

Company Registration Number: 09016294 (England & Wales)

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 10
Governance statement	11 - 14
Statement on regularity, propriety and compliance	15
Statement of Trustees' responsibilities	16
Independent auditor's report on the financial statements	17 - 19
Independent reporting accountant's report on regularity	20 - 21
Statement of financial activities incorporating income and expenditure account	22 - 23
Balance sheet	24 - 25
Statement of cash flows	26
Notes to the financial statements	27 - 52

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Diocese of St Albans Educational Trust. Represented during the year by the Venerable Janet MacKenzie, Archdeacon of Hertford. J Griffiths D Morton D Stevenson D Thornhill J Reynolds
Trustees	A Clough (resigned 5 January 2019) R Davis J Griffiths, Chair of Trustees F Handley H Langeveld, Head Teacher D Stevenson E Grundy A Rindl R Martins C McMillian-Jackson J Conn (appointed 1 October 2018) A Smith (appointed 29 November 2018)
Company registered number	09016294
Company name	Watford St John's Church of England Primary School
Principal and registered office	32 Clarendon Road Watford Hertfordshire WD17 1JJ
Chief executive officer	H Langeveld
Senior management team	H Langeveld, Head teacher A Pyatt, Deputy Head teacher and Special Educational Needs Coordinator V Moore, School Business Manager
Independent auditor	Hillier Hopkins LLP Chartered Accountants Statutory Auditor Radius House 51 Clarendon Road Watford Herts WD17 1HP

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates a single academy, Watford St John's Church of England Primary School, for pupils aged 4 - 11 in central Watford. Currently, the school has a pupil capacity of 180 between Reception and Year 3. The school has 179 pupils on roll as per the autumn census on 5th October 2019. The school operated as 1 form entry for the first 2 years of its existence due to the constraints of the temporary accommodation. In September 2018, the school reverted back to its intended 2 form entry intake for Reception.

Structure, governance and management

a. Constitution

The academy is a charitable 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 Trustees of Watford St John's Church of England Primary School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Watford St John's Church of England Primary School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

The academy is a member of the Risk Protection Arrangement (RPA). Under this arrangement, the limit of liability shall be £10,000,000 each and every loss.

d. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the articles of association. These are contained in articles 45 - 59. The members of the Trust appoint a minimum of 8 Trustees of whom the incumbent (Priest of the Parish) is both a Member and a Trustee. The members may appoint up to 2 staff Trustees through such process as they may determine. It is expected that the Headteacher will be a Trustee, except where they elect not to be. The two parent Trustees shall be elected by parents of registered pupils at the academy. If the number of parents standing for election is less than the number of vacancies, the Trustees may appoint a parent Trustee. In this case, they shall appoint a parent of a registered pupil at the school or, where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. The Trustees, with the consent of the Diocesan Board of Education, may appoint up to 2 co-opted Trustees for such term (not exceeding four years) and otherwise upon such conditions as they

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

shall think fit. The Trustees may not co-opt an employee of the Trust as a co-opted Trustee if thereby the number of Trustees who are employees of the Trust would exceed one third of the total number of Trustees (including the Headteacher).

e. Policies adopted for the induction and training of Trustees

The Induction process is contained within the Governance Plan. All new Trustees are provided with an induction pack when they first become a Trustee and are required to attend Trustee Induction Training (currently provided by Herts for Learning). The training and induction for new Trustees is co-ordinated by the Chair of Trustees and Trustees are expected to attend at least one training event per school year. This may take the form of completing online training depending upon the training need.

f. Organisational structure

The leadership structure consists of the Trustees and the Senior Leadership Team (SLT). This aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher is the Accounting Officer.

The Trustees are responsible for setting general policies, adopting the school's one year and four year School Strategic Plans, the annual budget, approving the accounts, monitoring the use of budgets and other data and making major decisions about the strategic direction of the Free School, its capital expenditure and staff appointments.

The SLT currently consists of the Headteacher, the Deputy Headteacher (who is also the Special Educational Needs Coordinator (SenCo)) and the School Office and Business Manager. The Headteacher, supported by the SLT controls at an executive level, implementing policies set by the Board of Trustees and/or Headteacher.

The Headteacher, as Principal Accounting Officer, is responsible for the authorisation of spending within agreed budgets; a summary of this is contained in the Schedule of Financial Delegation.

Subject to the provisions of the Companies Act 2006, the Articles and to any directions given by Special Resolution, the business of the Academy Trust shall be managed by the Trustees who may exercise all the powers of the Trust. No alteration of the Articles and no such direction shall invalidate any prior act of the Trustees which would have been valid if the alteration had not been made or that direction had not been given. The powers given by the Article shall not be limited by any special power given to the Trustees by the Articles and a meeting of Trustees at which a quorum is present may exercise all the power exercisable by the Trustees.

In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles, the Trustees shall have the following powers, namely:

- (a) To expand the funds of the Academy Trust in such manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Academy Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expand the proceeds of any such sale in furtherance of the Object, and
- (b) To enter into contracts on behalf of the Academy Trust.

In the exercise of their powers and functions, the Trustees may consider any advice given by the Headteacher and any other executive officer.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

The Trustees may delegate any of their powers or functions (including the power to sub-delegate) to any Trustee, committee, the Head Teacher or any other holder of an executive office. Any such delegation may be made subject to any conditions the Trustees may impose and may be revoked or altered. Where any power or function of the Trustees is exercised by any committee, any Trustee, Head Teacher or any other holder of an executive office, or a person to whom a power or function has been sub-delegated, that person or committee shall report to the Trustees in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Trustees immediately following the taking of the action or the making of the decision.

g. Arrangements for setting pay and remuneration of key management personnel

The Senior Management Team's pay is linked to the performance management structure and any recommendations from the outcome of the performance management are considered by the Pay Committee and then are placed for approval by the Board of Trustees.

h. Related parties and other connected charities and organisations

The Parochial Church Council (PCC) of St John's is linked to the school and its vicar and members of the PCC are Trustees. The School rented, until the Summer of 2019, the former school site in Estcourt Road from the PCC at commercial rates, as approved by the Department for Education. Throughout the lease, the school also paid a proportion of the utilities and insurance for this property to the PCC.

The School uses Xero accounting software. Mr Clough, a former Trustee, is a Xero Partner and supplies the school's monthly Xero licence at cost.

Platinum Press Ltd was also engaged to provide printing services - this is a company owned by a relative of the Headteacher. The services were provided at cost.

In relation to other schools, Watford Grammar School for Girls provides the school with caretaking, cleaning and IT support.

i. Trade union facility time

The trust does not employ more than 49 full time equivalent employees. However, for transparency, we have no employees who were relevant union officials during the relevant period.

Objectives and activities

a. Objects and aims

The Academy Trust's object is specifically restricted to the following: 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 with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regards to any advice of the Diocesan Board of Education.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

b. Objectives, strategies and activities

Our key objectives for the period ending August 2019 were:

1. **To provide quality education in a caring environment of love and respect**
In 2018/19 we continued to extend our ethos of Growing Together in Love and Respect, incorporating our vision of Educational Excellence, Development of the Whole Child, Christian Ethos and Community Spirit. Alongside this we continued to develop a whole school Growth Mindset approach with a Low Threat High Challenge for all learners. Pupil Voice, Parent Voice and SIP reports evidence a nurturing environment and the embedding of the 11 values and including Love and Respect. End of year data evidences good and better progress from starting points. EYFS: 68% Good Level of Development (Baseline 87% + below Age Related Expectation) (National 71.9%). Y1: 77% Phonic Screening Check (National 81%).
2. **To deliver and develop the school's curriculum**
In collaboration with the teachers, pupils interests, Trustees and parent voice the KS1 Curriculum was further developed over the academic year and the KS2 Year 3 curriculum was prepared. An active, engaging and challenging curriculum enabled the good progress and attainment recorded above. Children had opportunities to learn through a structured curriculum based on the National Curriculum but with greater depth and breadth involving community learning opportunities both in and outside of school. The school is proud of the balance achieved between academic and SMSC and both support each other.
3. **To recruit sufficient pupil numbers so that our school is financially viable**
For 2018/19, we were oversubscribed to new applicants to the school. We were successful in filling the majority of our pupil vacancies, and operated waiting lists within most of our year groups. Where pupil vacancies arose, these have by and large been filled. Currently in Autumn 2019, we have one space in the whole school with waiting lists for 3 out of the 4 year groups.
4. **To work with the ESFA to deliver the new school building due to open in September 2018**
The new school building was handed over on 3rd September and our pupils started on 10th September 2018. The Trustees and school staff worked tirelessly to ensure that the building was delivered on time and was able to provide the facilities required for an urban school to deliver quality education. The agreement for a rooftop playground was achieved and is a special and essential part of the school. The school community will continue over this initial first year of settling into the new building to work through new processes and to ensure that the new building will be fully functional as it grows towards full capacity of 420 children.
5. **To establish the school as a part of the wider community**
St John's School continues to work in close partnership with St John's Church. Our Friends Association are a key strength, not only in terms of fundraising for the school, but also in bringing the school and community together. For example, the community funday was a day for all the community and attracted families beyond those of our current pupils. Alongside the Headteacher, they have fostered relationships with local businesses which are benefitting our children through experiences and donations. We continue to work with key organisations within our local community and support other local charities- the Watford Blind Centre, Electric Umbrella and Mencap to name just a few.

All these connections enable the school to be part of the wider community and contribute overall to the school's contribution towards benefitting the public.
6. **To recruit and retain quality staff**
We continue to raise our profile within professional circles and work towards attracting high quality staff to deliver our educational excellence. We also continue to develop our staff internally, providing them with opportunities and support to progress their own careers. Currently, all teacher posts are filled.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

7. To ensure that the school's outcomes are accurately considered during the Ofsted and SIAMS inspections

During the academic year 2018/19 the school was inspected by Ofsted. The Governors were delighted to receive a report from Ofsted which graded the school as a good school in all categories.

The school also underwent its first Statutory Inspection of Anglican and Methodist Schools (SIAMS). The governors were again very pleased to receive a good grading in all areas.

Both reports recognised the strong ethos and nurturing aspect of the school.

c. Public benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The school prides itself on being an active member of the community with public benefit extending beyond the school walls.

Strategic report

Achievements and performance

a. Achievements and performance

The academic year 2018/19 was our third year of operation and our first year in our purpose built permanent school building. The building handover was undertaken at the end of the summer holidays and a significant amount of effort was required from all the staff to transition from temporary to permanent accommodation. This included, but was not limited to, transforming the school from a blank canvas to a functioning school ready for the start of the year, learning new processes and procedures that were required in a new building and welcoming the new team members to the Trust. Feedback from visitors to our school is positive and some are amazed that such an atmosphere has been created in a building occupied for a relatively short period. Especially when the external aspect of the building is in keeping with our commercial surroundings.

In addition, in 2018/19 the school had not one but two key inspections. The school was inspected both by Ofsted and also under SIAMS - the framework for the Statutory Inspection of Anglican and Methodist Schools.

The Trustees would like to acknowledge the hard work of all the staff and the Trustees for their diligent commitment to the development of the school and the progress of all our children.

b. Key performance indicators

- To finish the financial year in balance: Although we did not achieve an in year balance as we had a slight in year deficit, we have still been able to achieve a carry forward.
- To maximise spending to ensure an excellent education is delivered: All financial decisions were made to ensure that the best possible staffing and resources could be provided for all children to flourish in the school whilst ensuring a balanced budget. The outcomes of the academic year evidence that good decisions were made.
- To achieve adequate pupil recruitment to maintain financial stability. Achieved. Pupil vacancies have been filled with only 1 vacancy at this time. We anticipate a full intake of 60 pupils into Reception in September 2020.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

- To recruit and retain good quality teachers to deliver excellent education. Achieved. We currently do not hold any vacancies
- Positive outcomes for expected inspections. Achieved. We were recognised as 'Good' in both our SIAMS and Ofsted Inspections, which reflects what the Trustees know of the school's performance.

c. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

Financial review

a. Financial review

The primary source of funding for the school has been from the ESFA in the form of the General Annual Grant (GAG), capital grants and other grants. 2018/19 was a challenging year in terms of financial planning. Although the budget was formulated on a zero based approach, estimates had to be based on the best information available at the time. Being in a new building requires a substantial period of time to elapse before we could have certainty in relation to those fixed non-staffing costs such as utilities. We also had the additional costs of the temporary school site, which although unused for the purposes of the school was still under lease for the majority of the year. Some costs were recovered through leasing.

b. Reserves policy

As a new school, our reserves policy is essentially focused on the level of cash required to be maintained to ensure the continued operation of the school.

The Trustees have determined that the appropriate level of cash to be maintained should be equivalent to 6 weeks average operating expenses. This has been calculated as £58K, therefore we aim to maintain cash in the bank to that level. This level of cash will provide sufficient working capital to cover delays between spending and receipt of income and to provide a cushion to facilitate any unexpected emergencies, such as urgent property maintenance.

The level of cash reserves will be reviewed at least annually by the Trustees.

As of 31 August 2019, the school has £26,660 of unrestricted reserves, £7,759,171 of restricted fixed asset reserves (of which £7,569,026 relates to the net book value of tangible fixed assets, £176,840 relates to capital funding and £13,305 relates to devolved formula capital funding, both capital funds available to carry forward to the next period) and £Nil restricted reserves (excluding pension reserves). The pension reserves stands at a deficit of £63,000. The net surplus of restricted and unrestricted funds (excluding pension reserve) is £26,660 as per note 19.

The current reserves are comparatively low for a 2 form entry primary school. However, we are a new and growing school and anticipate that we will be able to grow our reserves in the future with the possibilities around leasing and raising additional funds. The Trustees are satisfied that there are sufficient cash reserves to be able to continue the operation of the school.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

c. Investment policy

The purpose of the Investments Policy is to set out the processes by which Academy Trustees will meet their duties under the Academy's Articles of Association and Academies Financial Handbook issued by the ESFA to invest monies surplus to operational requirements in furtherance of the Academy's charitable aims and to ensure that investment risk is properly and prudently managed. Should significant unrestricted reserves be achieved in the future, consideration would be given to evaluating the most appropriate investment opportunity, including placing them on deposit for a period that the school deems will maintain sufficient operating liquidity. We currently do not hold any investments.

d. Principal risks and uncertainties

The Trustees consider the following to be our principal risks and uncertainties for the future, as defined within our risk register.

Funding allocations and their impact on financial viability: The Trust acknowledges that future government decision on funding allocations, given that funding accounting for the vast majority of the school's income, can have an adverse effect on the overall financial viability of the school. Although these funding decisions are beyond what the trustees can control, it is important to note them here and ensure that we have robust monitoring systems in place to ensure that the budget set is robust and managed well. It is also noted that the variation in how funding is allocated means that the flow of income may not match the flow required for expenditure although they are balanced overall.

Future pupil recruitment: During our opening year, and for several years previously, local demand for school places was greater than the number of places available. The latest forecast is that central Watford will have a surplus of places of 10% by 2020/21. Watford as a town is increasing its housing substantially over the forthcoming years, but there is also an additional primary school proposed within a comparatively short distance from our site. We continue to monitor the pupil number forecasts.

Brexit: The exact impact of Brexit cannot be quantified at this time. However, it has the potential to impact on pupil recruitment, recruitment of staff, as well as any impact on the cost of services and products. At this time, we have not seen a significant impact.

Premises: Our new modern building has been built with efficiency in mind. However, we have the costs associated with running an entire building, albeit an efficient one, without the associated full complement of pupils and their funding.

Staffing: We have invested in staff wellbeing to be able to retain staff. Teacher recruitment is still an issue for most schools. We maintain links with the University of Hertfordshire, which has impacted upon our staffing by working with student teachers, and will continue to network to find and recruit good quality teachers. Although staffing represents the largest proportion of our expenditure, it is important to maintain staffing levels that support our children in our specific school environment.

Governance: Although not a risk per se, we have a number of Governors coming to the end of their term of office. We need to ensure that where recruitment is required, that the key skills of the Governing Body are maintained and focused on those skill sets required to challenge and support the school in the future.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Fundraising

The Trustees will continue to seek appropriate donations and/or sponsorship in order to further its aims and objectives. Given the current funding in education, it is prudent to see additional income streams, one of which is fundraising. This allows for the enhancement of educational provided for the children. The approach is that all donations should be freely given. Donations from the public are usually made in conjunction with a school or Friends Association fundraising event, where members of the public are given the opportunity to donate or to purchase items or services for a fixed price. We do not advocate unsolicited approaches to the public.

Our fundraising takes the following forms:

- Voluntary contributions from families of pupils in school in order to support school trips. Families are asked if they would like to make the voluntary contribution and concessions can be considered giving full regard to the charging and remissions policy.
- Grant applications - suitable funding streams are identified and applications made.
- Commercial partnerships - the school has successfully attracted donations from local businesses. All companies are researched to ensure that their aims and activities do not conflict with the Christian ethos of the school.
- Donations from St John's church - fundraising is sometimes carried out in conjunction with the Friends Association of the school and the church. The church will also consider making donations to support the school.
- The Friends of St John's School - members of the school community, predominantly, parents of our pupils, fundraise on behalf of the school. Although the Friends Association is a separate entity, the Headteacher attends the meetings and the minutes of the meetings are made available in school, so that their activities are monitored.

Any complaints made in relation to fundraising would be made through the usual school complaints procedures. No complaints have been received thus far.

Plans for future periods

The overall objectives going forward remain unchanged to fulfil the four main objectives of our school:

- Education Excellence
- Development of the Whole Child
- Christian Ethos
- Community Spirit

The immediate focus is on developing the day to day procedures within our specific multi-level school environment, with regards to the impact that that has on staffing and resources.

The school now has reverted to its intended 2 form entry, and we will progress this until the school is full with a capacity of 420 pupils.

We are also focusing on the diversification of income, developing commercial relationships leading to donations from local businesses and grant funding from external sources where we meet the eligibility. As a new school with a comparatively low FSM rate, we do acknowledge that these opportunities may be scarce.

The school will continue to develop its KS2 curriculum, whilst maintaining and improving on the academic achievements in EYFS and KS1. A greater focus on Teaching and Learning will naturally build as the constraints of building a new school building diminish.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Funds held as custodian on behalf of others

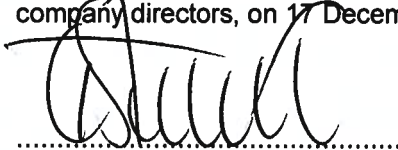
Currently, there are no funds held.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 17 December 2019 and signed on its behalf by:



.....
D Stevenson
Vice Chair of Governors

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Watford St John's Church of England Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Clough	0	2
J Conn	6	6
R Davis	5	6
J Griffiths, Chair of Trustees	6	6
E Grundy	5	6
F Handley	4	6
H Langeveld, Head Teacher	6	6
R Martins	5	6
C McMillian-Jackson	5	6
A Rindl	4	6
A Smith	4	5
D Stevenson	5	6

During the 2018/19 period, two Governors resigned and two new Governors were appointed, including our second Parent Governor from our current pupils. There were no other key changes in the composition of the Board of Trustees during this period.

The academic year 2018/19 was our third year of operation and our first year in our purpose built permanent school building. The building handover was undertaken at the end of the summer holidays and a significant amount of effort was required from all the staff to transition from temporary to permanent accommodation. This included, but was not limited to, transforming the school from a blank canvas to a functioning school ready for the start of the year, learning new processes and procedures that were required in a new building and welcoming the new team members to the Trust. Feedback from visitors to our school is positive and some are amazed that such an atmosphere has been created in a building occupied for a relatively short period. Especially when the external aspect of the building is in keeping with our commercial surroundings.

In addition, in 2018/19 the school had not one but two key inspections. The school was inspected both by Ofsted and also under SIAMS - the framework for the Statutory Inspection of Anglican and Methodist Schools.

The Trustees would like to acknowledge the hard work of all the staff and the Trustees for their diligent commitment to the development of the school and the progress of all our children.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Trustees are regularly in school, not only for attendance at committee meetings, but to see such things as Collective Worship and to watch lessons and activities. This allows the testing of the reporting of the data and such things as behaviour given to the Trustees by the Head Teacher is robust.

The quality of the data provided to Trustees is of a good standard and is rigorously reviewed by the appropriate committees, attended by those with relevant skills. The data was also scrutinised by an external School Improvement Partner, Anne Peck, Herts Assessment Team and Education Consultant for the Diocese of St Albans.

The Finance and Resources Committee is a sub-committee of the main board of Trustees. Its purpose is to work with the Head Teacher, as accounting officer, and the business manager to ensure that financial decisions enable the school to provide value for money, and to ensure that processes are compliant with The Academies Financial Handbook.

The Committee met 7 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Davis (Chair)	7	7
J Griffiths	7	7
F Handley	6	7
H Langeveld	6	7
A Clough	0	2

Review of value for money

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

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

- Ensuring that the school budget planning allowed for quality provision for children's needs to be met.
- Focusing on a prudent mindset with value for money at the forefront – given the uncertainties of costs in relation to the new build and the cost of quality staff in a small school.

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 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 Watford St John's Church of England Primary School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Thorne Widgery as internal auditor.

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

- To improve month end procedures and ensure timely completion
- To ensure monthly reports and bank reconciliations are published on Xero.
- To update website to show Governors interests including meeting attendance.
- Ensure Value for Money principles are adhered to and evidence as such.

On a termly basis, the internal auditor reports to the board of Trustees through the finance and resources committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Internal Auditor did not deliver the timetable of internal audit during 18/19 (having only delivered two out of the three internal audit reports). Going forward, the Audit Committee will lead on the timetable of works and ensure that the internal auditor provides a report for every term going forward and that the findings are implemented in a timely fashion.

Both internal and external auditors have made recommendations and the Trust is working towards implementing these where they have not already done so.

Review of effectiveness

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

- the work of the internal auditor;

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

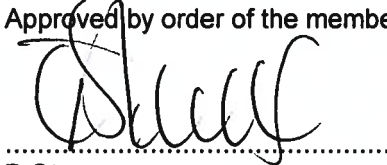
GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness (continued)


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

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



D Stevenson
Vice Chair of Governors



H Langeveld
Accounting Officer

Date: 17 December 2019

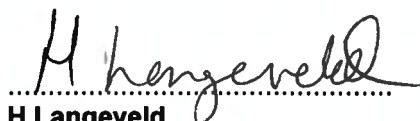
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Watford St John's Church of England Primary School I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2018.

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



H Langeveld
Accounting Officer

Date: 17 December 2019

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

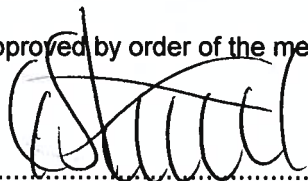
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



.....

David Stevenson
Vice Chair of Governors

Date: 17 December 2019

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL**

Opinion

We have audited the financial statements of Watford St John's Church of England Primary School (the 'academy') for the year ended 31 August 2019 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL (CONTINUED)**

thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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 trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



Alexander Bottom ACA (senior statutory auditor)
for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Date: *18th June 2019*

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WATFORD
ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 27 March 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Watford St John's Church of England Primary School during the year 1 September 2018 to 31 August 2019 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 Watford St John's Church of England Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Watford St John's Church of England Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Watford St John's Church of England Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Watford St John's Church of England Primary School's
accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Watford St John's Church of England Primary School's funding agreement with the Secretary of State for Education dated 29 April 2016 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities.
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence.
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime.
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WATFORD
ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Hillier Hopkins LLP

Hillier Hopkins LLP

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Date: *16th December 2019*

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2018</i> <i>£</i>
Income from:						
Donations and capital grants	4	2,504	818	7,692,575	7,695,897	9,541
Charitable activities	5	44,835	702,283	-	747,118	507,571
Other trading activities	6	11,245	-	-	11,245	6,690
Investments	7	69	-	-	69	68
Total income		58,653	703,101	7,692,575	8,454,329	523,870
Expenditure on:						
Raising funds		159	-	-	159	-
Charitable activities	9	32,184	795,898	222,677	1,050,759	732,871
Total expenditure		32,343	795,898	222,677	1,050,918	732,871
Net income/(expenditure)		26,310	(92,797)	7,469,898	7,403,411	(209,001)
Transfers between funds	19	(14,619)	11,388	3,231	-	-
Net movement in funds before other recognised gains/(losses)		11,691	(81,409)	7,473,129	7,403,411	(209,001)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(39,000)	-	(39,000)	14,000
Net movement in funds		11,691	(120,409)	7,473,129	7,364,411	(195,001)
Reconciliation of funds:						
Total funds brought forward		14,969	57,409	286,042	358,420	553,421
Net movement in funds		11,691	(120,409)	7,473,129	7,364,411	(195,001)
Total funds carried forward		26,660	(63,000)	7,759,171	7,722,831	358,420

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 27 to 52 form part of these financial statements.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 09016294

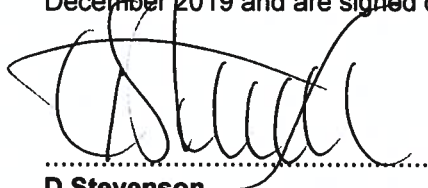
BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	7,569,026	26,587
		<u>7,569,026</u>	<u>26,587</u>
Current assets			
Debtors	15	197,785	275,940
Cash at bank and in hand		173,270	110,692
		<u>371,055</u>	<u>386,632</u>
Creditors: amounts falling due within one year	16	(154,250)	(42,799)
Net current assets		<u>216,805</u>	<u>343,833</u>
Total assets less current liabilities		<u>7,785,831</u>	<u>370,420</u>
Net assets excluding pension liability		<u>7,785,831</u>	<u>370,420</u>
Defined benefit pension scheme liability	24	(63,000)	(12,000)
Total net assets		<u><u>7,722,831</u></u>	<u><u>358,420</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	19	7,759,171	286,042
Restricted income funds	19	-	69,409
Restricted funds excluding pension asset	19	<u>7,759,171</u>	<u>355,451</u>
Pension reserve	19	(63,000)	(12,000)
Total restricted funds	19	<u>7,696,171</u>	<u>343,451</u>
Unrestricted income funds	19	26,660	14,969
Total funds		<u><u>7,722,831</u></u>	<u><u>358,420</u></u>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 22 to 52 were approved by the Trustees, and authorised for issue on 17 December 2019 and are signed on their behalf, by:



D Stevenson
Vice Chair of Governors
Date: 17 December 2019

The notes on pages 27 to 52 form part of these financial statements.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	21	146,864	18,199
Cash flows from investing activities	22	(84,286)	(2,919)
Change in cash and cash equivalents in the year		62,578	15,280
Cash and cash equivalents at the beginning of the year		110,692	95,412
Cash and cash equivalents at the end of the year	23	<u>173,270</u>	<u>110,692</u>

The notes on pages 27 to 52 form part of these financial statements

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. General information

Watford St John's Church of England Primary School is a charitable company limited by guarantee and an exempt charity. The academy is incorporated in England and Wales. Its registered office is 32 Clarendon Road, Watford, Hertfordshire WD17 1JJ.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Watford St John's Church of England Primary School meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **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.

• **Donated fixed assets (excluding transfers on conversion or into the academy)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's accounting policies.

2.4 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 to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. Accounting policies (continued)

2.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

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

2.7 Tangible fixed assets

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years straight line
Long-term leasehold land	- 125 years straight line
Furniture and equipment	- 20% reducing balance
Computer equipment	- 50% reducing balance
Office Equipment	- 33% reducing balance

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. Accounting policies (continued)

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities

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

2.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost 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.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. Accounting policies (continued)

2.12 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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.

2.13 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 funders where the asset acquired or created is held for a specific purpose.

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

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Valuation of tangible fixed assets:

Trustees have considered the value of tangible fixed assets. Changes in the circumstances of expectation of future performance of an individual asset may be an indicator that the asset is impaired, which would require the book value to be written down to its recoverable amount.

Impairments are reversed if conditions for impairment are no longer present. Due to their nature, evaluating whether an asset is impaired requires a significant degree of judgment and may to a large extent depend on the assumptions made in its evaluation. The trustees have concluded that the valuation of tangible fixed assets at the year end are appropriate.

Depreciation and residual values:

The trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that the asset lives and residual values are appropriate.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	2,504	818	-	3,322
Government capital grants	-	-	25,118	25,118
Fixed assets donated by government	-	-	7,667,457	7,667,457
	<u>2,504</u>	<u>818</u>	<u>7,692,575</u>	<u>7,695,897</u>
	<u><u>2,504</u></u>	<u><u>818</u></u>	<u><u>7,692,575</u></u>	<u><u>7,695,897</u></u>
			<i>Restricted</i>	
	<i>Unrestricted</i>	<i>Restricted</i>	<i>fixed asset</i>	<i>Total</i>
	<i>funds</i>	<i>funds</i>	<i>funds</i>	<i>funds</i>
	<i>2018</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Donations	856	2,772	-	3,628
Government capital grants	-	-	5,913	5,913
	<u>856</u>	<u>2,772</u>	<u>5,913</u>	<u>9,541</u>
	<u><u>856</u></u>	<u><u>2,772</u></u>	<u><u>5,913</u></u>	<u><u>9,541</u></u>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

5. Funding for the academy's educational activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	503,164	503,164
Pupil Premium	-	11,027	11,027
Universal Free School Meals income	-	45,193	45,193
Other ESFA grants	-	65,088	65,088
ESFA start up grants	-	67,750	67,750
Othe DfE grants	-	3,640	3,640
	-	695,862	695,862
Other government grants			
Other government grants	-	6,421	6,421
	-	6,421	6,421
Other funding			
Trip income	3,744	-	3,744
Catering income	3,928	-	3,928
Breakfast and after school club	37,163	-	37,163
	44,835	702,283	747,118

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>As restated Total funds 2018 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	-	345,824	345,824
Pupil Premium	-	6,928	6,928
Universal Free School Meals income	-	22,069	22,069
Other ESFA grants	-	33,890	33,890
Start up grants	-	75,000	75,000
	<hr/>	<hr/>	<hr/>
	-	483,711	483,711
Other income			
Trip income	1,828	-	1,828
Catering income	616	-	616
Breakfast and after school club	21,416	-	21,416
	<hr/>	<hr/>	<hr/>
	23,860	483,711	507,571
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	<i>As restated Total funds 2018 £</i>
Lettings	8,442	8,442	-
Other income	2,803	2,803	6,690
	<hr/>	<hr/>	<hr/>
	11,245	11,245	6,690
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

7. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Interest receivable	69	69	68

8. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on raising funds:				
Direct costs	-	159	-	159
Expenditure on educational activities:				
Direct costs	432,193	-	40,975	473,168
Allocated support costs	103,236	243,868	230,487	577,591
	<u>535,429</u>	<u>244,027</u>	<u>271,462</u>	<u>1,050,918</u>

	Staff Costs 2018 £	Premises 2018 £	Other 2018 £	As restated Total 2018 £
Expenditure on educational activities:				
Direct costs	259,092	-	24,367	283,459
Allocated support costs	80,100	281,757	87,556	449,413

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational activities	473,168	577,591	1,050,759

	<i>Activities undertaken directly 2018 £</i>	<i>Support costs 2018 £</i>	<i>As restated Total funds 2018 £</i>
Educational activities	283,459	449,413	732,872

Analysis of support costs

	2019 £	Total funds 2019 £	Total funds 2018 £
Net interest pension cost	1,000	1,000	1,000
Staff costs	103,236	103,236	80,100
Depreciation	222,677	222,677	15,363
Premises costs	107,168	107,168	52,133
Technology costs	13,153	13,153	2,506
Other support costs	116,917	116,917	71,574
Governance costs	13,440	13,440	12,475
Temporary building costs	-	-	214,262
	577,591	577,591	449,413

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	27,430	30,000
Depreciation of tangible fixed assets	222,677	15,362
Fees paid to auditor for:		
- audit	6,000	5,900
- other services	7,440	3,450
	233,547	54,712

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	411,734	255,633
Social security costs	28,637	18,068
Pension costs	88,903	65,491
	529,274	339,192
Agency staff costs	6,155	-
	535,429	339,192

b. Staff numbers

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

	2019 No.	2018 No.
Management	2	2
Support and Admin	6	9
Teachers	7	3
	15	14

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. Staff costs (continued)

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	-

d. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £124,067 (2018: £128,018).

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019 £	2018 £
H Langeveld, Head teacher	Remuneration	60,000 -	55,000 -
		65,000	60,000
	Pension contributions paid	10,000 -	5,000 -
F Handley *	Remuneration	15,000 -	15,000 -
		20,000	20,000
	Pension contributions paid	0 - 5,000	0 - 5,000

* The employee indicated is a related party by virtue of being a close relative of a Trustee.

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

13. Trustees' and Officers' insurance

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	-	20,299	42,254	62,553
Additions	7,435,000	258,554	71,563	7,765,117
At 31 August 2019	<u>7,435,000</u>	<u>278,853</u>	<u>113,817</u>	<u>7,827,670</u>
Depreciation				
At 1 September 2018	-	8,010	27,957	35,967
Charge for the year	136,700	55,340	30,637	222,677
At 31 August 2019	<u>136,700</u>	<u>63,350</u>	<u>58,594</u>	<u>258,644</u>
Net book value				
At 31 August 2019	<u><u>7,298,300</u></u>	<u><u>215,503</u></u>	<u><u>55,223</u></u>	<u><u>7,569,026</u></u>

On 3 September 2018, the ESFA granted a long leasehold to the academy for a new school building. It has been brought into the accounts at fair value and is being depreciated in accordance with the trust's accounting policy.

15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	2,159	876
Prepayments and accrued income	184,191	270,892
Tax recoverable	11,435	4,172
	<u>197,785</u>	<u>275,940</u>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	52,825	13,039
Other creditors	40,543	188
Accruals and deferred income	60,882	29,572
	154,250	42,799

	2019 £	2018 £
Deferred income at 1 September 2018	15,404	8,198
Resources deferred during the year	35,101	15,404
Amounts released from previous periods	(15,404)	(8,198)
	35,101	15,404

17. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure	173,270	110,692
Financial assets that are debt instruments measured at amortised cost	183,422	265,922
	356,692	376,614

	2019 £	2018 £
Financial liabilities		
Financial liabilities measured at amortised cost	(119,149)	(27,395)
	(119,149)	(27,395)

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and accrued income.

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

18. Prior year adjustments

The Trustees have concluded that income and expenditure relating to "Breakfast and After School" is more accurately disclosed as Funding for the Academy's Educational Activities (note 5 and 8) as a supplementary educational activity. Previously, income of £21,146 and expenditure of £17,890 was included within Trading Activities (note 6 and 8). A restatement of income and expenditure presentation has been recognised. There is no effect on the Academy's net results, assets or funds.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Unrestricted reserves	14,969	58,653	(32,343)	(14,619)	-	26,660
Restricted general funds						
General Annual Grant (GAG)	51,502	503,164	(566,054)	11,388	-	-
Pupil Premium	-	11,027	(11,027)	-	-	-
Other ESFA income	-	65,088	(65,088)	-	-	-
UIFSM	-	45,193	(45,193)	-	-	-
Other DfE income	-	3,640	(3,640)	-	-	-
Start up grants	-	67,750	(67,750)	-	-	-
Other government grants	-	6,421	(6,421)	-	-	-
Project Development Grant	17,907	-	(17,907)	-	-	-
Restricted donations	-	818	(818)	-	-	-
Pension reserve	(12,000)	-	(12,000)	-	(39,000)	(63,000)
	<u>57,409</u>	<u>703,101</u>	<u>(795,898)</u>	<u>11,388</u>	<u>(39,000)</u>	<u>(63,000)</u>
Restricted fixed asset funds						
Restricted fixed assets	26,586	7,667,457	(222,677)	97,660	-	7,569,026
ESFA capital grant	259,456	11,813	-	(94,429)	-	176,840
Devolved Formula Capital grant	-	13,305	-	-	-	13,305
	<u>286,042</u>	<u>7,692,575</u>	<u>(222,677)</u>	<u>3,231</u>	<u>-</u>	<u>7,759,171</u>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Total Restricted funds	343,451	8,395,676	(1,018,575)	14,619	(39,000)	7,696,171
Total funds	358,420	8,454,329	(1,050,918)	-	(39,000)	7,722,831

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the academy that has been provided via the Education & Skills Funding Agency (ESFA) by the Department of Education. The GAG fund is used for the normal running costs of the academy.

Universal Infant Free School Meal income represents funding for the schools to offer free school meals to all pupils in reception, year 1 and year 2.

Pupil Premium is a grant allocated to academies with pupils that are known to be eligible for free school meals. The purpose is to raise attainment of disadvantaged pupils and to close the gap between them and their peers.

The Project Development Grant is funding received from the ESFA for the purposes of setting up the academy.

Included in restricted fixed asset funds carried forward is an ESFA grant for capital expenditure of £176,840 (2018: £259,456) carried forward from the prior year but unspent by 31 August 2019. There is also a devolved formula capital grant for capital expenditure of £13,305 carried forward at the year end.

During the year, there was a transfer of £3,231 to this fund (2018: £211,275 from this fund) from unrestricted funds to match against expenditure in relation to fixed assets. The transfer of £11,388 from unrestricted funds to restricted funds represents expenditure in excess of the GAG for normal running costs of the academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds						
General Funds - all funds	1,385	31,474	(17,890)	-	-	14,969
Restricted general funds						
General Annual Grant (GAG)	33,039	345,824	(327,361)	-	-	51,502
Pupil Premium	770	6,928	(7,698)	-	-	-
Other ESFA income	-	1,400	(1,400)	-	-	-
UIFSM	-	22,069	(22,069)	-	-	-
Other DfE income	-	32,490	(32,490)	-	-	-
Start up grants	-	75,000	(75,000)	-	-	-
Other government grants	20,894	-	(214,262)	211,275	-	17,907
Pension reserve	(10,000)	-	(16,000)	-	14,000	(12,000)
	<u>44,703</u>	<u>483,711</u>	<u>(696,280)</u>	<u>211,275</u>	<u>14,000</u>	<u>57,409</u>
Restricted fixed asset funds						
Restricted fixed assets	33,049	-	(15,363)	8,900	-	26,586
ESFA capital grant	473,718	4,106	-	(218,368)	-	259,456
Devolved Formula Capital grant	-	1,807	-	(1,807)	-	-
	<u>506,767</u>	<u>5,913</u>	<u>(15,363)</u>	<u>(211,275)</u>	<u>-</u>	<u>286,042</u>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. Statement of funds (continued)

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Total Restricted funds	551,470	489,624	(711,643)	-	14,000	343,451
Total funds	552,855	521,098	(729,533)	-	14,000	358,420

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	7,569,026	7,569,026
Current assets	29,566	151,344	190,145	371,055
Creditors due within one year	(2,906)	(151,344)	-	(154,250)
Provisions for liabilities and charges	-	(63,000)	-	(63,000)
Total	26,660	(63,000)	7,759,171	7,722,831

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	26,586	26,586
Current assets	14,970	112,206	259,456	386,632
Creditors due within one year	(2)	(42,797)	-	(42,799)
Provisions for liabilities and charges	-	(12,000)	-	(12,000)
Total	14,968	57,409	286,042	358,419

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year (as per statement of financial activities)	7,403,411	(209,001)
Adjustments for:		
Depreciation	222,677	15,363
Capital grants from DfE and other capital income	(13,305)	(5,913)
Interest receivable	(69)	(68)
Defined benefit pension scheme cost less contributions payable	12,000	16,000
Decrease in debtors	78,154	219,981
Increase/(decrease) in creditors	111,453	(18,163)
Donated fixed assets	(7,667,457)	-
Net cash provided by operating activities	146,864	18,199

22. Cash flows from investing activities

	2019 £	2018 £
Interest receivable	69	68
Purchase of tangible fixed assets	(97,660)	(8,900)
Capital grants from DfE Group	13,305	5,913
Net cash used in investing activities	(84,286)	(2,919)

23. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	173,270	110,692
Total cash and cash equivalents	173,270	110,692

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 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 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million

The new employer contribution rate is applicable from 1 April 2019 and will be implemented for the TPS from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £40,783 (2018 - £25,234).

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 an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £42,000 (2018 - £32,000), of which employer's contributions totalled £34,000 (2018 - £26,000) and employees' contributions totalled £ 8,000 (2018 - £6,000). The agreed contribution rates for future years are 25.3 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.4	2.4
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.5	22.5
Females	23.7	24.9
<i>Retiring in 20 years</i>		
Males	22.3	24.1
Females	25.0	26.7

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate -0.1%	7	3
Mortality assumption - 1 year increase	7	3
CPI rate +0.1%	7	3

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

24. Pension commitments (continued)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	54,390	32,860
Bonds	43,290	21,700
Property	8,880	4,960
Cash	4,440	2,480
Total market value of assets	111,000	62,000

The actual return on scheme assets was £7,000 (2018 - £2,000).

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(45,000)	(41,000)
Interest income	2,000	1,000
Interest cost	(3,000)	(2,000)
Total amount recognised in the Statement of financial activities	(46,000)	(42,000)

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

	2019 £	2018 £
At 1 September	74,000	38,000
Current service cost	45,000	41,000
Interest cost	3,000	2,000
Employee contributions	8,000	6,000
Actuarial losses/(gains)	44,000	(13,000)
At 31 August	174,000	74,000

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	62,000	28,000
Interest income	2,000	1,000
Actuarial gains	5,000	1,000
Employer contributions	34,000	26,000
Employee contributions	8,000	6,000
At 31 August	111,000	62,000

25. Operating lease commitments

The academy had no commitments under non-cancellable operating leases at 31 August 2019 (2018: £30,000 less than one year).

26. Members' liability

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

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

27. Related party transactions

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

Trustees' and close relatives' remuneration and expenses is disclosed in note 11.

During the accounting period, the academy made purchases relating to the hire of the Church hall totalling £25,000 (2018: £30,000), other charges of £10,652 (2018: £11,156) and had income of £2,300 (2018: £3,471) from Watford St John's Parochial Church Council, related by virtue of R Davis, D Stevenson and A Clough also being members of Watford St John's Parochial Church Council. £13,152 (2018: £349) was due to and £nil (2018: £578) was due from Watford St John's Parochial Church Council at year end. The purchases have not been supplied at cost. However, the academy trust has approval from the ESFA for these transactions.

During the accounting period, the academy made purchases relating to cleaning and caretaking services totalling £29,828 (2018: £8,612) from Watford Grammar School for Girls Services Limited, which is related by virtue of trustee A Rindl also being a trustee of Watford Grammar School for Girls group. At the year end £nil (2018: £nil) was outstanding as due to Watford Grammar School for Girls Services Limited.

During the accounting period, the academy made purchases relating to printing costs totalling £1,092 (2018: £288) from Platinum Press Limited, a company related by virtue of a director of the company being a close family member of trustee H Langeveld. £nil (2018: £nil) was due to Platinum Press Limited at year end. Purchases have been supplied at cost.