

**Registered company number: 07849731 (England and Wales)**

**PLUME SCHOOL**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**PLUME SCHOOL**

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

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### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### Reference and Administrative Details

##### Members

Joan Binder	Gillian McKinnell
John Everard	Carl Wakefield
Debra Thomas	Paul Nagle
Adrian Stead	

##### Trustees (Governors)

Joan Binder (*) (Co-Chair of the Board)
Michael Chaplin (appointed 1 November 2018)
John Everard (*) (***)
Mark Howell (***)
Gillian McKinnell (*) (***)
Rachel Morcombe (resigned 12 September 2018)
Paul Nagle (*) (Co-Chair of the Board)
Christopher Pond (***)
Adrian Stead (*)
Debra Thomas (*) (***) (Chairman of Trustees)
Carl Wakefield (*) (**) (Accounting officer)
Clare Whitaker (appointed 1 September 2017)
Albert Almond (appointed 1 March 2018, resigned 1 November 2018)
Rachael Barbrook (**) (resigned 12 September 2018)
Samantha Hoskins (appointed 1 September 2017, resigned 12 October 2017)

\* Members of the Finance Committee

\*\* Members of Staff

\*\*\* Members of the Audit Committee

##### Company Secretary

Richard Scott

##### Leadership team

Principal	Carl Wakefield
Deputy Headteacher	Ruth Crang
Deputy Headteacher	Nigel Brunt
Finance Director	Richard Scott

##### Company Name

Plume School

##### Principal and Registered Office

Fambridge Road  
Maldon  
Essex  
CM9 6AB

##### Company Registration Number

07849731 (England and Wales)

##### Independent Auditors

UHY Hacker Young LLP  
Quadrant House  
4 Thomas Square  
London  
E1W 1YW

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**Reference and Administrative Details (continued)**

**Bankers**

Lloyds Bank Commercial  
1 Legg Street  
Chelmsford  
CM1 1JS

**Solicitors**

Stone King Solicitors LLP  
Boundary House,  
91 Charterhouse St,  
Clerkenwell,  
London  
EC1M 6HR

## PLUME SCHOOL

### TRUSTEES' REPORT

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The Trustees present their annual report together with the consolidated financial statements and auditors' report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and 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 published September 2015 (FRS 102).

The Trust operates one standalone secondary academy serving pupils aged 11-18 in the town of Maldon, Essex and the surrounding villages. The Academy has a pupil capacity of 1,841 and had a roll of 1,642 in the school census on 18th January 2018. As the Academy is the only secondary school in the Maldon and Heybridge area, new housing now under construction and significant planned further development in this area will require the school to grow the pupil capacity significantly during the period 2022 - 2029. The current estimate is that the pupil capacity will need to grow by 386 (21.1%) by 2029 in order to provide sufficient future school places. This growth equates to a further 2 forms of entry per year group.

#### **Structure, Governance and Management**

##### ***Constitution***

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Academy Trust was incorporated on 16 November 2011, in the name of Plume School, and commenced as an academy on 01 January 2012. The Academy Trust has entered into a funding agreement with the Department for Education which provides the framework within which the Academy must operate.

The Academy Trust also has a wholly owned subsidiary, Plume Trading Limited, details of which can be found in note 13.

The Trustees of Plume School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Plume School.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 2.

##### ***Members' Liability***

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

##### ***Trustees' Indemnity***

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3 every Trustee or other officer or auditor of the Company and every member of any Local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of Trust in relation to the affairs of the Company.

##### ***Principal Activities***

The Academy's objects are specifically restricted to the following:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and

## PLUME SCHOOL

### TRUSTEES' REPORT

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- b) to promote for the benefit of the inhabitants of Maldon and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

#### ***Method of Recruitment and Appointment or Election of Trustees***

The initial Members of the Academy Trust shall be the subscribers to the Memorandum of Association.

The subsequent Members of the Academy shall comprise:

- 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- the chairman of the Trustees;
- the vice-chairman of Trustees;
- the Principal;
- the chair of finance and estates committee;
- the chair of strategic development committee;
- the chair of personnel committee; and
- any person appointed under Article 16.

When required, new Trustees are recruited through localised internal and external advertising, and where previous assessments have raised a need for better understanding in specific areas, priority will be given to those members who can actively demonstrate the required skillset. A robust selection process is undertaken involving existing Trustees and members before an appointment is made by the Academy Trust.

The Secretary of State for Education may appoint Trustees in certain circumstances; no such appointments were made in the year under review.

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to either the Principal or the staff Trustees. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

A Trustee shall cease to hold office if he resigns his office by notice to the Academy (but only if at least 3 Trustees will remain in office when the notice of resignation is to take effect).

A Trustee shall cease to hold office if he is removed by the person or persons who appointed him. The Article does not apply in respect of a Parent Trustee.

#### ***Policies and Procedures Adopted for the Induction and Training of Trustees***

Trustees are provided with copies of all essential documentation needed to undertake their role, including the memorandum and articles of association, Academies Financial Handbook and Plume School's Funding Agreement.

A Trustee Handbook with key information is available for all Trustees. This includes such aspects as:

- the structure of the academy and the relationship with the Board of Trustees
- a statement of values and expectations
- key elements of effective governance and the link to the Ofsted Handbook
- the committee structure of the Board of Trustees
- a brief description of the role of the chair and the role of the clerk/company secretary
- terms of reference for committees

The Board of Trustees subscribes to Essex Governor Services provision and in-house training is organised as and when required. Trustees are informed of external training opportunities. New Trustees are mentored by existing Trustees.

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### TRUSTEES' REPORT

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#### ***Organisational Structure***

The Board of Trustees of Plume School is constituted under the memorandum and articles of association. The Board of Trustees is responsible for ensuring high standards of corporate governance are maintained.

The Trustees are responsible for the strategic direction of the Academy Trust, setting policy and agreeing the annual budget. Trustees are also responsible for monitoring the work of the Academy and ensuring the objectives of the academy are achieved.

In addition to the full Board of Trustees meetings, Plume School has a committee structure: the main committees are Curriculum, Finance and Estates, Personnel, Strategy Development, Admissions and Audit.

The Chair of the Board meets regularly with the Principal and all Trustees visit Plume Academy to make first hand observations of the work of the Academy. Reports of these visits are shared with all Trustees.

The Principal is required to provide strategic leadership and management of the Academy; he is assisted by the 2 Vice Principals. In addition, the Academy has 6 Assistant Vice Principals, a Director of Finance & Premises and a Director of Human Resources. These staff members comprise the Senior Leadership Team (SLT).

The Principal is the 'Accounting Officer' of Plume School.

#### ***Arrangements for setting pay and remuneration of key management personnel***

Members and Trustees receive no remuneration for their role and all give their time freely to the position. Some Trustees are existing members of staff also, any remuneration received is in relation to their employed role, not that as a Trustee.

The Plume School operates under the guidelines of the National Teachers Pay & Conditions and Local Government Pay Scheme for all staff, without exception. All roles within the Academy are graded appropriately against national criteria and pay scales are allocated accordingly. All staff are subject to annual review under a rigorous Performance Management Review scheme, and subject to successful performance, pay awards are given in line with national levels. This system is shared equally and fairly by all staff members including key management personnel.

#### ***Connected Organisations, including Related Party Relationships***

Plume School works closely with all of its local primary schools, working hard to maintain relationships to smooth the transition from primary to secondary education, and ensure a consistent curriculum. Where possible this is achieved through academic means, but the Academy also works closely on many sporting and social activities to ensure community cohesion.

The Academy is also following its ethos of community inclusion by developing links with the wider community and local businesses whilst also engaging with community groups to utilise resources, knowledge and further the schools purpose. This is an area that the school has excelled at during the last 12 months, with key relationships being consolidated locally with organisations such as the Rotary Club of Maldon, the Plume Library Trustees and the world famous Maldon Mud Race amongst others.

Historically, performing arts was a speciality of the Academy, and this still remains a key focus today, with a dedicated dance school continuing to actively utilise academy facilities outside of the school day and at weekends. Local singing groups, both adult and youth, affiliated to the Plume School take advantage of the academy facilities to promote their clubs, attracting new young members alongside their existing cohorts. The Academy also maintains its joint use agreement with Maldon District Council in the promotion and shared risk of the 3G artificial sports pitch, trying to maximise community sports uptake.

As described in note 13 of the financial statements, the Academy has a wholly owned subsidiary, Plume Trading Limited.

#### ***Trade Union Facility Time***

The Trust employed more than 49 full time employees during the financial year and therefore it must disclose trade union facility time in accordance with the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017. The total cost of facility time in the year amounted to £2,584, which the Trustees consider to be insignificant.

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### TRUSTEES' REPORT

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#### **Objective and Activities**

##### ***Objects and Aims***

The principal object and activity of the charitable company is the operation of Plume School to enhance the life chances of all Plume School students; aged between 11 and 18 years of age.

The main objectives of Plume School during the year ended 31st August 2018 are summarised below:

- to enable every student to fulfil their potential;
- to focus on raising standards and progression of all students;
- to improve effectiveness by regular review of all aspects of educational provision and the organisational structure of the Academy;
- to improve the quality of teaching and learning;
- to provide good value for money in the use of delegated funds; and
- to conduct all business of the Academy in accordance with the highest standards of integrity, probity and openness.

##### ***Objectives, Strategies and Activities***

The main priorities of the Academy are to ensure high standards of teaching and learning, to recruit and retain high quality teaching and support staff and to establish an excellent pastoral and student support team so that all students will be encouraged to achieve their full potential.

Activities provided include:

- opportunities for all students to gain appropriate academic qualifications through consistently good teaching and on-going support;
- training and development opportunities for all staff;
- teaching staff professional development initiative to improve teaching & learning;
- a programme of enrichment activities for all students; and
- careers advisory scheme to help students progress to further education, higher education, employment or training.

##### ***Public Benefit***

The activities undertaken to further the Academy Trust's purposes for the public benefit are:

- Plume School has provided education to all registered students;
- Partnerships with local Primary schools have been established and maintained. Primary school students have attended educational activities at the Academy; including various sporting activities hosted by the Academy, and continued sharing of facilities, such as the mini bus; and
- Leisure and sports facilities have been provided to the community through our continued partnership with Maldon District Council on the 3G artificial sports pitch and other school facilities in particular the performing arts.

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 powers or duties.

## STRATEGIC REPORT

### **Achievements and Performance**

Total student numbers in the year ended 31 August 2018 were 1645 (2017: 1,697).

#### **2018 GCSE, BTEC & Vocational Examination Results:**

Plume Academy once again celebrated another year of excellent GCSE examination results achieved by the students. The year group were awarded an incredible 446 9-7 (formerly A\*-A) grades with an equally impressive 17 students securing 8 or more 9-7 (A\*-A) grades.



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### TRUSTEES' REPORT

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However, there is a great deal more positive news:

- 49% of all grades awarded were 9-5 grades
- 100% pass rate in 22 subjects
- 93% 9-4 (A\*-C) grades in Spanish
- 88% 9-4 (A\*-C) grades in Physical Education
- 86% 9-4 (A\*-C) grades in ICT, and Psychology
- 83% 9-4 (A\*-C) grades in Computer Science
- 9 A\* and 27 A grades in ICT
- 54 9-7 grades in English Literature
- 37 9-7 grades in English Language and Religious Studies

Plume Academy vocational students also achieved extremely well once again this year with virtually every student securing the required grades to move on to their desired next pathway of choice.

These outcomes are even more encouraging given the national context which continues to see unprecedented change and unquestionably more difficult curriculum content, amidst such uncertainty in terms of actual course expectations and overall grade boundaries across all examination boards.

The sheer amount of 9-7 grades achieved by the year group as well as 22 subjects securing a 100% pass rate are particularly impressive. Results like these do not simply happen without a massive amount of commitment, dedication and sheer hard work from the students, and of course the excellent team of staff, working in collaboration over a significant period of time.

The Academy has been relentless in the pursuit of identifying areas in need of improvement whilst remaining focused on the core objectives and overall targets. As a result, Plume Academy has achieved a significant amount of excellent results across a number of subject areas, again, in such incredibly challenging and demanding times.

Students and staff alike should feel exceptionally proud of these extremely positive outcomes. The same should also be felt by the tremendously supportive and loyal parents and carers who themselves have worked in partnership with the academy over the past five years, thus ensuring their children can now progress on to the next stage of their education, employment or training.

#### **2018 A-level Examination Results:**

In 2018 Plume, Maldon's Community Academy celebrated extremely pleasing A level examination results which very much reflect the hard work and commitment shown by the students' and staff over the course of the past two years. This is especially the case given the increased demands and expectations of the new A level curriculum.

A level results show that Plume secured improved outcomes in a number of areas including the A\*-B pass rate. Other notable improvements secured by the class of 2018 were:

- An increase in the A\*-E value added score, with an overall pass rate of 96.2%
- An increase in the average points score per student
- An increase in the percentage of students securing 3 A\*-B grades
- Nearly half of all A level entries resulted in A\*-B grades being achieved (48.2% and up 4.8% on 2017)

Understandably, the Academy is immensely proud in terms of how well the college students have performed, especially when taking into consideration the overall national picture as alluded to above. This is also whilst noting that Plume continues to offer a rich variety and choice of courses with the bespoke needs of every student at the forefront of the ongoing and embedded information, advice and guidance provided to them. Many of the students have surpassed their target grades set by their performance at GCSE, and the increases highlighted above provide direct evidence to support this.

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In addition, the usual high number of students have applied for a place at university, with significant numbers applying for the highly sought after and prestigious 'Russell Group' universities. The Plume is absolutely delighted that every single student who applied to go to university has secured a place with the vast majority being at their preferred choice.

The Year 13 cohort totalled just over 100 students in 2018.

#### **Key Performance Indicators**

The Trustees regularly review Plume School's actual income and expenditure against the authorised budget. Changes to the budget to reflect new information with regard to income or expenditure are approved in line with the authorisation limits established in the Plume School Financial Regulations.

Ratio analysis and benchmarking is performed annually to ensure that the Academy is applying its resources efficiently and effectively to achieve the best possible educational outcomes.

- a) Unrestricted income (excludes income from grants & delegated funding) as a percentage of total income: 3.0% (2017: 4.6%)
- b) Staff costs as a percentage of total costs: 77.2% (2017: 76.2%)  
Investing in quality staff has been fundamental in recruiting and retaining the right staff to raise pupil performance and improve teaching & learning standards.
- c) Net outgoing resources (before transfers and pension adjustments): £660,613 (2017: £802,013)
- d) Current Ratio (current assets/current liabilities) 17.2:1 (2017: 5.99:1)
- e) Liquidity: £1,496,537 cash at bank and in hand (2017: £1,340,913)

When seeking non-financial KPI's the Academy seeks to review areas where under the formal scrutiny of benchmarking, it is clear that improvements can be made. One area the Academy has been striving to make substantial improvements is the area of student attendance. In 2011 the Academy was rated as 77<sup>th</sup> out of 80 secondary schools in Essex for attendance rates, this has turned around and now the academy find itself in the top 20. Significant resource has been expended in this area with the assistance of external advisors and the appointment of an attendance officer, leading to a whole school ethos of good attendance. Attendance has improved from:

- 2015/16 – 95.3%
- 2016/17 – 94.8%
- 2017/18 – 94.6%

#### **Going Concern**

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

#### **Financial Review**

The majority of Plume School's income is derived from the Education and Skills Funding Agency (ESFA), an agent of the Department for Education (DfE), in the form of recurrent grants, the use of which is limited to specific purposes. The grants received from the ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The results for the year are shown on page 33. Total incoming resources in the year ended 31 August 2018 amounted to £9,735,096 (2017: £9,864,246). Total resources expended in the same period amounted to £10,395,729 (2017: £10,666,259). This includes operating charges in respect of the local government pension scheme (LGPS) totalling £309,000 (2017: £274,000) as advised by the actuary and a depreciation charge for the period of £635,739 (2017: £627,090). Total net outgoing expenditure for the period was therefore £660,633 (2017: £802,013).

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After accounting for the net actuarial gain of £1,015,000 (2017: £580,000) on the local government pension scheme as calculated by the scheme actuary, the overall net increase in the Trust's fund balance was £354,367 (2017: net decrease of £222,013). Accordingly, the consolidated balance sheet as at 31 August 2018, as shown on page 28, shows total funds of £21,683,943 (2017: £21,329,576).

The education sector still continues to face significant pressure in its core funding, with unprecedented strain on expenditure in the form of raised staff costs, inflation and future pension demands. The Trustees take their financial role incredibly seriously to ensure that all funds are utilised in the most efficient way possible in order to deliver an effective and high quality curriculum to all students at the Plume Academy.

When reviewing the Academy medium to long term financial plans, and in turn the planned reserve position, it became apparent that income levels from Age Weighted Pupil Units (AWPU) are unlikely to change significantly until the spend review of 2020, even with the potential for a national funding formula which would see a gain to Essex as a local authority. Whilst expenditure pressures continue to mount, staff costs continue to rise, and a stable workforce entitled to incremental and inflationary rises, and mandatory charges outside of management control, such as exam fees and statutory charges and licences are rising at rates far greater than inflation.

The combined effect of static income and rising costs puts continued strain onto the academy finances. The Trustees target the financial position to be at an in year breakeven position, whereby income matches the expenditure. In 2017/18 costs have been controlled to an extent that have seen revenue income exceed spend resulting in a growth of reserves. This is a planned and structured position, in order to address the known problems that the longer term financial plans have detected in the future years. These will continue to be monitored and finances adjusted to ensure long term financial stability.

#### ***Reserves Policy***

The Trustees review the reserve levels of Plume School annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The level of reserves will be kept under review and is necessary to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and planned changes such as managing the declining income from post 16 funding in a sustainable fashion. Reserves may be used to achieve the objectives of the Academy at any time at the discretion of the Trustees.

As experienced nationally, the Trustees are aware of a net deficit on both the teachers and local government pension funds. However, this doesn't present an immediate liability and drain on reserves, as the deficit is being addressed by means of an actuarially calculated long term increase in the employer's contribution towards the fund. This increase will have an effect on the cash flow of the school annually, but will not result in a direct impact on the free reserves. Due to continued sound investment from the local government pension fund, itself a funded pension scheme with significant assets, the actuarial revaluation for 2018 has seen a marked reduction in the liability to £4,228,000 (2017: £4,812,000).

As in previous years the opening budget is set to utilise an element of the reserves, for 2018-19 this is £266,000. Restricted reserves have grown, however these are almost entirely reserved for future capital use, as the academy moves forward with its capital expansion plans between now and 2022. The Academy works closely with the Local Authority, who have the overriding responsibility for the provision of student places, in this scheme of work. Unrestricted reserves have improved from £416,395 to £474,145, an increase of £57,750, which will be held to provide the necessary funds to balance the planned in-year deficit both now and those identified in the mid/ long-term budget plans.

#### ***Investment Policy***

Within the Plume School investment policy, the Trustees agree all investments made by Plume School are in line with the Charity Commission guidance. Investments are currently restricted to low risk deposit accounts held with UK banks.

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### TRUSTEES' REPORT

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#### ***Financial and Risk Management Objectives and Policies***

The Academy Trust has a formal risk management process in place to identify and assess all risks associated with the organisation; this enables the instigation of risk mitigation strategies. A Risk Register is in place which is subject to regular review and made available to all staff. Key members of staff and Trustees are involved in the preparation of the Risk Register, overseen by the Finance & Estates committee. All members of staff are aware of the risk management policy and the controls in place to limit exposure to risk. The Risk Register identifies the types of risk the Academy Trust might encounter and rates the risks in terms of likelihood and impact. This ensures that the most significant risks are highlighted, appropriate strategies to be implemented and the allocation of resources.

As the majority of the Academy Trust's funding is derived from the ESFA, via the Department for Education, the Trustees consider this element of funding to be reasonably secure. The most significant risks relating to this income result from changing government policy on school funding, the effect of increasing contribution rates for stakeholder pensions and NI rebate deletion, and the effect of changing pupil numbers. The Trustees have laid out their strategies for dealing with these risks within the Academy Trust's risk register.

#### ***Principal Risks and Uncertainties***

The education sector is one in which there is constant change and therefore there is continual need to identify and address risks and uncertainty. The responsibility to identify and react to risk rests with the Trustees and Senior Leadership Team.

The Trust has adopted a policy whereby risks are monitored on a likelihood and impact basis. As such, the key risks facing the Trust are detailed below:

#### ***Pupil numbers***

Plume School is currently a popular Academy; however, the Trustees are aware of falling student numbers feeding through from local primary schools as a result of reduced birth rates within the local area. Available data indicates that this is a relatively short term issue, and in the current financial year the intake is fully subscribed. The Academy is reviewing its policies on intake and school promotion accordingly. Longer term the school is reviewing how it may grow substantially to accommodate increased student numbers from significant residential development that has now commenced within the locality. In addition to this, as a result of positive marketing and the academy achieving a highly positive perception from within the local community, the academy is optimistic about sustaining high student numbers as current popularity have resulted in a Yr 7 intake well above that initially indicated from the local authority admissions department.

#### ***Reserve balances***

The Academy has carried forward a significant sum from the previous period; this has been essential to contend with the expected short term changes with pupil intake, reduced post 16 funding and the impacts of planned increases in teacher pension contributions. Furthermore, as a split site school, with an aging building stock, reserves are being retained to address known building condition issues especially surrounding disability access and under the grounds of health and safety, whilst also addressing expansion requirements.

#### ***Other risks***

The Academy Trust's risk register also considers the operational and reputational risks involved in the running of the school within the risk register. Whilst it has been identified that the likely occurrence of these risks is low, it is also accepted that the impact if they were to occur is potentially high, therefore the Trustees seek professional advice whenever necessary to mitigate against these risks.

## PLUME SCHOOL

### TRUSTEES' REPORT

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#### *Financial Instruments*

##### Credit Risk

With the vast majority of the Academy's funding coming from the ESFA, the Academy is confident in its primary source of funding, this is backed up by positive and consistent student numbers. In order to expand its appeal both financially and for community involvement, the Academy markets and hires out its premises where suitable and beneficial. Clearly this presents a risky form of credit, and is mitigated by sound marketing and ensuring customer satisfaction to continue with all lets and hires. Where previously unknown, all hirers are asked to pay in advance of use to ensure reduced bad credit.

##### Cash flow and liquidity

The Trust continues to maintain significant cash balances which represent a high degree of liquidity. With most cash paid regularly and equally to the Academy from the ESFA, the academy regularly reviews its cash-flow position to ensure it can meet its immediate and longer term liabilities.

#### *Equal Opportunities and Disabled persons policies (Equalities Policy)*

The Academy Trust's policy on equal opportunities outlines the commitment of the staff and Governors of Plume School.

Plume School ensures that equality of opportunity is available to all members of the Trust community. For our Trust this means, not simply treating everybody the same but, understanding and tackling the different barriers which could lead to unequal outcomes for different groups of students in the academy. It also means celebrating and valuing the equal opportunity achievements and strengths of all members of the School community. These include: -

- Students
- Teaching staff
- Support staff
- Parents/carers
- Community governors
- Multi-agency staff linked to the Trust
- Visitors to the Trust and academies
- Students on placement

The Trustees believe that equality at the Trust should permeate all aspects of Trust life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth.

At Plume School, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.

Plume School is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. Academy Trust provides training and development for all its employees, including people with disabilities, tailored where appropriate, to ensure they have the opportunity to achieve their potential. If an Academy Trust employee becomes disabled while in our employment, Plume School will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

#### *Employee Information Policy*

Plume School includes 2 staff Trustees on its Board and has the Principal as ex-officio Trustee. This ensures that:

- Employees' views are taken into account on decisions affecting their interests; and
- there is a common awareness on the part of all employees of all factors that affect the Academy Trust's performance

Plume School also undertakes discussions with employees and their unions when making decisions that affect employee interests to ensure that employees' views are reflected in decisions made and their interests are protected.

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### TRUSTEES' REPORT

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#### **Fundraising**

Plume School works closely with the parent/carers body (Parents Voice Association) with regard to fundraising, to ensure that funds are collected in line with the Charities (Protection and Social Investment) Act 2016 and meets the needs and requirements of the academy itself. Historically this is an area that has not been utilised heavily by the Plume School; however the academy is working with the Parents Voice group to raise funds through music/dance evenings, stalls at Christmas fayre events and the sale of second hand uniform, and more recently the commencement of a Lottery scheme.

All fundraising is carried out in the name of the Parent Voice group, but in line with the financial regulations of the academy. The lottery itself is registered with the gambling commission who maintain the oversight and control on this venture.

All fundraising is on a voluntary, low pressure, approach to avoid causing undue upset within the community; however any complaints would be dealt with formally by the Trustees using the normal complaints procedure for the academy.

#### **Plans for Future Periods**

As previously mentioned, the town in which the Academy Trust is based (Maldon, Essex) is experiencing an unprecedented expansion in housing growth. The Academy continues to work alongside the Local Authority and District Council on this matter to ensure that the Plume, Maldon's Community Academy, as the only secondary school in the area, is capable of managing the planned rise in student numbers (circa 381 rise in pupils).

The Trustees have given this matter significant thought, setting up a distinct Strategic Developments Committee, which considers the best way in which to expand the premises, with funds available from reserves, Section 106 developer contributions, and the strategic disposal of specific academy assets in order to ensure that the Academy premises provide first class classrooms and learning resources to meet the growing demands between now and 2029, the end of the current Local Development Plan.

#### **Funds held as Custodian Trustee on behalf of others**

Neither Plume School nor any of its Trustees act as a custodian Trustee.

#### **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.

Approved by order of the members of the governing body on 12 December 2018 and signed on its behalf by:



**Joan Binder**  
Co-Chair of Trustees

## ACADEMY TRUST NAME

### GOVERNANCE STATEMENT

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#### Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Plume School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
Almond, A.	1	1
Barbrook, R.	1	4
Binder, J.	4	4
Hoskins, S.	1	1
Everard, J.	3	4
Howell, M.	4	4
McKinnell, J.	4	4
Morcombe, R.	2	4
Nagle, P.	4	4
Pond, C.	2	4
Stead, A.	3	4
Thomas, D.	3	4
Wakefield, C.	4	4
Whitaker, C.	3	4

Changes to the Board in the financial year include the appointment of, Albert Almond and Samantha Hoskins. There were resignations of 4 Trustees, Rachael Morcombe, Albert Almond, Samantha Hoskins and Rachael Barbrook.

The Finance and Estates Committee is a sub-committee of the main governing body. The purpose of the Finance and Estates Committee is to share the workload of the Accounting Officer in managing and monitoring the organisation's finances and premises matters. The Finance and Estates Committee has formally met 4 times during the year; 3 times for monitoring meetings and 1 extraordinary meeting to approve the annual accounts. An Audit Committee exists to oversee the year end audit process.

This Finance and Estates Committee provides an opportunity for detailed discussion and consideration of financial and property matters, with regular reporting to the full Board of Trustees. It is given delegated authority for most financial decision-making, but the full Board of Trustees as a whole remains accountable and must still remain actively engaged in financial and premises matters.

## PLUME SCHOOL

### GOVERNANCE STATEMENT

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Benefits of the finance and estates committee include:

- Helping to prevent fraud by ensuring that all tasks associated with the finance function are not performed by one person without supervision from others (segregation of duties).
- Allowing the Full Governing Body meetings to focus on a wider range of issues, as detailed financial and property discussions can take place within the sub-committee.
- Enabling more democratic control of the organisation's finances and estate.
- Spreading the burden of financial and premises management, thereby also potentially improving its quality.
- Helping train new committee members in financial and premises related matters.

Matters discussed during the year to 31 August 2018 include:

- Full review of finance and estates policies
- Agreement of financial regulations and scheme of delegation
- Regular review of the current financial position
- Review of long term (3-5 years) financial position
- Assurance work on health and safety matters relating to the estate
- Investigations into furthering the Trusts charitable aim through community involvement
- Continuation of the audit committee to meet statutory needs
- Review of capital grants received in year for the improvement of the estate
- Consideration of the school's assets and fulfilment of the Trusts charitable obligations to maximise the benefit of those assets with regard to asset disposal and reinvestment
- Monitoring of Plume Trading

Attendance at Finance and Estates Committee meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Almond, A.	1	2
Binder, J.	3	3
Hoskins, S.	1	1
Howell, M.	3	3
McKinnell, J.	2	3
Morcombe, R.	1	3
Nagle, P.	3	3
Pond, C.	3	3
Stead, A.	3	3
Thomas, D.	1	3
Wakefield, C.	3	3

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to:

- Recommend the appointment of the auditors
- Remove the burden of audit matters from the Finance & Estates Committee
- Act as the investigating body in the event of any accusation of fraud
- Oversee the year end process
- Receive the response from the appointed Auditors
- Recommend adjustments to the practice of the finance function based on the auditors findings
- Receive and recommend the adoption or rejection of the Annual Accounts to the Board of Trustees



## PLUME SCHOOL

### GOVERNANCE STATEMENT

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Attendance at Audit Committee meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mark, Howell	1	1
John Everard	1	1
Chris, Pond	1	1

#### **Review of Value for Money**

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

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

- Staff recruitment
- Centralisation of printing and reprographics
- Student Transport
- *Staff Recruitment Contract:* In previous years the academy spent significant sums on standalone recruitment adverts and in cases where this has proved unsuccessful, the spend on temporary and agency staff has been considerably higher than permanent staff. The impact on lesson delivery could be affected as well with temporary staff being unfamiliar with the students and facilities. After an extensive review of the spend level in previous years and assessing the impact of reaching the right audience of candidates, the Academy calculated that it would be better value to subscribe to a national recruitment contract for the placement of unlimited adverts. This decision was validated in the first term of the academic year when the number of adverts placed would have paid for the whole years contract value by the previous means. By subscribing on a national level the quality and availability of candidates has also risen, resulting in quality teachers to provide the highest level of dedication and ability.
- *Centralisation of printing and reprographics:* recognising the demand for quality reprographics and printing was growing in order to provide high quality teaching and learning, the academy has taken stock of its aging printer fleet and utilised DfE framework agreements in order to centralise printing around MFD's based at strategic locations around the building. Not only does this have a financial impact in terms of saving costs with the machines themselves and the toner, the quality of printing has improved and there has been a marked reduction in print wastage with the obvious environmental benefits too.
- *Student Transport:* with a number of students entered into vocational courses which required transport to external venues for separate study centres or work experience, the cost of transport had spiralled to a figure that was greater than the student funding alone. The academy took a multi-disciplined approach to rationalise the venues that were attended, utilising local outlets and utilised existing minibuses in order to reduce the reliance and cost of using taxi's and has achieved a 50% reduction in the cost of transport over a 2-year period.

## **PLUME SCHOOL**

### **GOVERNANCE STATEMENT**

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#### **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 on-going 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 Plume School for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the year ended 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 estates committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr A Gothard, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

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

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

On a termly basis, the RO reports to the Board of Trustees, through the Finance and Estates Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The RO completed all 3 of the 3 planned visits during 2017-18, following his pre-determined program of work on a termly basis. As a variation for the current financial year, the RO concentrated on the subject of governance in one of the visits. His resulting report praised the high level of governance, and the experience of both the education sector and business the Trustees brought to the academy. The reports indicated no significant or material breaches of controls, but highlighted some minor remedial recommendations relating to the authority limits within the ordering and payments mandates and their relation to the financial regulations.

## PLUME SCHOOL

### GOVERNANCE STATEMENT

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#### Review of Effectiveness

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

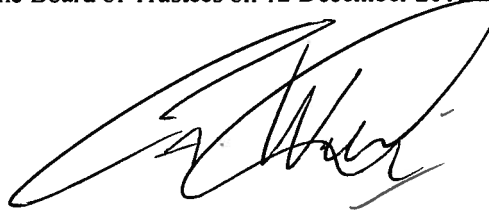
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Estates 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 12 December 2018 and signed on its behalf by:



**Joan Binder**  
Co-Chair of Trustees



**Carl Wakefield**  
Accounting Officer

## **PLUME SCHOOL**

### **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

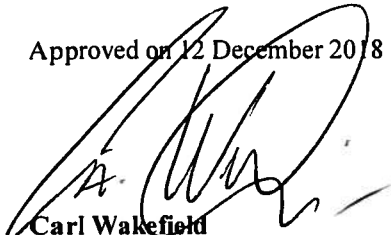
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As Accounting Officer of Plume School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. 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 the ESFA.

Approved on 12 December 2018 and signed by:



**Carl Wakefield**  
Accounting Officer

## PLUME SCHOOL

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then 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 (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 12 December 2018 and signed on its behalf by:



**Joan Binder**  
Co-Chair of Trustees

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLUME SCHOOL**

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### **Opinion**

We have audited the financial statements of Plume School for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 as issued by the Education and Skills Funding Agency.

In our opinion, Plume School's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company'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; and
- have been prepared in accordance with the Charities SORP 2015 and the 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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report, including the incorporated strategic report, have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF PLUME SCHOOL (continued)**

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

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

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

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

**Responsibilities of Trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF PLUME SCHOOL (continued)**

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**Use of our report**

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



**Colin Wright (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young LLP, Statutory Auditor**

Chartered Accountants  
Statutory Auditor

Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

18/12/2018

UHY Hacker Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF PLUME SCHOOL AND THE EDUCATING FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 16 June 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Plume School during the year 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 Plume School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Plume School and the ESFA those matters we are required to state to it 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 Plume School and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of the Plume School's accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of Plume School's funding agreement with the Secretary of State for Education dated 18 October 2011 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF PLUME SCHOOL AND THE EDUCATING FUNDING AGENCY (continued)**

The work undertaken to draw our conclusion includes:

- Evaluation of the general control environment
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education
- Review of the declaration of interests to ensure completeness
- Review of minutes for evidence of declaration of interest
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the Academy Trust's delegated authorities
- A sample of cash payments were reviewed for unusual transactions
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement
- Formal representations have obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that, in all material respect, the expenditure disbursed and income received during the year 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.

*UHY Hacker Young*

**UHY Hacker Young LLP**

Chartered Accountants  
Statutory Auditor

Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

18/12/2018

**PLUME SCHOOL**

**STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2018  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL  
RECOGNISED GAINS & LOSSES)**

	Notes	Unrestricted fund £	Restricted funds General funds £	Fixed asset fund £	2018 Total £	2017 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	2	5,213	-	46,819	52,032	156,790
<i>Charitable activities:</i>						
Funding for the Academy Trust's educational operations	3	-	8,900,430	-	8,900,430	8,784,260
Other trading activities	4	288,376	492,754	-	781,130	922,182
Investments	5	1,504	-	-	1,504	1,014
<b>Total income and endowments</b>		<b>295,093</b>	<b>9,393,184</b>	<b>46,819</b>	<b>9,735,096</b>	<b>9,864,246</b>
<b>Expenditure on:</b>						
Raising funds	6	207,738	288,708	-	496,446	775,090
<i>Charitable activities:</i>						
Educational operations	6/7	160,450	9,103,094	635,739	9,899,283	9,891,169
<b>Total resources expended</b>		<b>368,188</b>	<b>9,391,802</b>	<b>635,739</b>	<b>10,395,729</b>	<b>10,666,259</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(73,095)</b>	<b>1,382</b>	<b>(588,920)</b>	<b>(660,633)</b>	<b>(802,013)</b>
<b>Gross transfers between funds</b>		<b>130,845</b>	<b>(203,889)</b>	<b>73,044</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) for the year</b>		<b>57,750</b>	<b>(202,507)</b>	<b>(515,876)</b>	<b>(660,633)</b>	<b>(802,013)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on defined benefit pension schemes	29	-	1,015,000	-	1,015,000	580,000
<b>Net movement in funds</b>		<b>57,750</b>	<b>812,493</b>	<b>(515,876)</b>	<b>354,367</b>	<b>(222,013)</b>
<b>Total funds brought forward at 31 August 2017</b>		<b>416,395</b>	<b>(4,067,738)</b>	<b>24,980,919</b>	<b>21,329,576</b>	<b>21,551,589</b>
<b>Total funds carried forward at 31 August 2018</b>		<b>474,145</b>	<b>(3,255,245)</b>	<b>24,465,043</b>	<b>21,683,943</b>	<b>21,329,576</b>

All of the academy's activities derive from continuing operations during the financial period.

## PLUME SCHOOL

### STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018 (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES)

Comparative year information		Restricted funds			2017 Total £
	Notes	Unrestricted fund £	General funds £	Fixed asset fund £	
<b>Income and endowments from:</b>					
Donations and capital grants	2	8,380	-	148,410	156,790
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	-	8,784,260	-	8,784,260
Other trading activities	4	449,205	472,977	-	922,182
Investments	5	1,014	-	-	1,014
<b>Total income and endowments</b>		<b>458,599</b>	<b>9,257,237</b>	<b>148,410</b>	<b>9,864,246</b>
<b>Expenditure on:</b>					
Raising funds	6	196,582	578,508	-	775,090
<i>Charitable activities:</i>					
Educational operations	6/7	275,801	8,988,278	627,090	9,891,169
<b>Total resources expended</b>		<b>472,383</b>	<b>9,566,786</b>	<b>627,090</b>	<b>10,666,259</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(13,784)</b>	<b>(309,540)</b>	<b>(478,680)</b>	<b>(802,013)</b>
<b>Gross transfers between funds</b>		<b>3,016</b>	<b>5,460</b>	<b>(8,476)</b>	<b>-</b>
<b>Net income/(expenditure) for the year</b>		<b>(10,768)</b>	<b>(304,089)</b>	<b>(487,156)</b>	<b>(802,013)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	29	-	580,000	-	580,000
<b>Net movement in funds</b>		<b>(10,768)</b>	<b>275,911</b>	<b>(487,156)</b>	<b>(222,013)</b>
<b>Total funds brought forward at 31 August 2016</b>		<b>427,164</b>	<b>(4,343,650)</b>	<b>25,468,075</b>	<b>21,551,589</b>
<b>Total funds carried forward at 31 August 2017</b>		<b>416,396</b>	<b>(4,067,739)</b>	<b>24,980,919</b>	<b>21,329,576</b>

All of the academy's activities derive from continuing operations during the financial period.

**PLUME SCHOOL****CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2018**

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	12	24,465,043	24,980,919
		<u>24,465,043</u>	<u>24,980,919</u>
<b>Current assets</b>			
Debtors	15	39,857	52,487
Cash in hand and at bank	26	1,496,537	1,340,913
		<u>1,536,394</u>	<u>1,393,400</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	16	(89,494)	(232,743)
<b>Net current assets</b>		<u>1,446,900</u>	<u>1,160,657</u>
<b>Net assets excluding pension liability</b>		<u>25,911,943</u>	<u>26,141,576</u>
Pension scheme liability	29	(4,228,000)	(4,812,000)
<b>Net assets including pension liability</b>		<u>21,683,943</u>	<u>21,329,576</u>
<b>The funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
Fixed asset funds	17	24,465,043	24,980,919
Restricted income funds	17	972,755	744,261
Pension reserve	17	(4,228,000)	(4,812,000)
<b>Total restricted funds</b>		<u>21,209,798</u>	<u>20,913,180</u>
<b>Unrestricted income fund</b>			
General fund	17	474,145	416,396
<b>Total funds</b>		<u>21,683,943</u>	<u>21,329,576</u>

The financial statements on pages 26 to 35 were approved by the Board of Trustees, and authorised for issue on 12 December 2018 and are signed on their behalf by:

  
**Carl Wakefield**  
Accounting Officer  
Company registration no: 07849731

**PLUME SCHOOL**

**ACADEMY BALANCE SHEET  
AS AT 31 AUGUST 2018**

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	12	24,465,043	24,980,919
Investments	13	1	1
		<u>24,465,044</u>	<u>24,980,920</u>
<b>Current assets</b>			
Debtors	15	126,219	98,741
Cash in hand and at bank		1,397,936	1,285,520
		<u>1,524,155</u>	<u>1,384,261</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	16	(77,256)	(223,605)
<b>Net current assets</b>		<u>1,446,899</u>	<u>1,160,656</u>
<b>Net assets excluding pension liability</b>		<u>25,911,943</u>	<u>26,141,576</u>
Pension scheme liability	29	(4,228,000)	(4,812,000)
<b>Net assets including pension liability</b>		<u>21,683,943</u>	<u>21,329,576</u>
<b>The funds of the academy:</b>			
<b>Restricted income funds</b>			
Fixed asset funds	18	24,465,043	24,980,919
Restricted income funds	18	972,755	744,262
Pension reserve	18	(4,228,000)	(4,812,000)
<b>Total restricted funds</b>		<u>21,209,798</u>	<u>20,913,181</u>
<b>Unrestricted income fund</b>			
General fund	18	474,145	416,395
<b>Total funds</b>		<u>21,683,943</u>	<u>21,329,576</u>

The financial statements on pages 26 to 55 were approved by the Board of Trustees, and authorised for issue on 12 December 2018 and are signed on their behalf by:

  
**Carl Wakefield**  
 Accounting Officer  
 Company registration no: 07849731

**PLUME SCHOOL****CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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	Notes	2018 £	2017 £
<b>Cash flows from/(used in) operating activities</b>	23	227,164	(115,463)
<b>Cash flows (used in)/from investing activities</b>			
Capital grants from DfE and ESFA	2	46,819	148,410
Payments to acquire tangible fixed assets	12	(119,863)	(139,934)
		<hr/>	<hr/>
		(73,044)	8,476
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>	24	1,504	1,014
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		155,624	(105,973)
Cash and cash equivalents at 1 September 2017		1,340,913	1,446,886
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 August 2018</b>		<u>1,496,537</u>	<u>1,340,913</u>

# PLUME SCHOOL

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

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### 1 Statement of accounting policies

#### **Company Information**

Plume School is a company limited by guarantee, incorporated in England and Wales. The registered office is Plume School, Fambridge Road, Maldon, Essex, CM9 6AB.

#### **Basis of preparation**

The accounts 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.

Plume School meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in sterling, which is the functional currency of the company.

The financial statements have been prepared under the historic cost convention. 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 consolidation**

These financial statements consolidate on a line-by-line basis the results of the Academy Trust and its wholly owned subsidiary, Plume Trading Limited. A separate statement of financial activities (incorporating an income and expenditure account) for the Company itself is not presented because the Company has taken advantage of the exemptions afforded by section 230 of the Companies Act 2006 and paragraph 397 of SORP 2015. The Academy Trust's net expenditure for the year was £660,633.

#### **Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval 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 receivable**

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 creditor 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.



## PLUME SCHOOL

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

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#### **1 Statement of accounting policies (continued)**

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

#### ***Donations***

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 goods have been provided or on completion of the service.

#### ***Donated goods, services and gifts in kind***

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

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

On becoming an Academy, the land and property of the predecessor school was transferred to the academy for nil consideration. The valuation of the land and buildings as at the date of conversion was prepared by Lambert, Smith Hampton on a depreciated replacement cost basis.

#### **Expenditure**

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

#### ***Expenditure on 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.

All resources expended are inclusive of irrecoverable VAT.

## PLUME SCHOOL

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

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#### 1 Statement of accounting policies (continued)

##### **Tangible fixed assets**

Assets costing £2,000 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 or donated market value 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 such assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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, as follows:

Freehold buildings	2%
Freehold building improvements	5-10%
Artificial pitch	10%
Fixtures, fittings and equipment	20%
Motor vehicles	20%

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

##### **Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Academy Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

## PLUME SCHOOL

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

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#### 1 Statement of accounting policies (continued)

##### **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 instruments are recognised in the Academy Trust's Statement of Financial Position when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Financial assets***

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. 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***

Cash and 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 note 16. 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

##### **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.

##### **Investments**

The academy's shareholding in the wholly owned subsidiary, Plume Trading Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

##### **Stock**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

## PLUME SCHOOL

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

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#### 1 Statement of accounting policies (continued)

##### **Taxation**

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

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **Pension benefits**

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

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 note 29, 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 are 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 at the discretion of the Trustees.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency.

## PLUME SCHOOL

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

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#### 1 Statement of accounting policies (continued)

##### **Critical accounting estimates and areas of judgement**

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

##### ***Critical accounting estimates and assumptions***

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

##### Pension Liability

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, 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.

##### Depreciation

The Trustees estimate the useful economic lives and residual values of Buildings, Building Improvements, the Artificial Pitch, Furniture and Equipment and Motor Vehicles in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the statement of financial activities and the balance sheet.

The Trustees have reviewed the carrying values of the Trust's Buildings, Building Improvements, Artificial Pitch, Furniture and Equipment and Motor Vehicles.

##### ***Critical areas of judgement***

The Trustees do not consider that they have made any critical judgements in the preparation of the financial statements.

<b>2 Donations and capital grants</b>	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Capital grants	-	46,819	46,819	148,410
Other donations	5,213	-	5,213	8,380
	<hr/>	<hr/>	<hr/>	<hr/>
	5,213	46,819	52,032	156,790
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**PLUME SCHOOL**

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

**3 Funding for the Academy Trust's educational operations**

	Unrestricted fund £	Restricted funds £	Total 2018 £	Total 2017 £
<b>DfE / ESFA grants</b>				
- General Annual Grant (GAG)	-	8,430,612	8,430,612	8,291,819
- Other DfE / ESFA grants	-	355,481	355,481	342,124
	-	8,786,093	8,786,093	8,633,943
<b>Other Government grants</b>				
- Local Authority grants	-	114,337	114,337	150,317
	-	8,900,430	8,900,430	8,784,260

**4 Other trading activities**

	Unrestricted fund £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	80,688	-	80,688	98,115
Catering income	34,682	359,579	394,261	389,127
Fees charged for music tuition	25,939	-	25,939	31,349
Trip income	66,742	-	66,742	94,567
Sale of school uniform	4,781	-	4,781	3,853
Other income	75,544	133,175	208,719	305,171
	288,376	492,754	781,130	922,182

**5 Investment income**

	Unrestricted fund £	Restricted funds £	Total 2018 £	Total 2017 £
Bank interest receivable	1,504	-	1,504	1,014

**PLUME SCHOOL**

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

**6 Expenditure**

	Staff costs £ (note 8)	Non pay expenditure		Total 2018 £	Total 2017 £
		Premises £	Other costs £		
Academy's educational operations (note 7)					
- direct costs	6,616,412	-	653,544	7,269,956	7,094,287
- allocated support costs	1,208,942	963,035	457,350	2,629,327	2,796,882
	<u>7,825,354</u>	<u>963,035</u>	<u>1,110,894</u>	<u>9,899,283</u>	<u>9,891,169</u>
Expenditure on raising funds	198,409	-	298,037	496,446	775,090
	<u>8,023,763</u>	<u>963,035</u>	<u>1,408,931</u>	<u>10,395,729</u>	<u>10,666,259</u>

Net income / (expenditure) for the year includes:	2018 £	2017 £
Operating lease rentals	39,682	42,100
Fees paid to auditor for:		
- audit services	15,000	15,000
- other services	12,600	11,800
Depreciation of tangible fixed assets	635,739	627,090
	<u>635,739</u>	<u>627,090</u>

**7 Charitable activities**

	Total 2018 £	Total 2017 £
Direct costs – educational operations	7,269,956	7,094,287
Support costs – educational operations	2,629,327	2,796,882
	<u>9,899,283</u>	<u>9,891,169</u>

**PLUME SCHOOL**

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

**7 Charitable activities (continued)**

	<b>2018</b>	<b>2017</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Analysis of support costs</b>		
Support staff costs	1,208,942	1,240,183
Depreciation (fixed asset restricted fund)	635,739	627,090
Technology costs	110,340	157,336
Premises costs	327,244	373,597
Other support costs	266,782	304,674
Governance costs	80,280	94,002
	<hr/>	<hr/>
<b>Total support costs</b>	<b>2,629,327</b>	<b>2,796,882</b>
	<hr/> <hr/>	<hr/> <hr/>

**8 Staff costs**

Staff costs during the year were:

	<b>2018</b>	<b>2017</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Wages and salaries	5,934,725	6,027,864
Social security costs	543,293	549,040
Pension costs	1,410,971	1,353,386
	<hr/>	<hr/>
	7,888,989	7,930,290
Supply teacher costs	134,774	199,860
	<hr/>	<hr/>
	<b>8,023,763</b>	<b>8,130,150</b>
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Teachers	103	111
Administration and support	154	152
Management	10	11
	<hr/>	<hr/>
	267	274
	<hr/> <hr/>	<hr/> <hr/>



## PLUME SCHOOL

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

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#### 8 Staff costs (continued)

The number of employees whose emoluments fell within the following bands was:

	2018 Number	2017 Number
£ 60,001 - £ 70,000	-	1
£ 70,001 - £ 80,000	2	2
£ 80,001 - £ 90,000	-	-
£ 90,001 - £100,000	-	-
£100,001 - £110,000	1	1

Four of the above employees participated in the Teachers' Pension Scheme (2017: four). During the year ended 31 August 2018, pension contributions for these staff amounted to £44,853 (2017: £54,317).

#### 9 Key management personnel

The key management personnel of the School comprise the governors and the Senior Leadership Team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the school was £408,684 (2017: £407,429).

#### 10 Trustees' remuneration and expenses

The Principal and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the academy in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

Carl Wakefield (Principal)	£115,000 – £120,000
Rachael Barbrook (staff Trustee)	£20,000 – £25,000

During the year ended 31 August 2018, travel and subsistence expenses totalling £Nil were reimbursed to Trustees (2017: £635).

#### 11 Trustees' and Officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 (2017: £5,000,000) on any one claim and the cost for the year ended 31 August 2018 was £nil (2017: £nil).

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

## PLUME SCHOOL

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

#### 12 Tangible fixed assets – Group & Academy

	<b>Freehold Land and Buildings £</b>	<b>Building Improvements £</b>	<b>Artificial Pitch £</b>	<b>Furniture &amp; Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 September 2017	25,658,370	1,962,510	487,455	283,158	8,000	28,399,493
Additions	-	101,377	-	18,486	-	119,863
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2018	25,658,370	2,063,887	487,455	301,644	8,000	28,519,356
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>						
At 1 September 2017	2,360,800	570,812	284,293	194,669	8,000	3,418,574
Charge in year	363,200	168,841	48,746	54,952	-	635,739
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2018	2,724,000	739,653	333,039	249,621	8,000	4,054,313
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book values</b>						
At 31 August 2018	22,934,370	1,324,234	154,416	52,023	-	24,465,043
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2017	23,297,570	1,391,698	203,162	88,489	-	24,980,919
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**PLUME SCHOOL**

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

**13 Investments - Academy**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Shares in subsidiary undertaking	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following company:

<b>Company</b>	<b>Country of registration or incorporation</b>	<b>Shares held Class</b>	<b>%</b>
Plume Trading Limited	England and Wales	Ordinary	100.00

Plume Trading Limited carries out the trading activities of the Academy Trust such as lettings and external catering sales.

The results of the subsidiary for the year ended 31 August 2018 were as follows:

	<b>£</b>
Turnover	94,304
Operating expenses	(21,429)
Gift aid payment made to the Academy Trust	(72,875)
	<u>          </u>
Net profit before taxation	-
Taxation charge	-
	<u>          </u>
Retained profit for the year	<u><u>          </u></u>

At 31 August 2018 the aggregate amount of net assets and reserves was as follows:

	<b>£</b>
Current assets	130,929
Current liabilities	(130,928)
	<u>          </u>
	1
	<u><u>          </u></u>
Represented by:	
Share capital	1
Reserves	-
	<u>          </u>
	<u><u>          </u></u>

**PLUME SCHOOL**

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

**14 Financial instruments**

	<b>Group Total 2018 £</b>	<b>Group Total 2017 £</b>	<b>Academy Total 2018 £</b>	<b>Academy Total 2017 £</b>
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	33,894	43,841	124,079	90,580
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	89,493	221,226	77,256	212,088

The Trustees have considered the Academy Trust's exposure to credit, cash flow and liquidity risks as part of its annual risk assessment procedures. Risks are assessed within the Academy Trust's risk register and monitored throughout the year. The Trustees do not consider the Academy Trust to be materially exposed to credit, cash flow or liquidity risk, owing to sufficient bank balances and limited debtor exposures.

**15 Debtors**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Academy 2018 £</b>	<b>Academy 2017 £</b>
Trade debtors	33,894	43,841	5,389	28,412
VAT recoverable	2,627	8,646	2,140	8,161
Amounts due from subsidiary	-	-	118,690	62,168
Prepayments and accrued income	3,336	-	-	-
	39,857	52,487	126,219	98,741

**16 Creditors: amounts falling due within one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Academy 2018 £</b>	<b>Academy 2017 £</b>
Trade creditors	11,120	35,701	10,982	35,563
Accruals and deferred income (see below)	78,324	196,694	66,224	187,694
Other creditors	50	348	50	348
	89,494	232,743	77,256	223,605

**PLUME SCHOOL**

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

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

<b>Deferred income</b>	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Academy 2018 £</b>	<b>Academy 2017 £</b>
Deferred income at 1 September 2017	11,517	11,948	11,948	11,948
Income deferred in the year	-	11,517	-	11,517
Amounts released from previous years	(11,517)	(11,948)	(11,948)	(11,948)
<b>Deferred income at 31 August 2018 included in accruals and deferred income above</b>	<b>-</b>	<b>11,517</b>	<b>-</b>	<b>11,517</b>

At the balance sheet date the Academy was holding funds of £nil received in advance for catering.

**17 Funds – Group**

	<b>Balance at 31 August 2017 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains, losses &amp; transfers £</b>	<b>Balance at 31 August 2018 £</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	744,262	8,430,612	(7,998,230)	(203,889)	972,754
Other DfE/ESFA grants	-	355,481	(355,481)	-	-
Other government grants	-	114,337	(114,337)	-	-
Activities generating funds	-	492,754	(492,754)	-	-
Pension reserve (note 29)	(4,812,000)	-	(431,000)	1,015,000	(4,228,000)
<b>Total restricted general funds</b>	<b>(4,067,738)</b>	<b>9,393,184</b>	<b>(9,391,802)</b>	<b>811,111</b>	<b>(3,255,245)</b>
<b>Restricted fixed asset funds</b>					
Acquired on conversion	23,700,783	-	(363,200)	-	23,337,583
DfE/ESFA capital grants	1,280,136	46,819	(272,539)	73,044	1,127,460
<b>Total restricted fixed asset funds</b>	<b>24,980,919</b>	<b>46,819</b>	<b>(635,739)</b>	<b>73,044</b>	<b>24,465,043</b>
<b>Total restricted funds</b>	<b>20,913,181</b>	<b>9,440,003</b>	<b>(10,027,541)</b>	<b>884,155</b>	<b>21,209,798</b>
<b>Unrestricted fund</b>					
Unrestricted fund	416,395	295,093	(368,188)	130,845	474,145
<b>Total funds</b>	<b>21,329,576</b>	<b>9,735,096</b>	<b>(10,395,729)</b>	<b>1,015,000</b>	<b>21,683,943</b>

**PLUME SCHOOL**

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

**17 Funds – Group (continued)**

	Balance at 31 August 2016 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	667,350	8,291,819	(8,220,368)	5,460	744,261
Other DfE/ESFA grants	-	342,124	(342,124)	-	-
Other government grants	-	150,317	(150,317)	-	-
Activities generating funds	-	472,977	(472,977)	-	-
Pension reserve (note 29)	(5,011,000)	-	(381,000)	580,000	(4,812,000)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total restricted general funds	(4,343,650)	9,257,237	(9,566,786)	585,460	(4,067,739)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Restricted fixed asset funds</b>					
Acquired on conversion	24,063,983	-	(363,200)	-	23,700,783
DfE/ESFA capital grants	1,404,092	148,410	(263,890)	(8,476)	1,280,136
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total restricted fixed asset funds	25,468,075	148,410	(627,090)	(8,476)	24,980,919
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total restricted funds</b>	21,124,425	9,405,647	(10,193,876)	576,984	20,913,180
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Unrestricted fund</b>					
Unrestricted fund	427,164	458,599	(472,383)	3,016	416,396
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total funds</b>	21,551,589	9,864,246	(10,666,259)	580,000	21,329,576
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

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

**General Annual Grant**

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

**Other DfE/ESFA and government grants**

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

**Fixed asset fund**

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

**Pension reserve**

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 29).

**Transfer between funds**

In the current year, a transfer from restricted funds to restricted fixed asset funds and unrestricted funds was necessary to reallocate expenditure. In the prior year, a transfer from fixed asset funds and unrestricted funds to the restricted funds was necessary to fund educational operations in the year.

**PLUME SCHOOL**

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

**18 Funds – Academy**

	<b>Balance at 31 August 2017 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains, losses &amp; transfers £</b>	<b>Balance at 31 August 2018 £</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	744,262	8,430,612	(7,986,130)	(215,989)	972,755
Other DfE/ESFA grants	-	355,481	(355,481)	-	-
Other government grants	-	114,337	(114,337)	-	-
Activities generating funds	-	492,754	(492,754)	-	-
Pension reserve (note 29)	(4,812,000)	-	(431,000)	1,015,000	(4,228,000)
<b>Total restricted general funds</b>	<u>(4,067,738)</u>	<u>9,393,184</u>	<u>9,379,702</u>	<u>799,011</u>	<u>(3,255,245)</u>
<b>Restricted fixed asset funds</b>					
Acquired on conversion	23,700,783	-	(363,200)	-	23,337,583
DfE/ESFA capital grants	1,280,136	46,819	(272,539)	73,044	1,127,460
<b>Total restricted fixed asset funds</b>	<u>24,980,919</u>	<u>46,819</u>	<u>(635,739)</u>	<u>73,044</u>	<u>24,465,043</u>
<b>Total restricted funds</b>	<u>20,913,181</u>	<u>9,440,003</u>	<u>(10,015,441)</u>	<u>872,055</u>	<u>21,209,798</u>
<b>Unrestricted fund</b>					
Unrestricted fund	<u>416,395</u>	<u>273,664</u>	<u>(358,859)</u>	<u>142,945</u>	<u>474,145</u>
<b>Total funds</b>	<u>21,329,576</u>	<u>9,713,667</u>	<u>(10,374,300)</u>	<u>1,015,000</u>	<u>21,683,943</u>

**PLUME SCHOOL**

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

**18 Funds – Academy (continued)**

	Balance at 31 August 2016 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	667,350	8,291,819	(8,214,981)	74	744,262
Other DfE/ESFA grants	-	342,124	(342,124)	-	-
Other government grants	-	150,317	(150,317)	-	-
Activities generating funds	-	472,977	(472,977)	-	-
Pension reserve (note 29)	(5,011,000)	-	(381,000)	580,000	(4,812,000)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total restricted general funds	(4,343,650)	9,257,237	(9,561,399)	580,074	(4,067,738)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Restricted fixed asset funds</b>					
Acquired on conversion	24,063,983	-	(363,200)	-	23,700,783
DfE/ESFA capital grants	1,404,092	148,410	(263,890)	(8,476)	1,280,136
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total restricted fixed asset funds	25,468,075	148,410	(627,090)	(8,476)	24,980,919
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total restricted funds</b>	<u>21,124,425</u>	<u>9,405,647</u>	<u>(10,188,489)</u>	<u>571,598</u>	<u>20,913,181</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Unrestricted fund</b>					
Unrestricted fund	427,164	429,414	(448,585)	8,402	416,395
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total funds</b>	<u>21,551,589</u>	<u>9,835,061</u>	<u>(10,637,074)</u>	<u>580,000</u>	<u>21,329,576</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

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

**General Annual Grant**

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

**Other DfE/ESFA and government grants**

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

**Fixed asset fund**

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

**Pension reserve**

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 29).

**Transfer between funds**

In the current year, a transfer from restricted funds to restricted fixed asset funds and unrestricted funds was necessary to reallocate expenditure. In the prior year, a transfer from fixed asset funds and unrestricted funds to the restricted funds was necessary to fund educational operations in the year.



## PLUME SCHOOL

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

#### 19 Analysis of net assets between funds – Group

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2018 £
Tangible fixed assets	-	-	24,465,043	24,465,043
Current assets	486,383	1,050,011	-	1,536,394
Current liabilities	(12,238)	(77,256)	-	(88,494)
Pension scheme liability	-	(4,228,000)	-	(4,228,000)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total net assets</b>	<b>474,145</b>	<b>(3,255,245)</b>	<b>24,465,043</b>	<b>21,683,943</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Fund balances at 31 August 2017 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2017 £
Tangible fixed assets	-	-	24,980,919	24,980,919
Current assets	425,534	967,866	-	1,393,400
Current liabilities	(9,138)	(223,605)	-	(232,743)
Pension scheme liability	-	(4,812,000)	-	(4,812,000)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total net assets</b>	<b>416,396</b>	<b>(4,067,739)</b>	<b>24,980,919</b>	<b>21,329,576</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

#### 20 Analysis of net assets between funds - Academy

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2017 £
Tangible fixed assets	-	-	24,465,043	24,465,043
Investment in subsidiary	1	-	-	1
Current assets	474,144	1,050,011	-	1,524,155
Current liabilities	-	(77,256)	-	(77,256)
Pension scheme liability	-	(4,228,000)	-	(4,228,000)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total net assets</b>	<b>474,145</b>	<b>(3,255,245)</b>	<b>24,465,043</b>	<b>21,683,943</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**PLUME SCHOOL**

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

**20 Analysis of net assets between funds – Academy (continued)**

Fund balances at 31 August 2017 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2017 £
Tangible fixed assets	-	-	24,980,919	24,980,919
Investment in subsidiary	1	-	-	1
Current assets	416,394	967,867	-	1,384,261
Current liabilities	-	(223,605)	-	(223,605)
Pension scheme liability	-	(4,812,000)	-	(4,812,000)
	<u>416,395</u>	<u>(4,067,738)</u>	<u>24,980,919</u>	<u>21,329,576</u>

**21 Capital commitments**

	Freehold land & buildings 2018 £	Freehold land & buildings 2017 £
Contracted for, but not provided in the financial statements	-	102,169
	<u>-</u>	<u>102,169</u>

**22 Financial commitments**

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

	2018 £	2017 £
Due within one year	545	40,227
Due in one to five years	-	-
Due after five years	-	-
	<u>545</u>	<u>40,227</u>

## PLUME SCHOOL

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

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<b>23 Reconciliation of net income to net cash from/(used in) from operating activities</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net deficit for the year	(660,633)	(802,013)
Depreciation (note 12)	635,739	627,090
Capital grants from DfE and other capital income	(46,819)	(148,410)
Interest receivable (note 5)	(1,504)	(1,014)
Defined benefit pension scheme cost less contributions payable (note 29)	309,000	274,000
Defined benefit pension scheme finance cost (note 29)	122,000	107,000
Decrease in debtors	12,630	44,925
Decrease in creditors	(143,249)	(217,041)
	<hr/>	<hr/>
<b>Net cash from/(used in) operating activities</b>	<b>227,164</b>	<b>(115,463)</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>24 Cash flows from financing activities</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank interest	1,504	1,014
	<hr/>	<hr/>
<b>Net cash provided by financing activities</b>	<b>1,504</b>	<b>1,014</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>25 Cash flows from investing activities</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Capital grants from DfE / ESFA	46,819	148,410
Payments to acquire tangible fixed assets	(119,863)	(139,934)
	<hr/>	<hr/>
<b>Net cash (used in)/from investing activities</b>	<b>(73,044)</b>	<b>8,476</b>
	<hr/> <hr/>	<hr/> <hr/>

## PLUME SCHOOL

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

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#### 26 Analysis of cash and cash equivalents

	At 31 August 2018 £	At 31 August 2017 £
Cash in hand and at bank	1,496,537	1,340,913

#### 27 Contingent liabilities

There are no contingent liabilities at 31 August 2018 (2017: £Nil).

#### 28 Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the Academy 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 (2017: £10) for the debts and liabilities contracted before he/she ceases to be a Member.

#### 29 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS was 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2017: £nil).

##### Teachers' Pension Scheme

###### Introduction

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

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

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

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**29 Pension and similar obligations (continued)**

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (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%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015. The next valuation of the TPS is currently underway based on April 2016, whereupon the employer contribution rate is expected to increase will be payable from 1 September 2019.

The pension costs paid to TPS in the period amounted to £657,523 (2017: £661,631).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £425,000 (2017: £408,000), of which employer's contributions totalled £331,000 (2017: £316,000) and employees' contributions totalled £94,000 (2017: £92,000). The agreed contribution rates for future years are 22.1% (2017: 22.1%) for employers and between 5.5% and 12.50% (2017: 5.5% and 12.5%) for employees.

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

**PLUME SCHOOL**

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

**29 Pension and similar obligations (continued)**

<b>Principal Actuarial Assumptions:</b>	<b>At 31 August 2018 £</b>	<b>At 31 August 2017 £</b>
Rate of increase in salaries	3.8%	4.2%
Rate of increase for pensions	2.3%	2.7%
Discount rate for scheme liabilities	2.7%	2.6%
Inflation assumption (CPI)	2.3%	2.7%
Retail price index assumption (RPI)	3.3%	3.2%

The below table, as produced by Barnett Waddingham (actuary) sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1 year age rating adjustment to the mortality assumption.

<b>Assumption:</b>	<b>Movement</b>	<b>Impact</b>	
		<b>2018 £'000</b>	<b>2017 £'000</b>
Mortality Age Rating Assumption	+ 1 year	583	256
Salary Increase Rate	+ 0.1%	565	35
Real Discount Rate	+ 0.1%	552	187
Pension Increase Rate	+ 0.1%	579	152

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

	<b>At 31 August 2018 (years)</b>	<b>At 31 August 2017 (years)</b>
<b>Retiring today</b>		
Males	22.3	22.2
Females	24.8	24.7
<b>Retiring in 20 years</b>		
Males	24.5	24.3
Females	27.1	27.0

## PLUME SCHOOL

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

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#### 29 Pension and similar obligations (continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2018	Fair value at 31 August 2017
Equity instruments	2,270,000	1,960,000
Debt instruments	208,000	117,000
Property	318,000	291,000
Gilts	191,000	187,000
Cash	121,000	93,000
Other managed funds	137,000	127,000
Alternative assets	320,000	229,000
	<hr/>	<hr/>
<b>Total market value of assets</b>	<b>3,565,000</b>	<b>3,004,000</b>
	<hr/> <hr/>	<hr/> <hr/>

Actual return on scheme assets was £1,015,000 (2017: £316,000).

#### Amounts recognised in the statement of financial activities

	2018 £	2017 £
Current service cost	640,000	590,000
Net interest	121,000	107,000
Administrative expenses	1,000	-
	<hr/>	<hr/>
<b>Total operating charge</b>	<b>762,000</b>	<b>697,000</b>
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## PLUME SCHOOL

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

#### 29 Pension and similar obligations (continued)

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

	2018 £	2017 £
At 1 September 2017	7,816,000	7,175,000
Current service cost	640,000	569,000
Past service cost	-	21,000
Interest cost	204,000	159,000
Employee contributions	94,000	92,000
Actuarial gain / (loss)	(900,000)	(177,000)
Benefits paid	(61,000)	(23,000)
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At 31 August 2018	7,793,000	7,816,000
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Changes in the fair value of academy's share of scheme assets:

	2018 £	2017 £
At 1 September 2017	3,004,000	2,164,000
Return on plan assets (excluding net interest on the net defined pension liability)	83,000	52,000
Actuarial gains / (loss)	115,000	403,000
Administrative expenses	(1,000)	-
Employer contributions	331,000	316,000
Employee contributions	94,000	92,000
Benefits paid	(61,000)	(23,000)
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At 31 August 2018	3,565,000	3,004,000
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#### 30 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 Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

There are no related party transactions in the year other than those disclosed in note 9, 10 and 13.