

Woodhouse Academy

Trustees Report and Financial Statements

For the period ended 31 August 2015

DAINS
ACCOUNTANTS

TUESDAY



A50V962Z

A08

16/02/2016

#66

COMPANIES HOUSE

Woodhouse Academy
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the academy, its trustees and advisers	1
Trustees' report	2 - 7
Governance statement	8 - 10
Statement on regularity, propriety and compliance	11
Trustees' responsibilities statement	12
Independent auditors' report	13 - 14
Independent reporting accountant's assurance report on regularity	15 - 16
Statement of financial activities	17
Balance sheet	18
Cash flow statement	19
Notes to the financial statements	20 - 40

Woodhouse Academy
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its Trustees and Advisers
For the period ended 31 August 2015

Members

Mrs C Hamnett (appointed 23 May 2014)
Mr J Shaw (appointed 23 May 2014)
Mr G Butler (appointed 23 May 2014)

Trustees

Mrs C Hamnett, Chair of Trustees (appointed 23 May 2014)¹
Mr J Shaw, Vice Chair (appointed 23 May 2014)¹
Mrs C Anthony (appointed 15 October 2014)
Mrs J Betts (appointed 23 May 2014)
Mr G Butler (appointed 23 May 2014)¹
Mrs E Cox, Chair of Finance Committee (appointed 23 May 2014)¹
Mrs D Dooley (appointed 25 May 2015)
Mr M Hall, Principal (appointed 25 May 2014)¹
Mrs N Perkin (appointed 25 February 2015)¹
Mrs C Washington, Staff Trustee (appointed 23 May 2014)
Ms D Bailey (appointed 23 May 2014, resigned 12 May 2015)
Mrs N Ashford (appointed 23 May 2014, resigned 10 July 2014)
Mrs J Keeling (appointed 23 May 2014, resigned 23 May 2014)¹
Mr L Tilstone (appointed 23 May 2014, resigned 2 April 2015)¹

¹ Finance Committee

Company registered number

09055607

Principal and registered office

Woodhouse Lane, Biddulph, Stoke on Trent, Staffordshire, ST8 7DR

Senior management team

Mr M Hall, Principal
Ms C Butler, Deputy Principal
Ms A Carney, Assistant Headteacher
Ms D Farr, Assistant Headteacher
Mrs A Clack, Business Manager

Independent auditors

Dains LLP, Suite 2 Albion House, 2 Etruria Office Village, Forge Lane, Etruria, Stoke on Trent, ST1 5RQ

Bankers

Lloyds Bank, Tower Square, Stoke on Trent, Staffordshire, ST6 5DL

Solicitors

Howes Percival, 3 The Osiers Business Centre, Leicester, Leicestershire, LE19 1DX

Woodhouse Academy
(A company limited by guarantee)

Trustees' Report
For the period ended 31 August 2015

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 July 2014 to 31 August 2015. 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 9 to 13 serving a catchment area in Biddulph and surrounding towns. It has a pupil capacity of 471 and had a roll of 384 in the school census on 2 October 2014.

Structure, governance and management

● **Constitution**

The charitable company was incorporated on 23 May 2014.

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 Woodhouse Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Woodhouse Academy (company number 9055607). A funding agreement with the secretary of state was signed on 30 June 2014 and Woodhouse Middle School converted to academy status on 1 July 2014.

The Academy has extended its first accounting reference date to 31 August 2015 to coincide with the end of the academic year. Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

● **Members' liability**

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

● **Trustees' indemnities**

In accordance with normal commercial practice the academy has purchased insurance through The Department for Education's Risk Protection Arrangement (RPA) to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The RPA Administrator's Limit of Liability in respect of each academy shall be £10,000,000 for each and every loss and shall be the maximum aggregate liability of the RPA Administrator from all losses from an academy whose academy trust is a member during any one Membership year.

● **Method of recruitment and appointment or election of Trustees (Governors)**

In accordance with the Articles of Association, the academy trust shall have the following governors:

- **Governors** – The Members may appoint up to 9 Governors.
- **Staff governors** – appointed through such process as the governing body may determine. The total number of governors (including the principal) who are employees of the academy shall not exceed one third of the total number of governors.
- **Parent governors** - shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when he is elected.
- **The Principal**
- **Co-opted governors** – appointed by the existing governing body through such process as the governing body may determine.

The term of office for any governor shall be four years. Subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected.

• **Policies and procedures adopted for the induction and training of Trustees**

All new governors are issued with the necessary documentation to carry out their new role. As part of the induction process there is opportunity to tour the site, meet members of the senior leadership team and pupils. Training will be assessed on an individual needs basis dependent on prior experience and requirements.

• **Organisational structure**

The governing body is responsible for ensuring that high standards of corporate governance are maintained. It should exercise its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the academy, addressing such matters as:

- policy development and strategic planning, including target-setting to keep up momentum on school improvement;
- ensuring sound management and administration of the academy, and ensuring that managers are equipped with relevant skills and guidance;
- ensuring compliance with legal requirements;
- establishing and maintaining a transparent system of prudent and effective internal controls;
- management of the academy's financial, human and other resources;
- monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon;
- helping the academy be responsive to the needs of parents and the community and making it more accountable through consultation and reporting;
- setting the academy's standards of conduct and values;
- assessing and managing risk (including preparation of a statement on the academy's risk management for its annual report and accounts).

Under the Articles of Association of Woodhouse Academy, the governors may delegate to any governor, committee, the Principal or any other holder of an executive office, such of their powers or functions as they consider desirable to be exercised by them. Any such delegation may be made subject to any conditions the governors may impose and may be revoked or altered.

The Governing body of Woodhouse Academy is divided into three committees:

- Finance and General Purpose Committee (also acts as the Audit Committee)
- Curriculum, Standards and Achievement Committee
- Performance Review Committee

The senior leadership group consists of: the Principal who is the Accounting Officer, Deputy Principal, Senior Assistant Headteacher, Assistant Headteacher and Business Manager who acts as the Principal Finance Officer. Together they are responsible for managing the academy at an executive level reporting to the relevant committees and full governing body.

• **Related parties and other connected charities and organisations**

As a converter Academy, Woodhouse Academy has no structural or commercial affiliation to any other organisation.

The Academy continues to have strong links with its local schools which form the Biddulph Schools Partnership Trust.

The school also works closely with other Staffordshire middle schools through the Staffordshire Middle School Association and nationally via the National Middle Schools Forum. The school has links with the Biddulph High School Schools Direct programme, and works with Staffordshire University and Manchester Metropolitan University.

We have also joined the Painsley Teaching Alliance to secure services and cost effective training for NQTs.

Objectives and Activities

• Objects and aims

The principal objective and activity of the charitable company is the operation of Woodhouse Academy to advance, for the public benefit, education and wellbeing for pupils of different abilities between the ages of 9 and 13.

The main objectives and aims of the Academy during the period ended 31 August 2015 are summarised below:

- To be recognised nationally as a leading middle school for pupil attainment and progress.
- To ensure that all young people, regardless of background or ability, have the very best opportunities in life and achieve the highest personal academic standards.
- To promote an effective curriculum that incorporates stretch and challenge and develops excellent levels of literacy and numeracy.
- To nurture pupils' physical, aesthetic, moral and spiritual development.
- To promote pupils' aspirational expectations and prepare pupils for the opportunities, responsibilities and experiences of adult life.
- To constantly develop our skills and focus in learning and teaching.

• Objectives, strategies and activities

- Increase the levels of progress and attainment across the school, including vulnerable groups.
- Improve boys' functional literacy skills.
- Reduce the boy girl literacy gap by end of Y8.
- Improve all aspects of teaching and learning.
- Ensure consistency in the application of the school's marking and feedback policy.
- Reduce incidents of low-level disruption of learning in the classroom.
- Ensure attendance is above 96%, including vulnerable groups.
- Introduce new assessment procedures to comply with the removal of national curriculum levels in 2015/16.
- To develop effective succession planning for middle and senior leaders.

• Public benefit

The trustees of Woodhouse Academy have referred to the charity commission's guidance on public benefit when reviewing the academy's aims, objectives and in planning its future activities.

Strategic report

Achievements and performance

The total number of students as at 31 August 2015 was 381. The academy has a PAN for 2015/16 of 130 pupils. Pupil numbers are expected to increase significantly in 2015/16.

Attainment of pupils on entry is slightly above average according to key stage 1 assessments and, during their time in the school, pupils make very good progress from their baseline tests on entry. Virtually all pupils make or exceed the expected points progress over 4 years in maths, English and science. In key stage 3, the highest number of pupils ever achieved level 6 in English (77%) and in maths (76%), both of these figures exceeded the national middle school benchmarking figures.

At key stage 2, reading, writing, maths and science results were above the national and local authority averages for level 4 and 5. There were 88% of pupils achieving level 4 plus for reading, writing and maths, this is the highest figure the school has achieved for this combined result. Progress is good 99% of pupils in writing, 94% in maths and 86% in reading achieving the expected two levels of progress from key stage 1.

A comprehensive strategy is in place for improving the outcomes of disadvantaged students, details can be found on our website. There has been a consistent improvement in attainment over the last 3 years, particularly in maths and gaps have been reducing. At key stage 2 disadvantaged pupil attainment in reading fell slightly. The strategy remains under constant review to ensure the best possible outcomes for pupils.

The school has strong community links with the Town Council, local church, evening classes, twinning committee and a number of charities.

• Key financial performance indicators

The trustees have evaluated financial health on a regular basis via the Finance and General Purpose Committee to:

- Keep expenditure within budget
- Ensure the academy's liquidity

All objectives were met during the accounting period.

• 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 Accounting Policies.

Financial review,

The main streams of funding during the period were grants received from the Education Funding Agency (EFA) and the Local Authority (LA).

All grants received from the EFA and LA during the period 1 July 2014 – 31 August 2015 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

The Local Government Pension Scheme (LGPS) liability at 31 August 2015 totalled £454,000. The agreed contribution rates for future years are 1 April 2015 to 31 March 2016 at 20.2%, 01 April 2016 to 31 March 2017 at 21.2% for employers and between 5.5% to 7.5% for employees.

During the period ended 31 August 2015 total expenditure of £2,179,605 (excluding depreciation of £87,867) was covered by grant funding from the EFA together with other incoming resources. The excess on income over

expenditure for the year (excluding restricted fixed asset funds and LGPS adjustments) was £259,819.

At 31 August 2015 the net book value of fixed assets was £4,620,184 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

• **Reserves policy**

The academy trust has a project development plan to improve physical and technological infrastructure as well as maintain a balanced budget. The trustees will review the reserve levels annually to maintain a level of reserves sufficient to meet these needs.

• **Investment policy**

The academy aims to manage its cash balance to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimize returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

• **Principal risks and uncertainties**

A risk register has been developed and adopted by the academy and will be reviewed on an annual basis or more frequently where necessary. The register identifies the key risks faced by the academy and score the likelihood and impact of those risk occurring. Actions have been taken to reduce and mitigate the risks.

The Risk Management Strategy aims to ensure that the Academy complies with risk management best practice and sets out the current processes and responsibilities for risk management in the Academy.

The main risks identified are listed below, not all of the factors are within the academies control. Other factors besides those listed below may also adversely affect the academy.

- Student recruitment.
- Reliance on EFA funding.
- Changes in government education policies.
- The performance of the employee pension scheme.

Plans for future periods

- Increase levels of progress and attainment across the school, particularly with regard to boys' literacy development.
- Introduce a new assessment and tracking programme, following the removal of national curriculum levels.
- Continue to improve all aspects of teaching and learning, building a self-improving ethos through coaching and mentoring.
- Improve progress and outcomes for disadvantaged pupils.
- Ensure consistency in marking and feedback across the school.
- Improve the school resources, including more classroom space, improved IT facilities, science lab and the external appearance of the school.

Funds held as custodian trustee on behalf of others

The academy does not hold any funds on behalf of others.

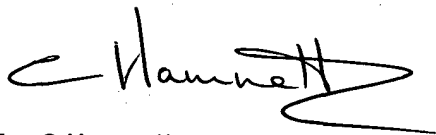
Disclosure of information to auditors

In so far as the trustees are aware:

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

The governing body will vote on the reappointment of the auditor Dains LLP at the meeting to be held on the 14 October 2015.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 14/10/15 and signed on the board's behalf by:



Mrs C Hamnett
Chair of Trustees

Woodhouse Academy
(A company limited by guarantee)

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Woodhouse Academy 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 Trustees' responsibilities statement. The board of trustees has formally met 3 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Hamnett, Chair of Trustees	2	3
Mr J Shaw, Vice Chair	2	3
Mrs C Anthony	3	3
Mrs J Betts	2	3
Mr G Butler	3	3
Mrs E Cox, Chair of Finance Committee	3	3
Mrs D Dooley	3	3
Mr M Hall, Principal	3	3
Mrs N Perkin	2	2
Mrs C Washington, Staff Trustee	2	3
Ms D Bailey	1	2
Mrs N Ashford	0	0
Mrs J Keeling	0	0
Mr L Tilstone	2	2

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to monitor the financial activities of the Academy and make decisions relating to finance. In addition the resources committee has also been given the responsibilities of the audit committee, in order to review the control over the academy's finances.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs E Cox, Chair of Finance Committee	3	4
Mrs C Hamnett	4	4
Mr J Shaw	3	4
Mr G Butler	4	4
Mr M Hall, Principal	4	4
Mrs N Perkin	2	2
Mr L Tilstone	3	3

Review of Value for Money

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

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

- Savings have been made in joint training across all 7 local schools in areas such as safeguarding, manual handling, teacher training and teaching assistant accreditation. Services such as cleaning have been taken in-house to provide better quality and effectiveness as well as cost savings.
- We have also worked with a number of other schools in sharing staff skills and expertise which has reduced our teacher training and development costs. Furthermore, linking with local universities and the schools direct programme has not only assisted us in our own teacher development programme, but also provided a source of income for the training of associate teachers. In the last 14 months we have also ensured that external training programmes are, in the main, attended by just one person who then agrees to lead in-school session to lead any initiatives/good practice arising from the training.
- Appraising the ICT support provision and linking with another primary school, provided a solution to our ICT maintenance that improved the regularity of service and saved the school £2,000.
- Having taken over the provision of meals in school, senior leaders need to achieve and demonstrate Value for Money by using an effective procurement process but must consider the implications of compromising the level of quality simply by obtaining the lowest price.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Woodhouse Academy for the period 23 May 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 23 May 2014 to 31 August 2015 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 Purpose 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 Dains LLP, the external auditors, to perform additional checks.

The auditors' 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:

- Payroll checks
- Purchases checks
- Accounting system checks
- Fixed assets checks
- Expense claim checks
- Cash management checks

On a semi-annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The external auditors have delivered their schedule of work as planned, and no material control issues have been identified.

Review of Effectiveness

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

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

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

Approved by order of the members of the board of trustees on 14/10/15 and signed on its behalf, by:


Mrs C Hamnett
Trustee


Mr M Hall, Principal
Trustee

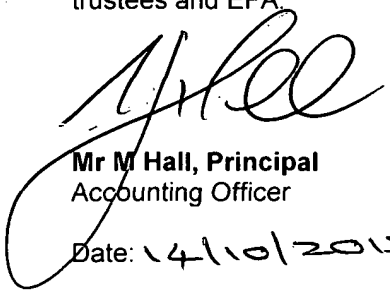
Woodhouse Academy
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

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

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of 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.

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



Mr M Hall, Principal
Accounting Officer

Date: 14/10/2015

Woodhouse Academy
(A company limited by guarantee)

Trustees' Responsibilities Statement
For the period ended 31 August 2015

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

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

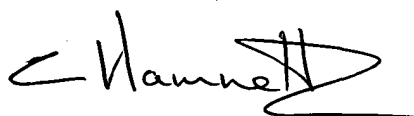
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mrs C Hamnett
Chair of Trustees

Date: 21/10/2015

Independent Auditors' Report to the Members of Woodhouse Academy

We have audited the financial statements of Woodhouse Academy for the period ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

Respective responsibilities of Trustees and auditors

As explained more fully in the 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.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

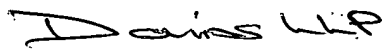
Woodhouse Academy
(A company limited by guarantee)

Independent Auditors' Report to the Members of Woodhouse Academy

Matters on which we are required to report by exception

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

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



Jonathan Dudley (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2 Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date: 30 November 2015

Woodhouse Academy
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Woodhouse Academy and the Education Funding Agency

In accordance with the terms of our engagement letter dated 11 June 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woodhouse Academy during the period 23 May 2014 to 31 August 2015 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 Woodhouse Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Woodhouse Academy and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Woodhouse Academy and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Woodhouse Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Woodhouse Academy's funding agreement with the Secretary of State for Education dated 30 June 2014, and the Academies Financial Handbook extant from 1 July 2014, 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 2014 to 2015. 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 period 23 May 2014 to 31 August 2015 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 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Woodhouse Academy
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Woodhouse Academy and the Education Funding Agency (continued)

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 period 23 May 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Dains LLP

Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2 Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date: *30 November 2015*

Woodhouse Academy
(A company limited by guarantee)

Statement of Financial Activities
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
For the period ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income - transfer on conversion	2	129,292	(442,374)	4,626,624	4,313,542
Other voluntary income	2	6,873	-	-	6,873
Activities for generating funds	3	26,703	101,609	-	128,312
Investment income	4	327	-	-	327
Incoming resources from charitable activities	5	-	2,106,944	34,676	2,141,620
Total incoming resources		163,195	1,766,179	4,661,300	6,590,674
Resources expended					
Costs of generating funds:					
Fundraising expenses and other costs		9,218	87,360	-	96,578
Charitable activities	7	-	2,073,122	87,866	2,160,988
Governance costs	8	-	9,905	-	9,905
Total resources expended	6	9,218	2,170,387	87,866	2,267,471
Net incoming / (outgoing) resources before transfers		153,977	(404,208)	4,573,434	4,323,203
Transfers between Funds	17	(23,070)	(24,792)	47,862	-
Net income for the period		130,907	(429,000)	4,621,296	4,323,203
Actuarial gains and losses on defined benefit pension schemes		-	(25,000)	-	(25,000)
Net movement in funds for the period		130,907	(454,000)	4,621,296	4,298,203
Total funds at 1 July 2014		-	-	-	-
Total funds at 31 August 2015		130,907	(454,000)	4,621,296	4,298,203

All of the academy's activities derive from acquisitions in the current financial period.

The Statement of Financial Activities includes all gains and losses recognised in the period.

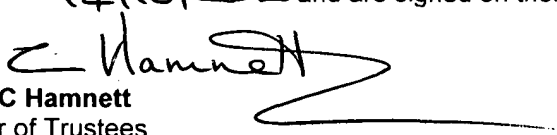
The notes on pages 20 to 40 form part of these financial statements.

Woodhouse Academy
(A company limited by guarantee)
Registered number: 09055607

Balance Sheet
As at 31 August 2015

	Note	£	2015 £
Fixed assets			
Tangible assets	13		4,620,184
Current assets			
Debtors	14	61,579	
Cash at bank and in hand		345,503	
		<u>407,082</u>	
Creditors: amounts falling due within one year	15	<u>(251,399)</u>	
Net current assets			155,683
Total assets less current liabilities			<u>4,775,867</u>
Creditors: amounts falling due after more than one year	16		<u>(23,664)</u>
Net assets excluding pension scheme liability			4,752,203
Defined benefit pension scheme liability	24		<u>(454,000)</u>
Net assets including pension scheme liability			<u><u>4,298,203</u></u>
Funds of the academy			
Restricted funds:			
Restricted funds excluding pension liability		4,621,296	
Pension reserve		<u>(454,000)</u>	
Total restricted funds			4,167,296
Unrestricted funds	17		<u>130,907</u>
Total funds			<u><u>4,298,203</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 14/10/2015 and are signed on their behalf, by:


Mrs C Hamnett
Chair of Trustees

The notes on pages 20 to 40 form part of these financial statements.

Woodhouse Academy
(A company limited by guarantee)

Cash Flow Statement
For the period ended 31 August 2015

		14 months ended 31 August 2015 £
	Note	
Net cash flow from operating activities	19	283,633
Returns on investments and servicing of finance	20	327
Capital expenditure and financial investment	20	(46,751)
Cash transferred on conversion to an academy trust	22	119,821
Cash inflow before financing		357,030
Financing	20	(11,527)
Increase in cash in the period		345,503

All of the cash flows are derived from acquisitions in the current financial period.

Reconciliation of Net Cash Flow to Movement in Net Funds
For the period ended 31 August 2015

	14 months ended 31 August 2015 £
Increase in cash in the period	345,503
Cash outflow from decrease in debt and lease financing	11,527
Change in net debt resulting from cash flows	357,030
Loan transferred on conversion	(46,374)
Movement in net funds in the period	310,656
Net funds at 31 August 2015	310,656

The notes on pages 20 to 40 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Going concern

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

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1. Accounting Policies (continued)

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Office equipment	-	25% straight line
Computer equipment	-	33% straight line
Building improvements	-	10% straight line

No depreciation is charged on freehold land.

1.6 Taxation

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

1. Accounting Policies (continued)

1.7 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

1. Accounting Policies (continued)

1.9 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Woodhouse Middle School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Woodhouse Academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The net assets transferred include the following:

Freehold land and buildings

On the transfer date of 1 July 2014, the academy was gifted the freehold rights to the school site by Biddulph Schools Partnership Trust. The school site value is based upon the valuation provided by the EFA under the depreciated replacement cost for specialised assets as set out in Financial Reporting Standards 15 (FRS 15). The school site has been credited as a donation in the Restricted Fixed Assets Funds column of the Statement of Financial Activities and included within tangible fixed assets on the balance sheet.

Other fixed assets

Other fixed assets comprising office equipment and computer equipment were transferred to the academy on 1 July 2014. These assets have been credited as a donation in the Restricted Fixed Asset Funds column of the Statement of Financial Activities and included within tangible fixed assets on the balance sheet.

Local Government Pension Scheme (LGPS) deficit

The obligation relating to the employees in the LGPS scheme that were transferred as part of the conversion from the maintained school was transferred to Woodhouse Academy on 1 July 2014. The deficit on the Local Government Pension Scheme has been debited as a donation in the Restricted General Funds column of the Statement of Financial Activities and included within the LGPS liability on the balance sheet.

Cash

Cash balances at 1 July 2014 in respect of the maintained school and school fund were transferred to Woodhouse Academy. These cash balances have been credited as a donation in the Statement of Financial Activities under the Unrestricted Funds column and included within the cash and bank balances on the balance sheet.

Loans

Loans outstanding on behalf of the school were transferred from the local authority on 1 July 2014 to Woodhouse Academy. These loans have been debited against the donation on conversion in the Statement of financial activities under the restricted funds, based on the funds used to repay the loans.

Further details of the transaction are set out in note 22.

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Voluntary income - transfer on conversion	129,292	4,184,250	4,313,542
Donations	6,873	-	6,873
Voluntary income	136,165	4,184,250	4,320,415

3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Letting income	5,473	-	5,473
Other income	2,184	-	2,184
Catering income	19,046	-	19,046
Staff insurance income	-	33,012	33,012
Trip income	-	68,597	68,597
	26,703	101,609	128,312

4. Investment income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Investment income	327	-	327

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

5. Funding for Academy's educational operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
DfE/EFA revenue grants			
General annual grant	-	1,871,942	1,871,942
Other DfE/EFA grants	-	129,313	129,313
Pupil premium	-	91,090	91,090
Capital grants	-	11,691	11,691
	-	2,104,036	2,104,036
Other government grants			
Local authority grants	-	8,150	8,150
Special educational funding	-	29,434	29,434
	-	37,584	37,584
	-	2,141,620	2,141,620

6. Resources expended

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £
Costs of generating voluntary income	1,760	-	94,818	96,578
Costs of generating funds	1,760	-	94,818	96,578
Direct costs	1,518,511	76,000	79,513	1,674,024
Support costs	181,664	106,836	198,464	486,964
Charitable activities	1,700,175	182,836	277,977	2,160,988
Governance	-	-	9,905	9,905
	1,701,935	182,836	382,700	2,267,471

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

7. Charitable activities

	Total funds 2015 £
Direct costs - educational operations	
Wages and salaries	1,232,548
National insurance	84,820
Pension cost	201,143
Depreciation	76,000
Educational supplies	63,728
Examination fees	6,383
Other direct costs	9,402
	<u>1,674,024</u>
Support costs - educational operations	
Wages and salaries	153,207
National insurance	5,632
Pension cost	22,825
Depreciation	11,866
FRS17 expenditure	13,000
Technology costs	29,070
Education consultancy	8,900
Travel and subsistence	4,028
Maintenance of premises	110,799
Cleaning	8,940
Operating leases	6,759
Rates	6,112
Water rates	19,563
Energy	22,352
Insurance	20,504
Other occupancy costs	43,407
	<u>486,964</u>
	<u><u>2,160,988</u></u>

8. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Auditors' remuneration	-	6,450	6,450
Auditors' non audit costs	-	3,100	3,100
Trustees support costs	-	355	355
	<u>-</u>	<u>9,905</u>	<u>9,905</u>

Woodhouse Academy
(A company limited by guarantee)
Notes to the Financial Statements
For the period ended 31 August 2015

9. Net incoming / (outgoing) resources

This is stated after charging:

	14 months ended 31 August 2015 £
Depreciation of tangible fixed assets: - owned by the charity	87,867
Auditors' remuneration	6,450
Auditors' remuneration - non-audit	3,100
	<u>97,417</u>

10. Staff

a. Staff costs

Staff costs were as follows:

	14 months ended 31 August 2015 £
Wages and salaries	1,387,231
Social security costs	90,439
Other pension costs (Note 24)	224,266
	<u>1,701,936</u>
Supply teacher costs	25,162
	<u>1,727,098</u>

b. Staff numbers

The average number of persons employed by the academy during the period expressed as full time equivalents was as follows:

	14 months ended 31 August 2015 No.
Teachers	19
Administration and support	20
Management	4
	<u>43</u>

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

10. Staff (continued)

c. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2015 No.
£70,001 - £80,000	1

The above employee participated in the Teachers' Pension Scheme.

11. 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

	14 months ended 31 August 2015 £
Remuneration: M Hall (Principal and trustee)	90,000-95,000
Employers pension contributions	10,000-15,000
Remuneration: C Washington (staff trustee)	25,000-30,000
Employers pension contributions	0-5,000

During the period, no Trustees received any benefits in kind.

During the period, no Trustees received any reimbursement of expenses.

12. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

13. Tangible fixed assets

	Freehold land and buildings £	Building improve- ments £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 July 2014	-	-	-	-	-
Additions	-	54,935	12,945	13,547	81,427
Transfer on conversion	4,611,135	-	3,195	12,294	4,626,624
At 31 August 2015	4,611,135	54,935	16,140	25,841	4,708,051
Depreciation					
At 1 July 2014	-	-	-	-	-
Charge for the period	76,000	2,130	1,399	8,338	87,867
At 31 August 2015	76,000	2,130	1,399	8,338	87,867
Net book value					
At 31 August 2015	4,535,135	52,805	14,741	17,503	4,620,184

Included in land and buildings is freehold land at valuation of £1,354,000 which is not depreciated.

14. Debtors

	2015 £
Trade debtors	178
Other debtors	14,667
Prepayments and accrued income	46,734
	<u>61,579</u>

15. Creditors:
Amounts falling due within one year

	2015 £
Other loans	11,183
Trade creditors	75,139
Other taxation and social security	24,233
Other creditors	22,816
Accruals and deferred income	118,028
	<u>251,399</u>

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

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

	£
Deferred income	
Resources deferred during the year	5,447
	<u><u>5,447</u></u>

Amounts deferred relate to grant income for the 2015/16 academic year.

Other loans represent loans held with the local authority and were transferred to Woodhouse Academy on conversion. Other loans are subject to an interest rate of 0.5% above base rate and will be fully repaid by August 2019.

16. Creditors:
Amounts falling due after more than one year

	2015
	£
Other loans	23,664
	<u><u>23,664</u></u>

Other loans represent loans held with the local authority and were transferred to Woodhouse Academy on conversion. Other loans are subject to an interest rate of 0.5% above base rate and will be fully repaid by August 2019.

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

17. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds.- all funds	-	163,195	(9,218)	(23,070)	-	130,907
Restricted funds						
General Annual Grant (GAG)	-	1,871,942	(1,800,777)	(71,165)	-	-
Other DfE/EFA revenue grants	-	106,328	(106,328)	-	-	-
Pupil Premium	-	91,090	(91,090)	-	-	-
Other government grants	-	37,583	(37,583)	-	-	-
Trip income	-	68,597	(68,597)	-	-	-
Supply Teacher insurance	-	33,012	(33,012)	-	-	-
Local authority loans	-	(46,373)	-	46,373	-	-
Pension reserve	-	(396,000)	(33,000)	-	(25,000)	(454,000)
	-	1,766,179	(2,170,387)	(24,792)	(25,000)	(454,000)
Restricted fixed asset funds						
Capital expenditure from GAG	-	-	(2,630)	24,792	-	22,162
Donations on conversion	-	4,626,624	(81,712)	-	-	4,544,912
Devolved formula capital	-	11,691	-	-	-	11,691
Capital expenditure from unrestricted funds	-	-	(3,524)	23,070	-	19,546
Condition improvement fund	-	22,985	-	-	-	22,985
	-	4,661,300	(87,866)	47,862	-	4,621,296
Total restricted funds	-	6,427,479	(2,258,253)	23,070	(25,000)	4,167,296
Total of funds	-	6,590,674	(2,267,471)	-	(25,000)	4,298,203

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

17. Statement of funds (continued)

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

Unrestricted General Funds

This fund represents those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted General Funds

This fund represents grants received for the academy's operational activities and development.

Pension Reserve

This fund represents the academy's share of the pension liability arising on the LGPS pension fund.

Restricted Fixed Asset Fund

This fund relates to grant funding received from the EFA to carry out works of a capital nature and also the donation of freehold land and buildings from the Biddulph Schools Partnership Trust and a small amount of capital expenditure from GAG.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	163,195	(9,218)	(23,070)	-	130,907
Restricted funds	-	1,766,179	(2,170,387)	(24,792)	(25,000)	(454,000)
Restricted fixed asset funds	-	4,661,300	(87,866)	47,862	-	4,621,296
	<u>-</u>	<u>6,590,674</u>	<u>(2,267,471)</u>	<u>-</u>	<u>(25,000)</u>	<u>4,298,203</u>

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

18. Analysis of net assets between funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £
Tangible fixed assets	-	-	4,620,184	4,620,184
Current assets	216,461	189,509	1,112	407,082
Creditors due within one year	(85,554)	(165,845)	-	(251,399)
Creditors due in more than one year	-	(23,664)	-	(23,664)
Provisions for liabilities and charges	-	(454,000)	-	(454,000)
	<u>130,907</u>	<u>(454,000)</u>	<u>4,621,296</u>	<u>4,298,203</u>

19. Net cash flow from operations

	14 months ended 31 August 2015 £
Net incoming resources before revaluations	4,323,203
Returns on investments and servicing of finance	(327)
Depreciation of tangible fixed assets	87,867
Capital grants from DfE	(34,676)
Increase in debtors	(61,579)
Increase in creditors	240,216
Non cash LGPS deficit transferred on conversion	396,000
Non cash donation of tangible fixed assets	(4,626,624)
Loan transferred on conversion	46,374
Surplus on school fund	(11,222)
Surplus on LA	(108,599)
FRS 17 adjustments	33,000
Net cash inflow from operations	<u><u>283,633</u></u>

20. Analysis of cash flows for headings netted in cash flow statement

	14 months ended 31 August 2015 £
Returns on investments and servicing of finance	
Interest received	<u><u>327</u></u>

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

20. Analysis of cash flows for headings netted in cash flow statement (continued)

	14 months ended 31 August 2015 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(81,427)
Capital grants from DfE	34,676
Net cash outflow capital expenditure	<u>(46,751)</u>
	14 months ended 31 August 2015 £
Financing	
Repayment of loans	<u>(11,527)</u>

21. Analysis of changes in net funds

	1 July 2014 £	Cash flow £	Loans transferred on conversion £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	-	345,503	-	-	345,503
Debt:					
Finance leases	-	-	-	-	-
Debts due within one year	-	11,527	(11,526)	(11,184)	(11,183)
Debts falling due after more than one year	-	-	(34,848)	11,184	(23,664)
Net funds	<u>-</u>	<u>357,030</u>	<u>(46,374)</u>	<u>-</u>	<u>310,656</u>

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

22. Conversion to an academy trust

On 1 July 2014 Woodhouse Middle School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Woodhouse Academy from Staffordshire County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold land and buildings	-	-	4,611,135	4,611,135
- Other tangible fixed assets	-	-	15,489	15,489
Budget surplus/(deficit) on LA funds	108,599	-	-	108,599
Budget surplus/(deficit) on other school funds	11,222	-	-	11,222
LGPS pension surplus/(deficit)	-	(396,000)	-	(396,000)
Other identified assets and liabilities	9,471	-	-	9,471
Borrowing obligations	-	(46,374)	-	(46,374)
Net assets/(liabilities)	<u>129,292</u>	<u>(442,374)</u>	<u>4,626,624</u>	<u>4,313,542</u>

The above net assets include £119,821 that were transferred as cash.

The borrowing obligation represents loans taken out by the local authority on behalf of the school. At 1 July 2014 the outstanding balance of £46,374 was allocated to restricted funds because restricted funds will be used to repay the loans.

The LGPS pension deficit represents the obligation at 1 July 2014 in respect of employees of the maintained school that have transferred to the academy. The assumption on which this valuation has been based are outlined in note 24.

On 1 July 2014 the freehold rights to the school's land and buildings were transferred to Woodhouse Academy from Biddulph School Partnership Trust for £NIL consideration. An amount of £4,611,135 has been recognised within restricted fixed assets funds representing the fair value of the asset transferred.

23. 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 cease to be a member.

24. Pension commitments

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £11,414 were payable to the scheme at 31 August 2015 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

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

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

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

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

24. Pension commitments (continued)

The total contribution made to TPS in the period ended 31 August 2015 was £233,000, of which employer's contributions totalled £140,000 and employees' contributions totalled £93,000.

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2015 was £82,000, of which employer's contributions totalled £63,000 and employees' contributions totalled £19,000. The agreed contribution rates for future years are 19.5% for employers and 5.5% - 7.5% for employees.

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

As described in note 22 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

Principal actuarial assumptions

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £
Equities	3.70	257,000
Bonds	3.70	38,000
Property	3.70	31,000
Cash	3.70	21,000
Total market value of assets		347,000
Present value of scheme liabilities		(801,000)
(Deficit)/surplus in the scheme		(454,000)

The actual return on scheme assets was £17,000.

Woodhouse Academy**(A company limited by guarantee)****Notes to the Financial Statements****For the period ended 31 August 2015****24. Pension commitments (continued)**

The amounts recognised in the Balance sheet are as follows:

	14 months ended 31 August 2015 £
Present value of funded obligations	(801,000)
Fair value of scheme assets	347,000
Net liability	<u>(454,000)</u>

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

	14 months ended 31 August 2015 £
Current service cost	(83,000)
Interest on obligation	(33,000)
Expected return on scheme assets	20,000
Total	<u>(96,000)</u>
Actual return on scheme assets	<u>17,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS17 is a £25,000.

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

	14 months ended 31 August 2015 £
Opening defined benefit obligation	643,000
Current service cost	83,000
Interest cost	33,000
Contributions by scheme participants	19,000
Actuarial losses	23,000
Closing defined benefit obligation	<u>801,000</u>

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

24. Pension commitments (continued)

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

	14 months ended 31 August 2015 £
Opening fair value of scheme assets	247,000
Expected return on assets	20,000
Actuarial gains and (losses)	(2,000)
Contributions by employer	63,000
Contributions by employees	19,000
	<u>347,000</u>

The academy expects to contribute £61,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015
Equities	74.00 %
Bonds	11.00 %
Property	9.00 %
Cash	6.00 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015
Discount rate for scheme liabilities	3.70 %
Expected return on scheme assets at 31 August	3.70 %
Rate of increase in salaries	4.50 %
Rate of increase for pensions in payment / inflation	2.60 %

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

	2015
Retiring today	
Males	22.1
Females	24.3
Retiring in 20 years	
Males	24.3
Females	26.6

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

24. Pension commitments (continued)

Amounts for the current period are as follows:

Defined benefit pension schemes

	2015 £
Defined benefit obligation	(801,000)
Scheme assets	347,000
Deficit	(454,000)
Experience adjustments on scheme assets	(2,000)

25. Operating lease commitments

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £	Other 2015 £
Expiry date:		
Within 1 year	-	2,196

26. 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.

No related party transactions took place in the period of account.