August 2016	<u>3,088,104</u>	<u>15,881</u>	<u>26,693</u>	<u>3,130,678</u>
<b>Depreciation</b>				
At 1 September 2015	108,596	8,217	25,300	142,113
Charge for the year	33,984	2,601	464	37,049
At 31 August 2016	<u>142,580</u>	<u>10,818</u>	<u>25,764</u>	<u>179,162</u>
<b>Net book value</b>				
At 31 August 2016	<u><u>2,945,524</u></u>	<u><u>5,063</u></u>	<u><u>929</u></u>	<u><u>2,951,516</u></u>
At 31 August 2015	<u><u>2,979,508</u></u>	<u><u>2,597</u></u>	<u><u>-</u></u>	<u><u>2,982,105</u></u>

Included in land and buildings is freehold land at valuation of £1,388,915 (2014: £1,388,915) which is not depreciated.

**15. Debtors**

	2016 £	2015 £
Other debtors	24,508	2,526
Prepayments and accrued income	5,142	4,178
	<u>29,650</u>	<u>6,704</u>

**16. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	3,043	-
Other creditors	500	-
Accruals and deferred income	37,822	41,617
	<u>41,365</u>	<u>41,617</u>

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**16. Creditors: Amounts falling due within one year (continued)**

	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	21,923	19,037
Resources deferred during the year	20,776	21,923
Amounts released from previous years	(21,923)	(19,037)
	<u>20,776</u>	<u>21,923</u>
Deferred income at 31 August 2016	<u>20,776</u>	<u>21,923</u>

The deferred income above relates to money received in advance of the year to which it relates from the EFA in relation to free school meals.

**17. Creditors:**  
**Amounts falling due after more than one year**

	2016 £	2015 £
Other creditors	7,500	-
	<u>7,500</u>	<u>-</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	3,500	-
	<u>3,500</u>	<u>-</u>

**18. Financial instruments**

	2016 £	2015 £
Financial assets measured at amortised cost	2,613	1,830
	<u>2,613</u>	<u>1,830</u>
Financial liabilities measured at amortised cost	28,089	19,694
	<u>28,089</u>	<u>19,694</u>

Financial assets measured at amortised cost comprise accrued income.

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

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**19. Statement of funds**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General fund	49,136	34,843	(14,781)	-	-	69,198
<b>Restricted funds</b>						
General Annual Grant (GAG)	14,286	788,235	(757,046)	(20,400)	-	25,075
Other DfE/EFA grants	-	57,449	(57,449)	-	-	-
Other government grants	1,840	-	-	-	-	1,840
Pension reserve	(130,000)	-	(37,000)	19,000	(80,000)	(228,000)
	<u>(113,874)</u>	<u>845,684</u>	<u>(851,495)</u>	<u>(1,400)</u>	<u>(80,000)</u>	<u>(201,085)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	2,982,105	-	(37,049)	6,460	-	2,951,516
DfE/EFA capital grants	-	191,476	(102,878)	(5,060)	-	83,538
	<u>2,982,105</u>	<u>191,476</u>	<u>(139,927)</u>	<u>1,400</u>	<u>-</u>	<u>3,035,054</u>
Total restricted funds	<u>2,868,231</u>	<u>1,037,160</u>	<u>(991,422)</u>	<u>-</u>	<u>(80,000)</u>	<u>2,833,969</u>
Total of funds	<u><u>2,917,367</u></u>	<u><u>1,072,003</u></u>	<u><u>(1,006,203)</u></u>	<u><u>-</u></u>	<u><u>(80,000)</u></u>	<u><u>2,903,167</u></u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE/EFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

Other Government Grants consists of all other non DfE/EFA grants. This funding is to be used for the specific purpose as set out in the grant's funding agreement.

The Restricted fixed asset fund represents the freehold land and buildings and other assets which were donated upon conversion to Academy status, the value of fixed assets purchased since conversion including depreciation to the balance sheet date.

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**Notes to the Financial Statements**  
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**19. Statement of funds (continued)**

DfE/EFA capital grants fund is to provide the Academy with its own capital money to address improvements to buildings and other facilities.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

**20. Analysis of net assets between funds**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Restricted fixed asset funds 2016 £</b>	<b>Total funds 2016 £</b>	<b>Total funds 2015 £</b>
Tangible fixed assets	-	-	2,951,516	2,951,516	2,982,105
Current assets	69,198	67,780	91,538	228,516	106,882
Creditors due within one year	-	(40,865)	(500)	(41,365)	(41,620)
Creditors due in more than one year	-	-	(7,500)	(7,500)	-
Pension scheme liability	-	(228,000)	-	(228,000)	(130,000)
	<u>69,198</u>	<u>(201,085)</u>	<u>3,035,054</u>	<u>2,903,167</u>	<u>2,917,367</u>

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2016 £</b>	<b>2015 £</b>
Net income for the year (as per Statement of financial activities)	65,800	148,789
<b>Adjustment for:</b>		
Depreciation charges	37,049	36,686
(Increase)/decrease in debtors	(22,946)	3,268
(Decrease)/increase in creditors	(752)	4,190
Capital grants from DfE and other capital income	(191,476)	(205,118)
Defined benefit pension scheme cost less contributions payable	14,000	11,000
Defined benefit pension scheme finance cost	4,000	4,000
Interest received	(156)	(107)
<b>Net cash (used in)/provided by operating activities</b>	<u>(94,481)</u>	<u>2,708</u>

**22. Analysis of cash and cash equivalents**

	<b>2016 £</b>	<b>2015 £</b>
Cash in hand	198,866	100,175
<b>Total</b>	<u>198,866</u>	<u>100,175</u>

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2016**

**23. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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**

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

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

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**23. Pension commitments (continued)**

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

The employer's pension costs paid to TPS in the period amounted to £58,861 (2015 - £52,385).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £24,000 (2015 - £20,000), of which employer's contributions totalled £19,000 (2015 - £16,000) and employees' contributions totalled £5,000 (2015 - £4,000). The agreed contribution rates for future years are 19.8% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions:

	<b>2016</b>	2015
Discount rate for scheme liabilities	<b>2.00 %</b>	3.70 %
Rate of increase in salaries	<b>4.00 %</b>	4.20 %
Rate of increase for pensions in payment / inflation	<b>2.20 %</b>	2.40 %
Inflation assumption (CPI)	<b>2.20 %</b>	2.40 %
Inflation assumption (RPI)	<b>3.10 %</b>	3.30 %

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

	<b>2016</b>	2015
Retiring today		
Males	<b>22.9</b>	22.8
Females	<b>25.3</b>	25.2
Retiring in 20 years		
Males	<b>25.2</b>	25.1
Females	<b>27.7</b>	27.6



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**23. Pension commitments (continued)**

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	149,000	118,000
Gilts	2,000	2,000
Other bonds	23,000	19,000
Property	31,000	23,000
Cash	5,000	4,000
Target return portfolio	10,000	7,000
	<hr/>	<hr/>
Total market value of assets	<b>220,000</b>	<b>173,000</b>
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £19,000 (2015 - £(2,000)).

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(33,000)	(27,000)
Net interest cost	(4,000)	(4,000)
	<hr/>	<hr/>
Total	<b>(37,000)</b>	<b>(31,000)</b>
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	<b>19,000</b>	<b>(2,000)</b>
	<hr/> <hr/>	<hr/> <hr/>

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

	2016 £	2015 £
Opening defined benefit obligation	303,000	264,000
Current service cost	33,000	27,000
Interest cost	11,000	10,000
Contributions by employees	5,000	4,000
Actuarial losses	99,000	1,000
Exchange differences on foreign schemes	(3,000)	(3,000)
	<hr/>	<hr/>
Closing defined benefit obligation	<b>448,000</b>	<b>303,000</b>
	<hr/> <hr/>	<hr/> <hr/>

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**Notes to the Financial Statements**  
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**23. Pension commitments (continued)**

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

	2016 £	2015 £
Opening fair value of scheme assets	173,000	152,000
Interest income	7,000	6,000
Actuarial gains and (losses)	19,000	(2,000)
Contributions by employer	19,000	16,000
Contributions by employees	5,000	4,000
Benefits paid	(3,000)	(3,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	<b>220,000</b>	<b>173,000</b>
	<hr/> <hr/>	<hr/> <hr/>

**24. Operating lease commitments**

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
<b>Amounts payable:</b>		
Within 1 year	4,747	4,747
Between 1 and 5 years	10,681	15,428
	<hr/>	<hr/>
Total	<b>15,428</b>	<b>20,175</b>
	<hr/> <hr/>	<hr/> <hr/>

**25. Related party transactions**

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

During the year Dorothy Finlayson, spouse to Duncan Finlayson, a Trustee of the Academy, was employed by the Academy as a supply teacher and as such was paid remuneration for her services. Remuneration for the year amounted to £6,273 (2015: £6,415). Transactions with Dorothy Finlayson were conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

**26. Controlling party**

The Academy is run by the management team on a day to day basis. Strategic decisions are made by the Board of Governors. There is no ultimate controlling party.

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**27. 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.

**28. First time adoption of FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

<b>Reconciliation of total funds</b>	<b>Notes</b>	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		2,771,578	2,917,367
Total funds reported under FRS 102		<u>2,771,578</u>	<u>2,917,367</u>

<b>Reconciliation of net income</b>	<b>Notes</b>	31 August 2015 £
Net income previously reported under UK GAAP		152,789
Change in recognition of LGPS interest cost	A	(4,000)
Net movement in funds reported under FRS 102		<u>148,789</u>

Explanation of changes to previously reported funds and net income/expenditure:

A Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to expense by £4,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.