Registration number: 08161921

Smailes Goldie Group
CREATING ADVANTAGE

Registrar's Copy

Westwoodside Church of England Academy Trust

(A company limited by guarantee)

Financial Statements

31 August 2018

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Westwoodside Church of England Academy Trust

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Westwoodside Church of England Academy Trust

Reference and Administrative Details

Members	M J Potter A K Jenman G F R Howitt P Thompson N Craven
Trustees (Directors)	S M Curtis K L Furnish, (Staff Trustee) J N Green (resigned 3 June 2018) G Harle (appointed 6 October 2017) A K Jenman E J Jenman M J Potter, (Chair) A Purdy (resigned 6 June 2018) J Richardson, (Headteacher and Accounting Officer) D A Welch M J Wilson, (Staff Trustee)
Company Secretary	C Tuscher
Senior Management Team	J Richardson, Headteacher S Mckay, Deputy Headteacher S Smith, SENCO C Tuscher, Company Secretary and Business Manager
Principal and Registered Office	Nethergate Westwoodside Doncaster South Yorkshire DN9 2DR
Registration Number	08161921

Westwoodside Church of England Academy Trust

Reference and Administrative Details (continued)

Auditor	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull East Yorkshire HU2 8BA
Bankers	The Co-Operative Bank 31 St. Sepulchre Gate Doncaster South Yorkshire DN1 1TD
Solicitors	Wrigleys Solicitors LLP 3rd Floor Fountain Precinct Balm Green Sheffield S1 2JA

Westwoodside Church of England Academy Trust

Trustees' Report for the Year Ended 31 August 2018

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 11 serving the village of Westwoodside and the local area. It has a pupil admission number of 210 and a current roll of 149 children with 10 children in the nursery on the school census date, Thursday 4 October 2018.

Structure, governance and management

Constitution

The academy trust is a Company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Westwoodside Church of England Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Westwoodside Church of England Academy Trust.

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

Members' liability

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

Trustees' indemnities

Governors and Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees and Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The limit of this indemnity is £5,000,000. The academy is a member of the risk protection arrangement (RPA) for academy trusts. An arrangement that is an alternative to insurance where UK government funds cover losses that arise.

Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms set out in the Articles of Association.

The Academy Trust has fifteen trustees, in line with the Articles of Association. Currently there are nine trustees and three appointments being processed which will leave two vacancies. The trust is seeking new trustees with the appropriate skills to enable the trust to meet the trust's objectives.

The Academy's governing body comprises the Head Teacher (ex officio), two Parent Governors, two staff Governors (one teaching one non-teaching) two Foundation Governors and up to five Trustees appointed by the Members The incumbent at St Nicholas Church Haxey is an ex official Governor. All Governors are appointed for a four-year period. (This does not apply to ex officio posts)

Members appoint Trustees from the local community.

Trustees may also co-opt up to three Trustees in line with the Articles of Association.

Foundation Trustees are appointed by the Lincoln Diocesan Board of Education,

Parent and Staff Trustees are nominated and elected by the relevant constituency.

The Academy has a Trustee Induction Policy and the Governing Body has a member responsible for Governor Support and Development who liaises with all new trustees ensuring they get the relevant training that is tailored to their needs. They receive an induction pack and are encouraged to attend New Governor Training provided by North Lincolnshire Council

New Trustees meet with both the Chair and the Headteacher and receive a tour of the school which includes opportunities to meet with staff and pupils. They also have the opportunity to meet informally with an existing governor who will then act as their mentor. Where necessary, induction will include training on educational, legal, and financial matters. All new Trustees are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents that they need to undertake their role as Trustees. Trustees. This includes links to DfE documents such as the Governance Handbook, the Competency Framework for Governance and the Academies Financial Handbook.

The Academy Trust is a member of the National Governors Association ("NGA") who provide training resources, in addition all Trustees receive regular training and updates from both Governor Support at North Lincolnshire Council and our professional advisors. Governors and Trustees also attend staff training sessions when appropriate.

Organisational structure

The Academy Trust has in place a governance and management structure deemed appropriate to the Academy Trust's constitution and objects. The Academy Trust's organisational structure consists of three levels – the Members, the Trustees and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees, as the Governing Body of the School, are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy Trust, approving major items of expenditure and making senior staff appointments. The Trustees have produced a Scheme of Delegation to clarify where the responsibility for decision making lies.

The Trustees operate a committee structure reporting to the main Governing Body. Committees include Resources (including audit), Curriculum, and Strategic Planning. All committees have approved terms of reference.

During the period to 31st August 2018 the full Governing Body met six times.

The Senior Management Team members are the Head Teacher, Deputy Head teacher and Special Educational Needs Coordinator and Business Leader. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and Governors and reporting back to them. The Head Teacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of key management personnel is set according to the school teacher's pay and conditions which is renewed annually. All members of the school staff including the Senior Leadership Team have Performance Management Targets and are remunerated according to the criteria laid out in the Academy's Pay and Appraisal Policy. All senior leadership's salaries are set within the boundaries of the school's ISR which is agreed by all trustees.

Connected organisations, including related party relationships

The Academy has strong links with St. Nicholas Church, Haxey, Lincoln Diocese and related organisations. The Academy also has an informal relationship with other primary schools in the Isle Cluster of Schools as well as a working relationship with South Axholme Academy. There is also an active PTA (parents/carers and friends of the academy) that support the Academy. The academy is working hard to form closer links with local businesses and charities.

Objectives and activities

Objects and aims

"Be a light for other people. Live so they will see the good things that you do. Love so they will praise your Father in heaven." Matthew Ch 5 v 16

The principal object and activity of the Charitable Company is the operation of the Academy to provide a broad and balanced education for pupils beginning at the age of 3 in the Foundation Stage and ending at the end of Key Stage 2 at the age of 11. The Academy is an all-ability inclusive school, placing an emphasis on the needs of individual pupils including pupils with special educational needs. (SEN) The Members, Trustees and all staff come together as a hardworking and diligent team, nurturing Christian values, with an aim to provide quality in all that we do. We want everyone to strive to reach their full potential, academically, physically, morally and spiritually in a caring and supportive environment and as such be member of a caring, tolerant and responsible community. We value our partnerships, children, teachers, parent/carers, governors, the church and the community, working together for our school. By developing links with the local and wider communities, we enable our children to become aware that their lives and caring actions can make a positive contribution to society.

Objectives, strategies and activities

The Key Priorities for the year are contained in Westwoodside Church of England Academy School Development Plan which is available from the Academy Office. The main priorities for 2017/18 were:

1. The strategic development of the academy
2. Development of leadership at all levels
3. Every child, Every day, Every lesson
4. Improving outcomes in the Early years and KS1
5. Promoting Health and wellbeing

Policies are reviewed in accordance to the policy review schedule

Other priorities for this year include continuing to monitor pupil numbers and to continue strategies to avoid a falling role. The trustees continue to look at extending the wrap-around care provided by the school. The Nursery will operate for full school days from September 2018. The trustees will also support the headteacher and staff in maintaining the excellent results and progress achieved by the pupils in the school.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioners general guidance on Public Benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Strategic Report

Achievements and performance
Charitable activities

The School has had a successful year and the latest data shows that the end of KS2 results were in the top 5% of all schools nationally and that progress levels continue to show an upward trend and are again in the top 5% of all schools nationally.

The Academy has a strong relationship with parents/carers which can be seen in the high number of those who attend parent teacher meetings and come in to help in school both on an occasional and regular basis.

We have a very active PTA who consistently raise significant funds for the Academy. We have benefited from links with local businesses who have supported prizes for the school and donated items towards our Sensory Hub.

Good level of development -78% % of pupils achieved this standard. A significant increase on 2016/17 results. These were above national and Local Authority results.

Year 1 phonics - 84 % continues a 3 year trend of high attainment

Key Stage One

Reading 74% 15% at greater depth
Writing 70% 15% at greater depth
Maths 74% 19% at greater depth

Key Stage 2

Reading 90% 30% at greater depth
Writing 90% 33% at greater depth
SPAG 83% 38% at greater depth
Maths 87% 20% at greater depth

87% of pupils achieved the expected standard in reading writing and maths
7% of pupils achieved the greater depth standard in reading writing and maths

Attainment and progress was at or above national in all areas.

Key non-financial performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against the General Annual Grant (GAG). As funding is based on pupil numbers this is also felt to be a key performance indicator. Pupil performance has a direct effect on our reputation and our ability to attract new pupils so is also a key performance indicator.

The school has benefited from significant grants this year to improve the safety of the site, some of this funding will be spent in 2018-19 and therefore reflect as reserves in 17-18.

Strategic Report

Going concern

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

Financial review

The principal sources of funding and how expenditure has supported the key objectives of the academy trust

Most of the Academy's funding is obtained from the DfE via the EFA in the form of the General Annual Grant. The Academy also has income from the Local Authority to fund the nursery.

The Buildings and other assets were transferred to the Academy upon conversion. Part of the Land & Buildings is leased from North Lincolnshire Council on a peppercorn rent and part from The Lincoln Diocesan Trust and Board of Finance Ltd. on a 2 year rolling licence which is not recognised in the financial statement. Land and building were professionally valued in August 2013 - re-instatement costs were set at £1.73 million.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion.

Key Financial Policies adopted or reviewed during the period include the Finance Policy and Procedure Manual which lays out the framework for financial management, including financial responsibilities for Governors, Head Teacher, Managers and other staff, as well as delegated authority for spending. Other policies reviewed and approved include, Investment policy, Pay policy, Review of protocol, Risk assessment and Management Policy and Scheme of Delegation.

Strategic Report

Financial and risk management objectives and policies

The Academy has agreed a Risk Register and a Contingency and Business Continuity Plan which sets out the Risk Management Strategy. These have been discussed by Governors and include the financial risks to the Academy. The registry and policies are constantly reviewed in light of any new information and formally reviewed annually.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Governors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured that they have adequate insurance cover.

The Governors are aware that risks to revenue funding from a falling roll are high. This coupled with the changes in school funding formula, funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Governors examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at Finance, Audit and Premises Committee meetings. The Governors also ensure that sufficient funds are held to cover all known and anticipated commitments. At the period end the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension scheme) represents a significant potential liability. However, as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future the risk is minimised. The Governors are also aware that the Department of Education have asked the Local Government Pension scheme for more parity between Local Authority Schools and academies which should further minimise this risk.

Reserves policy

The Governors will review the reserve level of the Academy annually. This review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors believe in 'Today's money for Today's pupils', whilst bearing in mind the need to keep adequate reserves for unexpected future needs.

It has been determined that the appropriate level of free reserves should be equivalent to 4 weeks' expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and other restricted funds) is set at a surplus of £40,000. Trustees have allocated an additional £25,000 for the replacement of pumps that remove waste water from the school. If these pumps fail, the school would have to be closed. The Academy intends to continue building up free reserves to ensure capital funds are available.

Strategic Report

Investment policy

Governors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Currently a deposit account at the same bank as the current account is used and cash not required for operating expenses is placed in this deposit account, from providers covered by the Financial Services Compensation Scheme. Governors are continually considering finding an account which will offer better returns but with the same freedom to move money as and when needed.

Principal risks and uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial - The Academy has considerable reliance on continued Government funding through the ESFA. In this last period much of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection - The Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensure there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. A risk register is maintained and reviewed and updated on a regular basis.

Fundraising

We have had support, in the form of small donations from the PTA. In 17-18 local businesses and local charities have also supported the school with specific projects.

Strategic Report

Plans for future periods

The Academy will build on the success of this year and continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff to deliver its objectives. The Academy is beginning to achieve a reputation for good practice and excellent results; and staff, principally the Headteacher and SENCo have been asked by the local authority to support other schools.

The Academy will continue to strive to meet the targets it set after the Ofsted Inspection in June 2016 with the trustees providing challenge and support to the Head Teacher and the Senior Leadership Team.

The Academy aims to develop economies of scale and secure wider educational benefits and opportunities from potential partnerships.

The Academy will continue to work with local schools to improve the educational benefits and opportunities for pupils in the wider community.

Full details of our plans for the forthcoming year are given in our Academy Development Plan which is available from the Academy Office.

Funds held as Custodian Trustee on behalf of others

The Academy and its Governors do not act as the Custodian Trustees of any other Charity.

Auditor

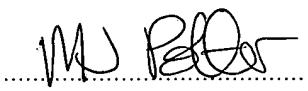
In so far as the Trustees are aware:

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

Reappointment of auditor

Members are currently reviewing the 3 year contract for the appointment of auditors to the Academy.

The Trustees' Report was approved by the board of Trustees on 18 December 2018 and signed on its behalf by:



M J Potter
Trustee

Westwoodside Church of England Academy Trust

Governance Statement

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to J Richardson, (Headteacher and Accounting Officer), 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 Westwoodside Church of England Academy Trust 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
S M Curtis	4	6
K L Furnish	6	6
A K Jenman	5	6
G Harle	4	6
E J Jenman	3	6
M J Potter	5	6
J Richardson	6	6
D A Welch	2	6
M J Wilson	5	6
J N Green	4	6

Governance Statement (continued)

The Finance and General Purposes Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, to ensure compliance with reporting and regulatory requirements and reporting, work with the Academy to draft the annual budget and to receive reports from the Responsible Officer. To liaise, as required, and in particular consider the draft annual accounts in conjunction with the Auditors. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
G Harle	2	6
K L Furnish	5	5
A K Jenman	4	6
E J Jenman	1	6
M J Potter	3	6
J Richardson	5	5
D A Welch	3	5
M J Wilson	2	5

Review of value for money

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

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

- Ensuring that targeted CPD has enabled all senior leaders to be proactive in supporting other staff to have maximum impact on pupils' development. This embeds developments ensuring all staff have ownership and are able to lead.
- Carrying out careful analysis and tender process prior to the purchase of new IT hardware to ensure that the products selected are fit for purpose and 'future proofed' and that we have a system that can be built on.
- We have sought advice from other academies and schools about where they accessed services e.g. Payroll, accountancy etc. and benchmarked against our own commitments before deciding which is best value for our academy.
- Ensuring that expenditure is monitored closely, quotes are received before committing to purchases and that resources are used efficiently across the academy. We continue to use a range of suppliers to seek the best value. We seek advice from others when making larger purchases

We are aware that to further develop our commitment to using public money in the very best way then we need to continue to seek ways of making purchases in a collaborative way with other schools.

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Westwoodside Church of England Academy Trust for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

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

- not to appoint an internal auditor. However the Trustees have appointed Jane Fowkes as Responsible Officer

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

- testing of payroll systems
- testing of purchases systems

On a quarterly basis, the Responsible Officer reports to the board of Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

Governance Statement (continued)

Review of effectiveness

As Accounting Officer, J Richardson, (Headteacher and Accounting Officer) 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 responsible officer ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the board of Trustees on 18 December 2018 and signed on its behalf by:

M J Potter
Trustee

J Richardson
Accounting Officer
Trustee

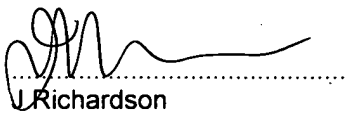
Westwoodside Church of England Academy Trust

Statement on Regularity, Propriety and Compliance

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

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

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



J Richardson
Accounting Officer

18 December 2018

Westwoodside Church of England Academy Trust

Statement of Trustees' Responsibilities

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

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

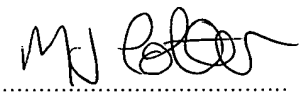
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust 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 Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by the board of Trustees on 18 December 2018 and signed on its behalf by:



M J Potter
Chair

Westwoodside Church of England Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Westwoodside Church of England Academy Trust

Opinion

We have audited the financial statements of Westwoodside Church of England Academy Trust (the 'Academy Trust') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018 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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Independent Auditor's Report on the Financial Statements to the Members of Westwoodside Church of England Academy Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, set out on page 17, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

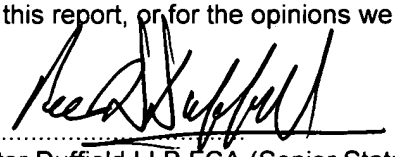
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

Independent Auditor's Report on the Financial Statements to the Members of Westwoodside Church of England Academy Trust (continued)

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 Trust's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust'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 Trust and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Duffield LLB FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

18 December 2018

Note:

The maintenance and integrity of the Westwoodside Church of England Academy Trust website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Westwoodside Church of England Academy Trust

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

In accordance with the terms of our engagement letter dated 25 May 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Westwoodside Church of England Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of the Westwoodside Church of England Academy Trust's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Ensuring value for money is sought for all goods/services procured by the academy, including those procured from related parties of the academy.
- Ensuring that fixed asset additions are made in line with the terms of the funding received and that fixed asset disposals are properly authorised by the DfE

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

- Ensuring that expenditure incurred through the academy bank account and debit card is appropriate for the purposes of the academy and that there has been no personal expenditure from the academy's funds.
- Ensuring pension contributions are paid to the respective schemes in a timely manner.
- Ensuring returns required by regulatory or funding authorities are completed on a timely basis.

Conclusion

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

Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

18 December 2018

Westwoodside Church of England Academy Trust

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £	2016/17 Total £
Income and endowments from:						
Donations and capital grants	2	8,350	40,000	71,290	119,640	50,958
Charitable activities:						
Funding for the Academy trust's educational operations	3	27,135	752,907	-	780,042	791,315
Investments	4	8	-	-	8	59
Total		35,493	792,907	71,290	899,690	842,332
Expenditure on:						
Raising funds	5	15,557	-	-	15,557	15,450
Charitable activities:						
Academy trust educational operations	6	-	874,019	11,215	885,234	849,520
Total		15,557	874,019	11,215	900,791	864,970
Net income/(expenditure)		19,936	(81,112)	60,075	(1,101)	(22,638)
Transfers between funds		-	(5,478)	5,478	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	23	-	80,000	-	80,000	115,000
Net movement in funds/(deficit)		19,936	(6,590)	65,553	78,899	92,362
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2017		149,398	(57,644)	87,962	179,716	87,354
Total funds/(deficit) carried forward at 31 August 2018		169,334	(64,234)	153,515	258,615	179,716

Westwoodside Church of England Academy Trust

(Registration number: 08161921)
Balance Sheet as at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	11	823	1,097
Tangible assets	12	90,328	84,653
		91,151	85,750
Current assets			
Debtors	13	100,700	92,930
Cash at bank and in hand		263,339	243,109
		364,039	336,039
Creditors: Amounts falling due within one year	14	(49,575)	(56,073)
Net current assets		314,464	279,966
Total assets less current liabilities		405,615	365,716
Net assets excluding pension liability		405,615	365,716
Pension scheme liability	23	(147,000)	(186,000)
Net assets including pension liability		258,615	179,716
Funds of the Academy:			
Restricted funds			
Restricted general fund		(64,234)	(57,644)
Restricted fixed asset fund		153,515	87,962
		89,281	30,318
Unrestricted funds			
Unrestricted general fund		169,334	149,398
Total funds		258,615	179,716

The financial statements on pages 23 to 47 were approved by the board of Trustees, and authorised for issue on 18 December 2018 and signed on their behalf by:

M J Potter
Trustee

Westwoodside Church of England Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(34,453)	18,826
Cash inflows from investing activities	20	54,683	(6)
Change in cash and cash equivalents in the year		20,230	18,820
Cash and cash equivalents at 1 September		243,109	224,289
Cash and cash equivalents at 31 August	21	263,339	243,109

1 Accounting policies

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

Basis of preparation

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

Westwoodside Church of England Academy Trust meets the definition of a public benefit entity under FRS 102.

Going concern

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

Income

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

Grants

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

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

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

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Software	25% reducing balance

1 Accounting policies (continued)

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

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

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Asset class	Depreciation method and rate
Long leasehold land	125 years straight line
Plant, machinery and equipment	15% reducing balance

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

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

Financial Instruments
The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

1 Accounting policies (continued)

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

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

Pension benefits

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

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

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

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

1 Accounting policies (continued)

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Capital grants	-	71,290	71,290	6,042
Other donations	8,350	40,000	48,350	44,916
	8,350	111,290	119,640	50,958

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	649,264	649,264	670,642
Other DfE/ ESFA grants	-	73,032	73,032	63,783
	-	722,296	722,296	734,425
Other government grants				
Local authority grants	-	30,611	30,611	29,649
Non-government grants and other income				
Other income from the academy trust's operations	27,135	-	27,135	27,241
Total grants	27,135	752,907	780,042	791,315

4 Investment income

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Short term deposits	8	-	8	59

5 Expenditure

	Non Pay Expenditure				
	Staff costs £	Premises £	Other costs £	2017/18 Total £	2016/17 Total £
Expenditure on raising funds					
Direct costs	-	-	15,557	15,557	15,450
Academy's educational operations					
Direct costs	530,255	-	22,990	553,245	543,112
Allocated support costs	137,108	86,077	108,804	331,989	306,408
	667,363	86,077	147,351	900,791	864,970

Net income/(expenditure) for the year includes:

	2017/18 £	2016/17 £
Operating lease rentals	6,036	1,404
Depreciation	10,941	11,029
Amortisation of intangible fixed assets	274	365
Fees payable to auditor - audit	3,500	3,500
Fees payable to auditor - non-audit services	2,015	1,711

6 Charitable activities

	2017/18 £	2016/17 £
Direct costs - educational operations	553,245	543,112
Support costs - educational operations	331,989	306,408
	885,234	849,520

6 Charitable activities (continued)

	2017/18 Total £	2016/17 Total £
Analysis of support costs		
Support staff costs	137,108	126,648
Depreciation	11,215	11,394
Technology costs	13,833	14,645
Premises costs	74,862	78,204
Other support costs	54,542	51,048
Governance costs	40,429	24,469
Total support costs	331,989	306,408

7 Staff

Staff costs

	2017/18 £	2016/17 £
Staff costs during the year were:		
Wages and salaries	481,201	467,206
Social security costs	33,595	33,163
Operating costs of defined benefit pension schemes	124,661	121,917
	639,457	622,286
Supply staff costs	24,213	20,877
Staff restructuring costs	3,693	-
	667,363	643,163

Staff numbers

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

	2017/18 No	2016/17 No
Charitable Activities		
Teachers	8	8
Administration and support	14	14
Management	3	3
	25	25

7 Staff (continued)

Higher paid staff

No employees received employee benefits (excluding employer pension costs) exceeding £60,000.

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £233,590 (2017: £230,327).

8 Related party transactions - trustees' remuneration and expenses

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

J Richardson (Principal and Trustee):

Remuneration: £55,000 - £60,000 (2017 - £50,000 - £55,000)
Employer's pension contributions: £5,000 - £10,000 (2017 - £5,000 - £10,000)

M J Wilson (Staff Trustee):

Remuneration: £35,000 - £40,000 (2017 - £35,000 - £40,000)
Employer's pension contributions: £5,000 - £10,000 (2017 - £5,000 - £10,000)

K L Furnish (Staff Trustee):

Remuneration: £10,000 - £15,000 (2017 - £10,000 - £15,000)
Employer's pension contributions: £0 - £5,000 (2017 - £0 - £5,000)

There were no Trustees' expenses paid for the year ended 31 August 2018 nor for the year ended 31 August 2017.

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

9 Trustees' and officers' insurance

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

10 Statement of financial activities for prior year

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2016/17 Total £
Income and endowments from:					
Donations and capital grants	2	4,916	40,000	6,042	50,958
Charitable activities:					
Funding for the Academy trust's educational operations	3	27,241	764,074	-	791,315
Investments	4	59	-	-	59
Total		32,216	804,074	6,042	842,332
Expenditure on:					
Raising funds	5	15,450	-	-	15,450
Charitable activities:					
Academy trust educational operations	6	1,493	836,633	11,394	849,520
Total		16,943	836,633	11,394	864,970
Net income/(expenditure)		15,273	(32,559)	(5,352)	(22,638)
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	115,000	-	115,000
Net movement in funds/(deficit)		15,273	82,441	(5,352)	92,362
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		134,125	(140,085)	93,314	87,354
Total funds/(deficit) carried forward at 31 August 2017		149,398	(57,644)	87,962	179,716

11 Intangible fixed assets

	Computer software £	Total £
Cost		
At 1 September 2017	4,496	4,496
At 31 August 2018	4,496	4,496
Amortisation		
At 1 September 2017	3,399	3,399
Charge for the year	274	274
At 31 August 2018	3,673	3,673
Net book value		
At 31 August 2018	823	823
At 31 August 2017	1,097	1,097

12 Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Computer equipment £	Total £
Cost				
At 1 September 2017	21,500	79,856	38,493	139,849
Additions	-	11,288	5,327	16,615
At 31 August 2018	21,500	91,144	43,820	156,464
Depreciation				
At 1 September 2017	688	39,860	14,648	55,196
Charge for the year	172	6,459	4,309	10,940
At 31 August 2018	860	46,319	18,957	66,136
Net book value				
At 31 August 2018	20,640	44,825	24,863	90,328
At 31 August 2017	20,812	39,996	23,845	84,653

12 Tangible fixed assets (continued)

A substantial part of the site occupied by the Academy Trust is occupied under a two year rolling licence from the Diocese of Lincoln, which is not recognised in the financial statements of the Academy Trust. The element of land recognised by the Academy Trust is leased from North Lincolnshire Council over a period of 125 years.

13 Debtors

	2018 £	2017 £
VAT recoverable	703	2,278
Other debtors	4,393	3,480
Prepayments	95,604	87,172
	100,700	92,930

Included within prepayments is £80,000 (2017: £80,000) relating to the notional donation recognised in the financial statements as a result of the extension of the licence to occupy land and buildings held by Diocese of Lincoln for a further two years.

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	6,272	7,029
Other taxation and social security	19,264	18,395
Other creditors	64	146
Accruals and deferred income	23,975	30,503
	49,575	56,073

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	22,505	14,982
Resources deferred in the period	15,780	22,505
Amounts released from previous periods	(22,505)	(14,982)
Deferred income at 31 August 2018	15,780	22,505

At the balance sheet date the Academy Trust was holding funds received in advance for a trip paid for June 2019 and for income received in relation to UFSM for the period September 2018 to April 2019.

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

15 Funds

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	44,876	626,536	(665,083)	(5,477)	852
Pupil Premium	3,480	28,980	(28,065)	-	4,395
Other DfE/ESFA Grants	-	84,501	(99,871)	-	(15,370)
Pension fund	(186,000)	-	(41,000)	80,000	(147,000)
Other Restricted funds	80,000	52,889	(40,000)	-	92,889
	(57,644)	792,906	(874,019)	74,523	(64,234)
Restricted fixed asset funds					
DfE/ESFA Capital Grant	21,455	71,290	(3,618)	-	89,127
Capital Expenditure from GAG	32,052	-	(5,378)	5,477	32,151
Donated Fixed Asset Fund	34,455	-	(2,218)	-	32,237
	87,962	71,290	(11,214)	5,477	153,515
Total restricted funds	30,318	864,196	(885,233)	80,000	89,281
Unrestricted funds					
Unrestricted general funds	149,398	35,492	(15,556)	-	169,334
Total funds	179,716	899,688	(900,789)	80,000	258,615

15 Funds (continued)

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

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	48,620	670,642	(674,386)	-	44,876
Pupil Premium	3,295	21,360	(21,175)	-	3,480
Other DfE/ESFA Grants	-	72,072	(72,072)	-	-
Pension fund	(272,000)	-	(29,000)	115,000	(186,000)
Other Restricted funds	80,000	40,000	(40,000)	-	80,000
	(140,085)	804,074	(836,633)	115,000	(57,644)
Restricted fixed asset funds					
DfE/ESFA Capital Grant	18,400	6,042	(2,987)	-	21,455
Capital Expenditure from GAG	37,880	-	(5,828)	-	32,052
Donated Fixed Asset Fund	37,034	-	(2,579)	-	34,455
	93,314	6,042	(11,394)	-	87,962
Total restricted funds	(46,771)	810,116	(848,027)	115,000	30,318
Unrestricted funds					
Unrestricted general funds	134,125	32,216	(16,943)	-	149,398
Total funds	87,354	842,332	(864,970)	115,000	179,716

15 Funds (continued)

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

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	48,620	1,297,178	(1,339,469)	(5,477)	852
Pupil Premium	3,295	50,340	(49,240)	-	4,395
Other DfE/ESFA Grants	-	156,573	(171,943)	-	(15,370)
Pension fund	(272,000)	-	(70,000)	195,000	(147,000)
Other Restricted funds	80,000	92,889	(80,000)	-	92,889
	(140,085)	1,596,980	(1,710,652)	189,523	(64,234)
Restricted fixed asset funds					
DfE/ESFA Capital Grant	18,400	77,332	(6,605)	-	89,127
Capital Expenditure from GAG	37,880	-	(11,206)	5,477	32,151
Donated Fixed Asset Fund	37,034	-	(4,797)	-	32,237
	93,314	77,332	(22,608)	5,477	153,515
Total restricted funds	(46,771)	1,674,312	(1,733,260)	195,000	89,281
Unrestricted funds					
Unrestricted general funds	134,125	67,708	(32,499)	-	169,334
Total funds	87,354	1,742,020	(1,765,759)	195,000	258,615

15 Funds (continued)

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

General Annual Grant

General Annual Grant (GAG) must be used for the normal running costs of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward as at 31 August 2018.

Other DfE/ESFA Grants

The other DfE/ESFA grants must be used for the specific purpose for which they are given. These grants are given to fulfil the charitable objects of the Academy Trust.

Restricted Fixed Asset Fund

The Restricted Fixed Asset Fund represents fixed assets donated by North Lincolnshire Council together with assets funded by DfE/ESFA capital grant and general annual grants.

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	823	823
Tangible fixed assets	-	-	90,328	90,328
Current assets	169,744	131,931	62,364	364,039
Current liabilities	(410)	(49,165)	-	(49,575)
Pension scheme liability	-	(147,000)	-	(147,000)
Total net assets	169,334	(64,234)	153,515	258,615

16 Analysis of net assets between funds (continued)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	1,097	1,097
Tangible fixed assets	-	-	84,653	84,653
Current assets	150,816	183,011	2,212	336,039
Current liabilities	(1,418)	(54,655)	-	(56,073)
Pension scheme liability	-	(186,000)	-	(186,000)
Total net assets	149,398	(57,644)	87,962	179,716

17 Capital commitments

	2018 £
Contracted for, but not provided in the financial statements	74,518

18 Commitments under operating leases

Operating leases

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

	2018 £	2017 £
Amounts due within one year	6,036	6,036
Amounts due between one and five years	6,684	7,547
	12,720	13,583

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

	2017/18 £	2016/17 £
Net expenditure	(1,101)	(22,638)
Amortisation	274	365
Depreciation	10,940	11,027
Capital grants from DfE and other capital income	(71,290)	(6,042)
Interest receivable	(8)	(59)
Defined benefit pension scheme cost less contributions payable	35,000	24,000
Defined benefit pension scheme finance cost	6,000	5,000
(Increase)/decrease in debtors	(7,770)	4,158
(Decrease)/increase in creditors	(6,498)	3,015
Net cash (used in)/provided by Operating Activities	(34,453)	18,826

20 Cash flows from investing activities

	2017/18 £	2016/17 £
Purchase of tangible fixed assets	(16,615)	(6,107)
Capital funding received from sponsors and others	71,290	6,042
Interest received	8	59
Net cash provided by/(used in) investing activities	54,683	(6)

21 Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	263,339	243,109
Total cash and cash equivalents	263,339	243,109

22 Members' liability

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

23 Pension and similar obligations

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

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

Contributions amounting to £9,592 were payable to the schemes at 31 August 2018 (2017: £10,553) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

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

23 Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £45,716 (2017: £47,090).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £60,000 (2017 - £56,000), of which employer's contributions totalled £49,000 (2017 - £46,000) and employees' contributions totalled £11,000 (2017 - £10,000). The agreed contribution rates for future years are 22.9% per cent for employers and between 5.5% and 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

	2018 %	2017 %
Rate of increase in salaries	2.60	2.60
Rate of increase for pensions in payment/inflation	2.40	2.40
Discount rate for scheme liabilities	2.80	2.50

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

	2018	2017
Retiring today		
Males	21.70	21.70
Females	24.20	24.20
Retiring in 20 years		
Males	23.70	23.70
Females	26.40	26.40

23 Pension and similar obligations (continued)

Sensitivity analysis

	2018 £	2017 £
0.5% decrease in discount rate	96,000	88,000
0.5% increase in pension rate	83,000	74,000
0.5% increase in salary rate	12,000	13,000

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

	2018 £	2017 £
Equities	432,000	362,810
Government bonds	78,000	66,430
Property	72,000	56,210
Cash and other liquid assets	18,000	25,550
Total market value of assets	600,000	511,000

The actual return on scheme assets was £23,000 (2017 - £71,000).

Amounts recognised in the statement of financial activities

	2017/18 £	2016/17 £
Current service cost	84,000	70,000
Interest income	(13,000)	(9,000)
Interest cost	19,000	14,000
Total amount recognised in the SOFA	90,000	75,000

23 Pension and similar obligations (continued)

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

	2017/18 £	2016/17 £
At start of period	697,000	654,000
Current service cost	84,000	70,000
Interest cost	19,000	14,000
Employee contributions	11,000	10,000
Actuarial (gain)/loss	(57,000)	(44,000)
Benefits paid	(7,000)	(7,000)
At 31 August	747,000	697,000

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

	2017/18 £	2016/17 £
At start of period	511,000	382,000
Interest income	13,000	9,000
Actuarial gain/(loss)	23,000	71,000
Employer contributions	49,000	46,000
Employee contributions	11,000	10,000
Benefits paid	(7,000)	(7,000)
At 31 August	600,000	511,000

24 Related party transactions

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 8.