

Registration number: 10261477

Bolton and Farnworth Church of England Primary Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018



HALLIDAYS
MORE THAN JUST ACCOUNTANTS

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Bolton and Farnworth Church of England Primary Multi Academy Trust

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Bolton and Farnworth Church of England Primary Multi Academy Trust

Reference and Administrative Details

Members	Canon Matthew Thompson (resigned 30 September 2017) Mr Neville Norcross Rev. Vincent Whitworth Rev Jane Greenhalgh (appointed 4 December 2017 and resigned 18 July 2018) Revd Canon Dr Chris Bracegirdle (appointed 18 April 2018)
Trustees (Directors)	Canon Matthew Thompson (resigned 30 September 2017) Councillor John Walsh (Chairperson Sept 2017 to Aug 2018) Mrs Jill Pilling (Chief Executive and Accounting Officer) Mrs Barbara Kinch (Vice-chairperson Sept 2017) Rev Vincent Whitworth Mr Sarfaz Hafeji Mr Gordon Pincott The Venerable David Bailey (resigned 1 December 2017) Rev, Moira Slack Mr John Waring Mrs Christine Griffiths Miss Evelyn Weston Revd Canon Dr Chris Bracegirdle (Chairperson Sept 2018) (appointed 18 April 2018) The Venerable Jean Burgess (appointed 18 April 2018) Rev, Jane Greenhalgh (resigned 18 July 2018)
Senior Management Team	Mrs Jill Pilling, Chief Executive Officer Mrs Jackie Carter, Chief Finance Officer Mrs Nikki Patel, School Improvement Principle Mrs Hafsha Hafeji, Principle Bishop Bridgeman
Company Name	Bolton and Farnworth Church of England Primary Multi Academy Trust
Principal and Registered Office	Bishop Bridgeman Church of England Primary School Rupert Street Great Lever Bolton Lancashire BL3 6PY
Company Registration Number	10261477

Bolton and Farnworth Church of England Primary Multi Academy Trust

Reference and Administrative Details (continued)

Auditors	Hallidays Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD 8 July 2016
Bankers	Lloyds Bank 9 - 11 Hotel Street Bolton BL1 1DB
Solicitors	Brown Jacobson 14th Floor, No. 1 Spinningfields, 1 Hardman Square Manchester M3 3EB

Bolton and Farnworth Church of England Primary Multi Academy Trust

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 two primary schools for pupils aged 2 - 11 years serving a catchment area in Great Lever, and in Farnworth in Bolton. The schools have a combined capacity of 863.

School	Capacity with nursery	Number on Role at July 2018 with nursery	Number on Role at July 2018 without nursery
Bishop Bridgeman Church of England Primary School	467	466	414
St James Church of England Primary School	379	364	300

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Bolton and Farnworth Church of England Primary Multi Academy Trust. Details of the trustees who served throughout the year, and to the date these accounts are approved 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

Professional Indemnity Insurance is in place to protect trustees, and officers from claims arising from negligent acts, errors or omissions occurring on trust business.

Method of recruitment and appointment or election of Trustees

Trustees are recruited by invitation, dependent on their expertise, experience and skills. Trustees may appoint other trustees as referenced in the Articles of Association and are appointed for a term of 4 years.

Policies and procedures adopted for the induction and training of Trustees

New trustees are inducted into the workings of the academy, including policies and procedures, together with an appropriate training schedule depending upon their existing area of expertise. Trustees and members undertake 3 additional days training as part of Trust strategic development days. These take place once a term.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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 trust by the use of financial management information, making strategic decisions about the direction of the trust and capital expenditure, making senior appointments, and approving the Annual Report and Statements. The Chief Executive Officer is the accounting officer. The day to day management of the trust is delegated to her, the Chief Finance Officer, the School Improvement Principal. These managers control the trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the Executive team is responsible for the authorisation of spending within agreed budgets and the appointment of staff - though appointment boards for posts in the Senior Leadership Team always contain a trustee. Some spending control is devolved to members of the management team within agreed limits within the scheme of delegation. The Trustees meet twice in the autumn term, once in the spring term and once in the summer term, with the first meeting in each academic year being the annual general meeting. Sub committees meet on at least a termly basis and report to the Trustees which ratifies their decisions. Trustees also meet each term for a strategic development day. The Local Governing body committee meet every half term.

Roles and responsibilities of Trustees, and senior managers are clearly defined in the trust scheme of delegation and terms of reference.

Arrangements for setting pay and remuneration of key management personnel

Staff that work across the Multi Academy Trust are paid within the Multi Academy Trust Pay Policy which is based on pupil numbers and successful completion of performance management targets.

Senior staff within the school will be paid according to the Local Authority pay policy and the National Teachers Pay and Conditions Document.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
9	9

Percentage of pay bill spent on facility time

	2018
Provide the total cost of facility time	3,372
Provide the total pay bill	3,281,718

Paid trade union activities

	2018
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	3

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

Related Parties and other Connected Charities and Organisations

The Bolton and Farnworth Church of England Primary Multi Academy Trust does not hold any related party policies or activities.

Objectives and activities

Objects and aims

The Trust's main strategy is to establish a foundation to enable our MAT to fulfil its vision in terms of its mission, values and ethos; outstanding educational provision and sound finances. The Trust's approach to the strategy includes:

- Appointment of key staff
- Cost effective use of resources/ sharing of resources
- Securing economies of scale
- Strengthening Governance
- Staff CPD

The Trust's priority is for the public benefit for children by establishing, maintaining, managing and developing our schools which shall offer a broad and balanced curriculum within our Christian foundation.

The vision of the Trustees is to develop every child and adult's potential, providing outstanding opportunities at the heart of our communities and make a difference by raising aspirations, academic standards and improving children's life chances within safe, stimulating and purposeful environments. Our schools hold an unshakeable belief that all children have the right to a high quality education.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Objectives, strategies and activities

The main objectives of the Trust during the year ending 31 August 2018 are summarised below:

- * To enable autonomous outstanding academies within the MAT framework
- * To be recognised as a Trust with outstanding learning opportunities
- * To raise aspirations to secure high levels of academic achievement
- * To maintain and develop rigorous MAT wide school improvement programmes to support staff in raising achievement
- * To ensure Governance together with ambitious and determined leadership, secure the best outcomes for our academy communities
- * To comply with all appropriate statutory and curriculum requirements
- * To provide value for money for the funds expended
- * To develop strong leadership capacity within the MAT
- * To conduct the Trust business in accordance with the highest standards of integrity, probity and openness

The Bolton and Farnworth Church of England Primary Multi Academy Trust is an organisation that provides opportunities for pupils and staff alike, but always embraces the local community so as to ensure the schools are at the centre.

As we continue to grow as a Trust, we are determined to remain an organisation of 'first choice' for parents, children and employees. We believe that it is important that children are able to attend a Good or Outstanding local school.

Public benefit

The trust's purpose is to advance, for public benefit, education as described in principal activities above. The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Strategic Report

Achievements and performance

Key non-financial performance indicators

The MAT was only incorporated on 1st Aug 2016

* Improvement in attendance in both our schools

* Successful external funding bids – see table below CIF

Bishop Bridgeman	St James
CIF funding £211,711	CIF funding £254,089
Bolton Council £3,846	Bolton Council £2,321

* Outstanding Teaching & Learning review - Bishop Bridgeman

Evidenced improving picture at St James through the Teaching & Learning review.

* Bishop Bridgeman hold RE Gold Mark, LPPA, ICT Mark, Online safety Mark, Health Schools, Governor Mark Reaccreditation.

St James hold Arts Mark Gold and the Inclusion Mark

* Development of LLE/ SLE's (5 across the Trust) and school to school support packages

Achievements and performance

The Key Stage 1 assessment results for our schools in 2017/18 are as follows:

Key Stage 1 2018

	Reading		Writing		Mathematics	
	Exp Standard +	High Standard	Exp Standard +	High Standard	Exp Standard +	High Standard
National	75%	26%	70%	16%	76%	22%
BB	67%	22%	62%	18%	72%	20%
St. J	72%	26%	65%	14%	72%	19%

Attainment Key Stage 2 2018

	Reading		Writing		Mathematics		English Grammar, Punctuation and Spelling	
	Exp Standard +	High Standard	Exp Standard +	High Standard	Exp Standard +	High Standard	Exp Standard +	High Standard
National	75%	28%	78%	20%	76%	24%	78%	34%
BB	81%	26%	84%	16%	89%	44%	82%	52%
St. J	71%	44%	64%	11%	73%	44%	71%	64%

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Strategic Report

The Key Stage 2 assessment results for our schools in 2017/18 are as follows:

Progress Key Stage 2 2018		National	BB	St. James
Attainment	Expected Standard+ in RWM	64%	81%	64%
	Reading Scaled Score	105	105	107.5
	Mathematics Scaled Score	104.4	106.8	107.3
Progress	Reading Progress Score	0.0	1.83	2.14
	Writing Progress Score	0.0	1.87	-0.5
	Mathematics Progress Score	0.0	2.05	2.73

Well Below National		Below National		In line with National Average		Above National		Well Above National	
Year 1		Good Level of Development		Absence %		Persistent Abs %		Exclusions (FT) %	
National	83%	National	71%	National	4.0	National	8.3	National	1.37
BB	78%	BB	62%	BB	3.9	BB	9.7	BB	0%
St. J	74%	St. J	66%	St. J	5.1	St. J	13.5	St. J	2.96

Attendance in our schools for the academic year 2017/18

Bishop Bridgeman	St James
97% compared to 96% in 2015/16	95% compared to 94% in 2015/16

We are proud of our pupils and staff achievements and continue to make year on year improvements in every aspect of our work. We have high aspirations for our pupils and a clear vision for even further improvement and success. We are committed to the breadth and depth of learning, not simply core subjects.

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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Strategic Report

Financial review

Most of the trust income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the year ending 31 August 2018 and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received other grants from the ESFA and other organisations. In accordance with the Charities Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the year ending 31 August 2018, total expenditure of £3,849,047 (which excludes depreciation of £127,197 and FRS102 service cost and interest of £69,000) was more than covered by recurrent grant income from the EFA together with other incoming resources which totalled £3,998,538 (excluding capital grants of £518,845). This is in line with the trust's strategy to build and maintain adequate reserves to fund an ambitious plan of future improvements and development of the organisation and its infrastructure. Unrestricted income in the year ending 31 August 2018 amounted to £125,124. There was £23,262 of unrestricted expenditure. At 31 August 2018 the net book value of fixed assets amounted to £6,235,473. Movements in fixed assets are shown in note 12 to the financial statements. The cost of fixed asset additions in the year ended 31 August 2018 amounted to £733,174.

Reserves policy

The trustees review the level of reserves on an annual basis. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trust's current level of free reserves (total reserves less the amounts held in the fixed asset reserve and restricted fund reserve) is £836,157. The amount is kept secure for the time when it is needed to self-finance a scheme of major capital projects. It is the trustees intention to adopt a prudent approach to reserves and aim to build a reserve of designated funds of at least 5% of annual income to safeguard against unforeseen circumstances, capital improvements or developments, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the quality of education received within the trust. In addition, the net liability due to the trust's participation in the Local Government Pension Scheme (LGPS) amounts to £913,000. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding LGPS liabilities would be met by the Department for Education. This guarantee provides comfort to the trustees in the unlikely event of academy closure.

Investment policy

Cash balances are safeguarded by investing them in an interest-bearing account and a deposit account with a sound commercial bank.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Strategic Report

Principal risks and uncertainties

The main risks are seen as:

- * the loss of reputation resulting from a drop in standards and academic performance at the schools
- * failure to safeguard our pupils
- * falling numbers
- * budgetary pressures brought about by reduced public sector education spending and funding formula changes
- * pressures on growth which exceeds trust capacity
- * lack of succession planning with Trust governance and leadership; and
- * business interpretation due to significant property related incidents

Key controls in place to mitigate these risks are:

- * In-depth, regular data analysis through Quality assurance Programme and external MLTR reviews.
- * Annual school improvement plans at all Academies of the Trust
- * An organisational structure with clearly defined roles, responsibilities and authorisation levels
- * Robust self-evaluation procedures and careful monitoring of learning and teaching, linked to rigorous performance management
- * Documented terms of reference for the committees of the Trust and the Local Governing Bodies
- * Formal written and published policies for employees
- * Vetting procedures as required by legislation for the protection of the vulnerable
- * Robust due diligence procedures in place for growth of the Trust, new contracts and commissions
- * Five year building and development plans for all sites
- * Major Incident Policies and Plans
- * Review cycle for Governance and regular training with expertise from the system to ensure leadership strategy is robust
- * Regular Premises & Grounds inspection and Health & Safety reports ensuring the Trust and its schools are statute compliant
- * Major Incident Policies and Plans

Fundraising

Fundraising within the academies of the Bolton and Farnworth Church of England Primary Multi Academy trust operates within the parent bodies to support extra curricular activities and experiences for all children. The activities include summer balls, non uniform days, raffles, cake sales, bingo evenings, discos, fairs, movie nights and competitions.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Strategic Report

Plans for future periods

The overall performance in this reporting period was strong and as a consequence will directly reinforce the Trust's medium to long-term strategy.

The Bolton and Farnworth Church of England Primary Multi Academy Trust will continue to work in partnership with Manchester Diocese and the local authority to support other schools and improve outcomes for children.

MAT School Improvement priorities for Bolton & Farnworth CE Primary Multi Academy Trust 2018-2019; -

- * To be recognised by the DfE as high performing MAT with a clear vision for developing the **academies** in the Trust
- * Trust Values and Vision Statement is known and understood by all stakeholders
- * To further develop the Bolton and Farnworth Church of England Primary Multi Academy Trust communication system to strengthen stakeholder engagement and share the vision fully.
- * To develop the next stage of the growth strategy for the Trust
- * To increase educational standards/ performance through the sharing of resources.
- * To strengthen central services to ensure we reduce annual operating costs
- * To be recognised by Ofsted as having outstanding Governance across all academies by sharing experience
- * To be recognised by the EFA as financially strong with balanced budgets and strong reserves so that on-going levels of staffing/ developments and projects can be implemented and sustained
- * To have all academies judged as outstanding for personal development, behaviour and welfare
- * To become the school of choice for pupils, parents and employees
- * To support St Maxentius Church of England Primary School in the conversion process to Join our Trust, provisionally 1st September 2018.
- * To strive for continuous improvements in examination results and all indicators of performance in all of the Trust's schools, ensuring that 85% of each cohort are working within age related expectations in reading, writing and maths by the end of 2018/19
- * Attendance in all Trust schools is at least 96%
- * To monitor, maintain and support outstanding governance at The Bolton and Farnworth Church of England Primary Multi academy Trust
- * To continue to develop school facilities at all sites
- * To consider and plan for strategic growth opportunities that will achieve the Trust's mission and add value and capacity to the organisation

Excellent standards of behaviour will be maintained to create calm and well-ordered learning environments. Our schools aim to maintain or increase pupil numbers, providing a purpose, needs driven curriculum that is broad, balanced and relevant for all children.

Teaching and learning will have pace, purpose, variety and rigour. The Trust School Improvement Director oversees the teaching and learning profiles in all schools offering support, coaching, mentoring and carrying out monitoring visits. Pupils will be able to progress as a result of personalised programmes of study and will be confident users of ICT. Through robust assessment for learning and effective marking and feedback pupils will know what they need to improve.

Staff will be confident practitioners with appropriate professional development opportunities. Educational outcomes in all performance indicators will be above national averages and the schools will be in the 'high performing' category. The strategic development of the schools will be effectively planned, **monitored** and supported by well-equipped and committed Local Governing Boards and the main Board of Trustees.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

Employment of disabled persons

The Bolton and Farnworth Church of England Primary Multi academy Trust is an equal opportunity employer and proudly disclose this throughout its recruitment process. The Trust welcomes applications for employment from disabled persons.

Auditor

In so far as the Trustees are aware:

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

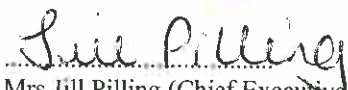
Reappointment of auditor

The auditors Hallidays are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees on 3 December 2018 and signed on its behalf by:



Revd Canon Dr Chris Bracegirdle (Chairperson)
Trustee



Mrs Jill Pilling (Chief Executive and Accounting Officer)
Trustee

Bolton and Farnworth Church of England Primary Multi Academy Trust

Governance Statement

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Executive Principle 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 Bolton and Farnworth Church of England Primary Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the 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 have formally met 4 times during the twelve months ended 31st August 2018. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Revd Canon Dr Chris Bracegirdle (Chairperson Sept 2018)	1	1
Rev Vincent Whitworth	1	2
Councillor John Walsh (Chairperson Sept 2017 to Aug 2018)	4	4
The Venerable David Bailey	2	2
The Venerable Jean Burgess	1	1
Mrs Christine Griffiths	3	4
Mrs Jill Pilling (Chief Executive and Accounting Officer)	4	4
Mr Sarfaz Hafeji	2	4
Mrs Barbara Kinch (Vice-chairperson Sept 2017)	3	4
Mr Gordon Pincott	4	4
Miss Evelyn Weston	4	4
Rev. Moira Slack	4	4
Mr John Waring	3	4

Bolton and Farnworth Church of England Primary Multi Academy Trust

Governance Statement (continued)

The Committees of the Board of Trustees have met on a regular basis throughout the year and the business conducted by these committees is reported to the Trust Board. Attendance at meetings in the twelve months ended 31st August 2018 was as follows:

Audit and Risk Committee

Trustee	Meetings attended	Out of a possible
Councillor John Walsh (Chairperson Sept 2017 to Aug 2018)	3	3
Mr Gordon Pincott	3	3
Mr John Waring	1	3
Mrs Jill Pilling (Chief Executive and Accounting Officer)	3	3
Mrs Jackie Carter	3	3

Membership of the Local Governing Body is regularly reviewed and a proactive approach to recruiting new members with required skills set has been adopted.

The members are seeking to move from 3 to 5 in the academic year 2018/19

Bishop Bridgeman Church of England Primary School Local Governing Board successfully completed Governor Mark reaccreditation in July 2017.

Governance is reviewed as part of LP days and Teaching & Learning reviews.

Review of value for money

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

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

- * The academy trust has developed and fully embedded tracking systems that ensure each individual child's progress is monitored rigorously throughout the year.
- * Pupil attainment remains a priority across the academy trust and is a focus within each school's improvement plan.
- * Effective use of Pupil Premium ensures all pupils achieve highly
- * Collaboration between schools to facilitate consistency and good practice allowing educational professionals to share best practice, improve self-evaluation, data and resources and to take on the role as critical friend.
- * Impact of the Trust School Improvement Principal in the improvement of schools teaching and learning profiles, coaching and mentoring and CDP.

Bolton and Farnworth Church of England Primary Multi Academy Trust

Governance Statement (continued)

- * Effective use of the sports premium grant to support children's health and wellbeing, staff subject knowledge and P.E. attainment/ progress.
- * Annual review of staffing structures to ensure that they are fit for purpose and can adapt and respond to support the successful completion of objectives within the School Improvement Plans.
- * Effective use of the sports PE funding, impacting on attainment and teacher's subject knowledge.
- * Teachers' performance management and support staff appraisal systems are in place to ensure that staff are working to clear objectives and targets both personal and linked to the School Improvement Plan.
- * All members and trustees and members of the Trust central team complete an annual register of pecuniary interest form and the opportunity to declare any pecuniary interest.
- * Ensure that financial performance of the Trust is robust and any reserves are held in line with the Trust Reserves policy. When taken together with academic performance, this demonstrates good financial management and the targeting of resources.
- * The Trust and Audit Committee receive termly budget monitoring reports and are given the opportunity to question, challenge and discuss spending proposals in order to achieve value for money.
- * The Trust explores every opportunity to generate income through pursuing funding bids.
- * Arranging Trust contracts and Service Level Agreements, where appropriate, resulting in measurable cost savings.
- * A risk register is in place and reviewed on a termly basis at the Audit Committee.
- * Each school has a Major Incident policy and plan in place that includes business continuity procedures.
- * Making improvements to the fabric of the estate at each school site.

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 Bolton and Farnworth Church of England Primary Multi Academy Trust for the period 1st September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 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;

Bolton and Farnworth Church of England Primary Multi Academy Trust

Governance Statement (continued)

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Hallidays as internal auditor

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

In the August 2018, the internal auditor reported to the Board of Trustees, through the audit committee and finance committee on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

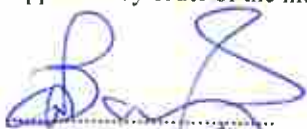
Review of effectiveness

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:

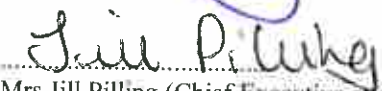
- the work of the auditor in performing additional checks
- the work of the external auditor
- the financial management process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance 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 3 December 2018 and signed on its behalf by:



Revd Canon Dr Chris Bracegirdle (Chairperson)
Trustee



Mrs Jill Pilling (Chief Executive and Accounting Officer)
Trustee

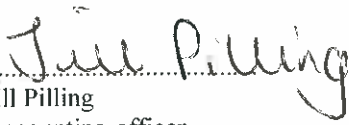
Bolton and Farnworth Church of England Primary Multi Academy Trust

Statement on Regularity, Propriety and Compliance

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

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

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


.....
Jill Pilling
Accounting officer

3 December 2018

Bolton and Farnworth Church of England Primary Multi Academy Trust

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 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 3 December 2018 and signed on its behalf by:


.....
Revd Canon Dr Chris Bracegirdle (Chairperson)
Trustee


.....
Mrs Jill Pilling (Chief Executive and Accounting Officer)
Trustee

Bolton and Farnworth Church of England Primary Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Bolton and Farnworth Church of England Primary Multi Academy Trust

Opinion

We have audited the financial statements of Bolton and Farnworth Church of England Primary Multi Academy Trust (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'.

In our opinion the financial statements:

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

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.

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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Bolton and Farnworth Church of England Primary Multi Academy Trust (continued)

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 Strategic Report and Trustees' 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 18], 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:

- 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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

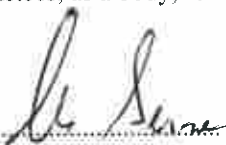
Independent Auditor's Report on the Financial Statements to the Members of Bolton and Farnworth Church of England Primary Multi Academy Trust (continued)

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

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 Trustees, 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Anna Bennett (Senior Statutory Auditor)

For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 04/12/18

Bolton and Farnworth Church of England Primary Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Bolton and Farnworth Church of England Primary Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 8 July 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bolton and Farnworth Church of England Primary Multi Academy Trust 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 Bolton and Farnworth Church of England Primary Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Bolton and Farnworth Church of England Primary Multi Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bolton and Farnworth Church of England Primary Multi Academy Trust 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 27 July 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:

- We have confirmed that the activities conform to the academy's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy are within the academy's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy and extended the procedures required for financial statements to include regularity.

Bolton and Farnworth Church of England Primary Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Bolton and Farnworth Church of England Primary Multi Academy Trust and the Education & Skills Funding Agency (continued)

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy's delegated authorities and that the internal delegations have been approved by the governing body and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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.



Hallidays
For and on behalf of Hallidays, Chartered Accountants

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 04/12/18

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2017/18 Total £
Income and endowments from:						
Voluntary income						
Donations and capital grants	2	873	23,912	-	518,845	543,630
Transfer from local authority on conversion		14,381	-	-	-	14,381
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	3,840,618	-	-	3,840,618
Other trading activities	4	109,311	8,884	-	-	118,195
Investments	5	559	-	-	-	559
Total		<u>125,124</u>	<u>3,873,414</u>	<u>-</u>	<u>518,845</u>	<u>4,517,383</u>
Expenditure on:						
Raising funds	6	23,262	-	-	-	23,262
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	3,825,785	69,000	127,197	4,021,982
Total		<u>23,262</u>	<u>3,825,785</u>	<u>69,000</u>	<u>127,197</u>	<u>4,045,244</u>
Net income/(expenditure)		101,862	47,629	(69,000)	391,648	472,139
Transfers between funds		-	(3,149)	-	3,149	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	23	-	-	348,000	-	348,000
Net movement in funds		101,862	44,480	279,000	394,797	820,139
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2017		<u>467,284</u>	<u>222,531</u>	<u>(1,192,000)</u>	<u>6,038,037</u>	<u>5,535,852</u>
Total funds/(deficit) carried forward at 31 August 2018		<u>569,146</u>	<u>267,011</u>	<u>(913,000)</u>	<u>6,432,834</u>	<u>6,355,991</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

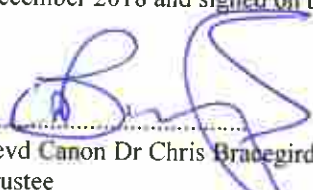
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	Total 2016/17 £
Income and endowments from:						
Voluntary income						
Donations and capital grants	2	369	27,414	-	730,255	758,038
Transfer from local authority on conversion		25,274	-	-	-	25,274
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	3,823,022	-	-	3,823,022
Other trading activities	4	165,516	-	-	-	165,516
Investments	5	334	-	-	-	334
Total		191,493	3,850,436	-	730,255	4,772,184
Expenditure on:						
Raising funds	6	49,460	-	-	-	49,460
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	3,692,831	79,000	111,692	3,883,523
Total		49,460	3,692,831	79,000	111,692	3,932,983
Net income/(expenditure)		142,033	157,605	(79,000)	618,563	839,201
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	23	-	-	252,000	-	252,000
Net movement in funds		142,033	157,605	173,000	618,563	1,091,201
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2016		325,251	64,926	(1,365,000)	5,419,474	4,444,651
Total funds/(deficit) carried forward at 31 August 2017		467,284	222,531	(1,192,000)	6,038,037	5,535,852

Bolton and Farnworth Church of England Primary Multi Academy Trust


**(Registration number: 10261477)
Balance Sheet as at 31 August 2018**

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	6,235,474	5,629,496
Current assets			
Debtors	13	293,252	403,116
Cash at bank and in hand		<u>1,069,446</u>	<u>923,145</u>
		1,362,698	1,326,261
Creditors: Amounts falling due within one year	14	<u>(329,181)</u>	<u>(227,905)</u>
Net current assets		<u>1,033,517</u>	<u>1,098,356</u>
Total assets less current liabilities		<u>7,268,991</u>	<u>6,727,852</u>
Net assets excluding pension liability		7,268,991	6,727,852
Defined benefit pension scheme liability	23	<u>(913,000)</u>	<u>(1,192,000)</u>
Net assets including pension liability		<u><u>6,355,991</u></u>	<u><u>5,535,852</u></u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund	15	267,011	222,531
Restricted fixed asset fund	15	6,432,834	6,038,037
Restricted pension fund	15	<u>(913,000)</u>	<u>(1,192,000)</u>
		5,786,845	5,068,568
Unrestricted funds			
Unrestricted general fund	15	<u>569,146</u>	<u>467,284</u>
Total funds		<u><u>6,355,991</u></u>	<u><u>5,535,852</u></u>

The financial statements on pages 24 to 51 were approved by the Trustees, and authorised for issue on 3 December 2018 and signed on their behalf by:



 Revd Canon Dr Chris Bradgirdle (Chairperson)
 Trustee



 Mrs Jill Pilling (Chief Executive and Accounting Officer)
 Trustee

Bolton and Farnworth Church of England Primary Multi Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	19	360,072	441,255
Cash flows from investing activities	20	<u>(213,771)</u>	<u>408,875</u>
Change in cash and cash equivalents in the year		146,301	850,130
Cash and cash equivalents at 1 September		<u>923,145</u>	<u>73,015</u>
Cash and cash equivalents at 31 August	21	<u><u>1,069,446</u></u>	<u><u>923,145</u></u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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.

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.

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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

1 Accounting policies (continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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
Leasehold land	125 years straight line
Leasehold buildings	50 years straight line
Fixtures, fittings and equipment	4 years straight line
Computer hardware	3 years straight line

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

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

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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

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 as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 as detailed in notes 14. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme 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 and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

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

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2017/18 Total £	2016/17 Total £
Other voluntary income					
Educational trips and visits	-	22,226	-	22,226	27,414
Capital grants	-	-	518,845	518,845	730,255
Private sponsorship	-	1,686	-	1,686	-
Other donations	873	-	-	873	369
	<u>873</u>	<u>23,912</u>	<u>518,845</u>	<u>543,630</u>	<u>758,038</u>

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)	2,836,603	2,836,603	2,873,238
Other DfE/ESFA grants	592,128	592,128	479,255
	<u>3,428,731</u>	<u>3,428,731</u>	<u>3,352,493</u>
Other government grants			
Other Government Grants	411,887	411,887	470,529
Total grants	<u>3,840,618</u>	<u>3,840,618</u>	<u>3,823,022</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Catering income	59,279	-	59,279	57,484
Recharges and reimbursements	8,090	-	8,090	18,950
Other sales	41,942	7,532	49,474	89,082
Maternity Claims	-	1,352	1,352	-
	<u>109,311</u>	<u>8,884</u>	<u>118,195</u>	<u>165,516</u>

5 Investment income

	Unrestricted funds £	2017/18 Total £	2016/17 Total £
Short term deposits	<u>559</u>	<u>559</u>	<u>334</u>

6 Expenditure

	Non Pay Expenditure			2017/18 Total £	2016/17 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	-	-	23,262	23,262	49,460
Academy's educational operations					
Direct costs	2,502,862	115,357	242,538	2,860,757	2,832,376
Allocated support costs	<u>381,431</u>	<u>233,107</u>	<u>546,687</u>	<u>1,161,225</u>	<u>1,051,147</u>
	<u>2,884,293</u>	<u>348,464</u>	<u>812,487</u>	<u>4,045,244</u>	<u>3,932,983</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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	27,428	26,762
Depreciation	127,197	111,692
Fees payable to auditor - audit	7,250	7,250
- other audit services	5,950	6,700
	<u> </u>	<u> </u>

7 Charitable activities

	Total	Total
	2018	2017
	£	£
Direct costs - educational operations	2,860,757	2,832,376
Support costs - educational operations	1,161,225	1,051,147
	<u> </u>	<u> </u>
	<u>4,021,982</u>	<u>3,883,523</u>

	Educational	2017/18	2016/17
	operations	Total	Total
	£	£	£
Analysis of support costs			
Support staff costs	381,431	381,431	392,979
Depreciation	11,840	11,840	3,883
Technology costs	57,373	57,373	24,468
Premises costs	221,267	221,267	202,826
Other support costs	460,985	460,985	407,476
Governance costs	28,329	28,329	19,515
	<u> </u>	<u> </u>	<u> </u>
Total support costs	<u>1,161,225</u>	<u>1,161,225</u>	<u>1,051,147</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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	2,186,245	2,161,838
Social security costs	194,323	188,554
Pension costs	436,214	471,065
	<hr/>	<hr/>
Agency staff costs	2,816,782	2,821,457
Staff restructuring costs	67,511	88,919
	<hr/>	<hr/>
	-	11,900
	<hr/>	<hr/>
	2,884,293	2,922,276
		<hr/>
		2017
		£
Staff restructuring costs comprise:		
Severance payments		11,900
		<hr/>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2017: £11,900).

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	36	38
Administration and support	73	84
Management	4	4
	<hr/>	<hr/>
	113	126
	<hr/>	<hr/>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

8 Staff (continued)

Higher paid staff

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

	2018 No	2017 No
£70,001 - £80,000	<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) received by key management personnel for their services to the Academy Trust was £298,276 (2016: £279,241).

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 an employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

Mrs Jill Pilling (Chief Executive and Accounting Officer) (Executive Principal):

Remuneration: £85,000 - £90,000 (2017 - £75,000 - £80,000)

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

Other related party transactions involving the trustees are set out in note 24.

11 Trustees' and officers' insurance

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

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	5,726,593	9,061	14,640	5,750,294
Additions	<u>663,833</u>	<u>69,342</u>	<u>-</u>	<u>733,175</u>
At 31 August 2018	<u>6,390,426</u>	<u>78,403</u>	<u>14,640</u>	<u>6,483,469</u>
Depreciation				
At 1 September 2017	117,156	1,215	2,427	120,798
Charge for the year	<u>115,709</u>	<u>8,340</u>	<u>3,148</u>	<u>127,197</u>
At 31 August 2018	<u>232,865</u>	<u>9,555</u>	<u>5,575</u>	<u>247,995</u>
Net book value				
At 31 August 2018	<u>6,157,561</u>	<u>68,848</u>	<u>9,065</u>	<u>6,235,474</u>
At 31 August 2017	<u>5,609,437</u>	<u>7,846</u>	<u>12,213</u>	<u>5,629,496</u>

13 Debtors

	2018 £	2017 £
Trade debtors	-	25
VAT recoverable	116,184	59,909
Prepayments	60,164	39,230
Accrued grant and other income	<u>116,904</u>	<u>303,952</u>
	<u>293,252</u>	<u>403,116</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	1,540	469
Other creditors	477	8,637
Accruals	242,386	140,917
Deferred income	84,778	77,882
	<u>329,181</u>	<u>227,905</u>
	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	77,882	-
Resources deferred in the period	84,778	77,882
Amounts released from previous periods	<u>(77,882)</u>	<u>-</u>
Deferred income at 31 August 2018	<u>84,778</u>	<u>77,882</u>

At the balance sheet date the academy trust was holding funds received in advance for SEN funding, nursery funding and UIFSM in respect of 18/19.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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					
Other DfE/ESFA Grants	-	592,128	(592,128)	-	-
General Annual Grant (GAG)	222,531	2,836,603	(2,788,974)	(3,149)	267,011
Other government grants/income	-	411,010	(411,010)	-	-
Other restricted income	-	33,673	(33,673)	-	-
	<u>222,531</u>	<u>3,873,414</u>	<u>(3,825,785)</u>	<u>(3,149)</u>	<u>267,011</u>
Restricted fixed asset funds					
Assets transferred on conversion	5,310,205	-	(127,197)	-	5,183,008
DfE/ESFA capital grants	727,832	482,751	-	3,149	1,213,732
Other capital grants	-	36,094	-	-	36,094
	<u>6,038,037</u>	<u>518,845</u>	<u>(127,197)</u>	<u>3,149</u>	<u>6,432,834</u>
Restricted pension funds					
Restricted pension fund	<u>(1,192,000)</u>	<u>-</u>	<u>(69,000)</u>	<u>348,000</u>	<u>(913,000)</u>
Total restricted funds	5,068,568	4,392,259	(4,021,982)	348,000	5,786,845
Unrestricted funds					
Unrestricted general funds	<u>467,284</u>	<u>125,124</u>	<u>(23,262)</u>	<u>-</u>	<u>569,146</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

15 Funds (continued)

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Total funds	5,535,852	4,517,383	(4,045,244)	348,000	6,355,991

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

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
Other DfE/ESFA Grants	-	479,255	(479,255)	-	-
General Annual Grant (GAG)	64,926	2,873,237	(2,715,632)	-	222,531
Other government grants/income	-	470,530	(470,530)	-	-
Other restricted income	-	27,414	(27,414)	-	-
	64,926	3,850,436	(3,692,831)	-	222,531
Restricted fixed asset funds					
Assets transferred on conversion	5,419,474	-	(109,269)	-	5,310,205
DfE/ESFA capital grants	-	730,255	(2,423)	-	727,832
	5,419,474	730,255	(111,692)	-	6,038,037
Restricted pension funds					
Restricted pension fund	(1,365,000)	-	(79,000)	252,000	(1,192,000)

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

15 Funds (continued)

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Total restricted funds	4,119,400	4,580,691	(3,883,523)	252,000	5,068,568
Unrestricted funds					
Unrestricted general funds	325,251	191,493	(49,460)	-	467,284
Total funds	<u>4,444,651</u>	<u>4,772,184</u>	<u>(3,932,983)</u>	<u>252,000</u>	<u>5,535,852</u>

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
Other DfE/ESFA Grants	-	1,071,383	(1,071,383)	-	-
General Annual Grant (GAG)	64,926	5,709,840	(5,504,606)	(3,149)	267,011
Other government grants/income	-	881,540	(881,540)	-	-
Other restricted income	-	61,087	(61,087)	-	-
	<u>64,926</u>	<u>7,723,850</u>	<u>(7,518,616)</u>	<u>(3,149)</u>	<u>267,011</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

15 Funds (continued)

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted fixed asset funds					
Assets transferred on conversion	5,419,474	-	(236,466)	-	5,183,008
DfE/ESFA capital grants	-	1,213,006	(2,423)	3,149	1,213,732
Other capital grants	-	36,094	-	-	36,094
	<u>5,419,474</u>	<u>1,249,100</u>	<u>(238,889)</u>	<u>3,149</u>	<u>6,432,834</u>
Restricted pension funds					
Restricted pension fund	<u>(1,365,000)</u>	-	<u>(148,000)</u>	<u>600,000</u>	<u>(913,000)</u>
Total restricted funds	<u>4,119,400</u>	<u>8,972,950</u>	<u>(7,905,505)</u>	<u>600,000</u>	<u>5,786,845</u>
Unrestricted funds					
Unrestricted general funds	<u>325,251</u>	<u>316,617</u>	<u>(72,722)</u>	-	<u>569,146</u>
Total funds	<u><u>4,444,651</u></u>	<u><u>9,289,567</u></u>	<u><u>(7,978,227)</u></u>	<u><u>600,000</u></u>	<u><u>6,355,991</u></u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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:

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

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

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

Total funds analysis by academy

Fund balances at 31 August 2018 were allocated as follows:

	2018	2017
	£	£
Bishop Bridgeman CE Primary School	448,056	392,352
St James CE Primary School	388,101	297,463
	<hr/>	<hr/>
Total before fixed assets and pension reserve	836,157	689,815
Restricted fixed asset fund	6,432,834	6,038,037
Restricted pension fund	(913,000)	(1,192,000)
	<hr/>	<hr/>
Total	6,355,991	5,535,852
	<hr/>	<hr/>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

15 Funds (continued)

Total cost analysis by academy

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 £	Total 2017 £
Bishop Bridgeman CE Primary School	1,407,966	242,401	89,257	441,090	2,180,714	2,063,781
St James CE Primary School	1,165,949	100,030	32,620	440,785	1,739,384	1,678,510
Academy Trust	<u>2,573,915</u>	<u>342,431</u>	<u>121,877</u>	<u>881,875</u>	<u>3,920,098</u>	<u>3,742,291</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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	-	-	6,235,473	6,235,473
Current assets	569,146	596,192	197,361	1,362,699
Current liabilities	-	(329,181)	-	(329,181)
Pension scheme liability	-	(913,000)	-	(913,000)
Total net assets	569,146	(645,989)	6,432,834	6,355,991

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	-	-	5,629,496	5,629,496
Current assets	467,284	450,435	408,541	1,326,260
Current liabilities	-	(227,904)	-	(227,904)
Pension scheme liability	-	(1,192,000)	-	(1,192,000)
Total net assets	467,284	(969,469)	6,038,037	5,535,852

17 Capital commitments

	2018 £	2017 £
Contracted for, but not provided in the financial statements	203,361	323,253

18 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:

	2018 £	2017 £
Amounts due within one year	12,343	25,065
Amounts due between one and five years	6,265	25,375
	18,608	50,440

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

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

	2018	2017
	£	£
Net income	472,139	839,201
Depreciation	127,197	111,692
Capital grants from DfE and other capital income	(518,845)	(730,255)
Interest receivable	(559)	(334)
Cash transferred on conversion to an academy trust	(13,665)	-
Defined benefit pension scheme obligation inherited	39,000	50,000
Defined benefit pension scheme finance cost	30,000	29,000
Decrease in debtors	109,864	14,822
Increase in creditors	101,276	127,129
Net cash provided by Operating Activities	<u>346,407</u>	<u>441,255</u>

20 Cash flows from investing activities

	2018	2017
	£	£
Dividends, interest and rents from investments	559	334
Purchase of tangible fixed assets	(733,175)	(321,714)
Capital funding received from sponsors and others	518,845	730,255
Net cash (used in)/provided by investing activities	<u>(213,771)</u>	<u>408,875</u>

21 Analysis of cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	<u>1,069,446</u>	<u>923,145</u>
Total cash and cash equivalents	<u>1,069,446</u>	<u>923,145</u>

22 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.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

23 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 Tameside Metropolitan Borough 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 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.

The employer's pension costs paid to TPS in the period amounted to £171,337 (2017: £182,681). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

23 Pension and similar obligations (continued)

Under the definitions set out in 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 £272,000 (2017 - £288,000), of which employer's contributions totalled £227,000 (2017 - £242,000) and employees' contributions totalled £45,000 (2017 - £46,000). The agreed contribution rates for future years are 29.8 per cent for employers and banded from 5.5 to 12.5 per cent for employees.

As described in the notes the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Principal actuarial assumptions

	2018 %	2017 %
Rate of increase in salaries	3.10	3.20
Rate of increase for pensions in payment/inflation	2.30	2.40
Discount rate for scheme liabilities	<u>2.80</u>	<u>2.50</u>

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

	2018	2017
Retiring today		
Males retiring today	21.50	21.50
Females retiring today	24.10	24.10
Retiring in 20 years		
Males retiring in 20 years	23.70	23.70
Females retiring in 20 years	<u>26.20</u>	<u>26.20</u>

Sensitivity analysis

	2018 £	2017 £
Discount rate -0.5%	385,000.00	351,000.00
Salary increase rate +0.5%	72,000.00	77,000.00
Pension increase rate +0.5%	<u>307,000.00</u>	<u>268,000.00</u>

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

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

23 Pension and similar obligations (continued)

	At 31 August 2018	At 31 August 2017
	£	£
Equities	1,152,000	979,000
Bonds	271,000	215,000
Property	119,000	81,000
Cash	152,000	67,000
Total market value of assets	<u>1,694,000</u>	<u>1,342,000</u>
Surplus in the scheme	<u>1,694,000</u>	<u>1,342,000</u>

The actual return on scheme assets was £37,000 (2017 - £22,000).

Amounts recognised in the statement of financial activities

	2017/18	2016/17
	£	£
Current service cost (net of employee contributions)	(39,000)	(50,000)
Interest income	37,000	22,000
Interest cost	<u>(67,000)</u>	<u>(51,000)</u>
Total amount recognized in the SOFA	<u>(69,000)</u>	<u>(79,000)</u>

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

	2017/18	2016/17
	£	£
At start of period	2,534,000	2,270,000
Current service cost	266,000	292,000
Interest cost	67,000	51,000
Employee contributions	45,000	46,000
Actuarial (gain)/loss	<u>(305,000)</u>	<u>(125,000)</u>
At 31 August	<u>2,607,000</u>	<u>2,534,000</u>

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

	2017/18	2016/17
	£	£
At start of period	1,342,000	905,000
Interest income	37,000	22,000
Actuarial gain/(loss)	43,000	127,000
Employer contributions	227,000	242,000
Employee contributions	45,000	46,000
At 31 August	<u>1,694,000</u>	<u>1,342,000</u>

Bolton and Farnworth Church of England Primary Multi Academy Trust

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

24 Related party transactions

Owing to the nature of the Academy Trust 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 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.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.

