

Registered number: 09055607

Woodhouse Academy

Trustees Report and Financial Statements

For the Year Ended 31 August 2018



Woodhouse Academy
(A company limited by guarantee)

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Reference and Administrative Details
For the Year Ended 31 August 2018

Members

Mrs C Hamnett
Mr J Shaw
Mr M Hall

Trustees

Mrs C Hamnett¹
Mrs C Butler, Principal and Accounting Officer¹
Mrs C Anthony, Vice Chair
Mrs J Betts
Mr G Butler¹
Mrs E Cox¹
Mrs S Haden, Staff Trustee
Mrs A Millington
Mrs N Perkin, Chair of Trustees¹
Mr G Frost (appointed 21 March 2018)
Mr P Reeves (appointed 21 March 2018)

¹ Finance and general purpose committee

Company registered number

09055607

Company name

Woodhouse Academy

Principal and registered office

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

Senior management team

Mrs C Butler, Principal
Ms D Farr, Deputy Principal
Mrs A Clack, Business Manager
Mr P Reynolds

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
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Trustees' Report
For the Year Ended 31 August 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an Academy for pupils aged 9 to 11 serving a catchment area in Biddulph and surrounding towns. It has a pupil capacity of 480 and had a roll of 444 in the Academy census on 17 May 2018.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Woodhouse Academy are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Woodhouse Academy (company number 9055607).

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

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.

d. Method of recruitment and appointment or election of Trustees

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.

e. 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.

f. 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 Academy 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.

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

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

During the period the Governing body trialled the consolidation of the Curriculum, Standards and Achievement Committee into the Full Governing Body committee and increased the frequency of the meetings to 6 per year. The success of this will be reviewed at the Full Governing Body meeting in October 2018 and a change to the scheme of delegation made if necessary.

The senior leadership group consists of: the Principal who is the Accounting Officer, Deputy Principal, Assistant Principal 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.

g. Pay policy for key management personnel

The governing body determines a broad pay range using its pay policy in conjunction with the 'School teachers pay and conditions document' (STPCD) to set the pay and remuneration for the senior leadership team.

The Academy is assigned to a Headteacher group which determines the Principal's salary range. The maximum of the deputy or assistant principal's pay range must not exceed the maximum of the Headteacher group for the Academy. The pay range for a deputy or assistant principal should only overlap the head teacher's pay range in exceptional circumstances.

The governing body must ensure that there is appropriate scope within the range to allow for performance-related progress over time.

The Academy actively monitors and benchmarks staffing costs against similar academies to measure the Academy's efficiency.

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

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the Year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£	%
Total cost of facility time	-	
Total pay bill	-	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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i. Connected organisations, including related party relationships

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

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

Objectives and Activities

a. Objects and aims

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

We aim 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
- Promote an effective curriculum that incorporates stretch and challenge and develops excellent levels of literacy and numeracy
- Nurture pupils' physical, aesthetic, moral and spiritual development
- Promote pupils' aspirational expectations and prepare pupils for the opportunities, responsibilities and experiences of adult life
- Constantly develop our skills and focus in learning and teaching

b. Objectives, strategies and activities

Key objectives for 2017-18

- Pupil Outcomes: Enable all pupils to achieve or exceed expected standards of attainment and progress
- Teaching and Learning: Ensure consistently high levels of challenge for all
- Personal development, behaviour and welfare:
- Ensure attendance is over 96%, behaviour for learning remains excellent, increase pupil understanding of their educational journey and careers
- Leadership and management: Market the Academy more overtly in the community, set up enhanced procedures to quickly identify pupils at risk of falling behind and implement effective interventions, strengthen governance

c. 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.

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

Strategic report

Achievements and performance

a. Key performance indicators

GL - externally marked tests, showing national comparisons

GL assessments illustrate the improvement of attainment across the 4 year groups, with KS3 cohorts attaining above national, disadvantaged in line with national and boys in line with girls. This demonstrates improving progress and attainment as pupils move through the Academy.

KEY	Red	Amber	Green
All	< national average	= national average	> national average
boys/girls	N/A	boys</>girls	boys=girls
PP (pupil premium)	N/A	< national average	= national average
SEN	N/A	N/A	N/A

Notes:

- Comparisons with national are based on mean standardised age scores
- = means no significant difference to, < means significantly less, > means significantly more
- PP results for = are coloured green as the comparison is with all pupils

GL end of Year 5	English Reading	Maths
All (101)	= national average	= national average
Boys (46)	boys < girls	boys = girls
Girls (55)		
PP (16)	= national average	= national average
SEN (7)	< national average	< national average

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

GL end of Year 6	English Reading	Maths
All (111)	> national average	= national average
Boys (58)	boys < girls	boys = girls
Girls (53)		
PP (12)	= national average	< national average
SEN (6)	= national average	< national average

GL end of Year 7	English Reading	Maths
All (126)	> national average	> national average
Boys (50)	boys = girls	boys = girls
Girls (76)		
PP (21)	= national average	= national average
SEN (7)	= national average	= national average

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

GL end of Year 8	English Reading	Maths
All (105)	> national average	> national average
Boys (52)	boys = girls	boys = girls
Girls (53)		
PP (10)	= national average	= national average
SEN (5)	< national average	< national average

Y8 Progress at Woodhouse Academy from Y5 baseline using matched data to July 2018

At Woodhouse expected progress equals year on year progress from e.g. secure to secure, secure plus to secure plus. We refer to pupils being on flight paths – 'developing', 'secure' or 'secure plus'.

In order to provide an average, pupils who remain on the same flight path are given a progress score of 0, those who move to the flight path above are given a progress score of 1 and those who move to the path below, a progress score of -1. Should a pupil move from 'developing' to 'secure plus' they would receive a score of 2 (or -2 if they moved the other way)

The vast majority of pupils make expected progress and above (in reading and maths over 94%) and average progress is above expected except for disadvantaged pupil writing and SEN reading and writing. Reading (GL)

Reading (GL)	Average progress	Making progress below expected	Making expected progress and above	Making progress above expected
All (94)	0.46	5%	95%	46%
Boys (46)	0.54	4%	96%	59%
Girls (48)	0.38	6%	94%	40%
PP (7)	0.57	0%	100%	57%
SEN (4)	-0.50	50%	50%	0%

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

Writing (TA)	Average progress	Making progress below expected	Making expected progress and above	Making progress above expected
All (94)	0.13	14%	86%	25%
Boys (46)	0.09	17%	83%	24%
Girls (53)	0.17	10%	90%	25%
PP (7)	0.00	14%	86%	14%
SEN (4)	-0.25	25%	75%	0%

Maths (GL)	Average progress	Making progress below expected	Making expected progress and above	Making progress above expected
All (93)	0.31	4%	96%	33%
Boys (46)	0.41	9%	91%	46%
Girls (47)	0.21	0%	100%	22%
PP (7)	0.14	0%	100%	14%
SEN (4)	0.50	0%	100%	50%

N.B. The number of pupils in brackets is the number that we have matched data for from year 5.

Teaching and Learning

All teaching and learning was assessed as good or better. Departments worked with colleagues in other middle schools to moderate assessments and share good practice.

Entrust consultants worked with the maths, english and science departments and assessed teaching, learning and assessment as good. In view of the below national writing and maths percentages at KS2 greater depth, we are planning further development on teaching with stretch and challenge.

Personal development, behaviour and welfare

Our whole Academy attendance remains excellent although this has fallen slightly compared to last year's 96.79% to 96.29%. Last year our Pupil Premium attendance was 96.55% and this year it has fallen below 96%.

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

The pastoral team encouraged high attendance with form competitions, meetings with families and a wide range of support to strengthen pupils' feeling of belonging to the Academy. As a result only 3.96% of pupils were persistent absentees (below 90% attendance). At 18 pupils, this is one less than last year. Reasons for this absence are unauthorised holidays, long-term medical concerns and other valid issues. There are 8 pupils who remain a concern for the coming year.

The new behaviour system was fully embedded and improved already excellent behaviour for learning. Behaviour points were low, especially considering points can be given for missing equipment, no homework etc. as well as poor behaviour in class.

- Fixed term exclusion incidents: 14 incidents
- Permanent exclusion incidents: 0 incidents
- Discriminatory incidents: 8 incidents
- Bullying incidents: 9 (7 pupils)
- Isolation incidents: 21
- No behaviour points: 71% (315 pupils)
KS2 80% (170 pupils)
KS3 63% (145 pupils)
- Pupils over 10 behaviour points: 20 in term 3 (23 in term 1, 21 in term 2)

All pupils have been made aware of their next steps in education at the High School; each faculty now has careers information for their subjects on display and is building career links within units of work. KS3 assemblies have included presentations from Stoke on Trent and Leek colleges, Biddulph High school, Keele University and a former pupil who followed an apprentice path.

The Academy has met the business and enterprise link for the High school; a replacement will work the two middle schools next year to develop a programme of one to one impartial careers advice.

Leadership and Management

The Academy's marketing was developed this year with an updating of the Academy's logo and badge. The Academy published a new prospectus, set up a Facebook page and ensured the local newspaper was regularly invited to take photos and write articles. The Year 5 intake for 2018-19 is 117 pupils compared with 100 last year.

The purchase of new tracking software has enabled quicker identification of pupils who needed extra support. Interventions within and outside lessons contributed to the high levels of progress and attainment at the expected standard.

An independent clerk was employed for the Trustees and two new Trustees were appointed and trained to strengthen the skill base.

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

b. Key performance indicators

KS2 Headlines

Attainment at expected standard

- All attainment is above national averages Combined reading writing and maths (which is floor standard measure) results have continued to improve (64% in 2016, 75% in 2017 to 76% this year)
- Reading has dropped compared to last year but is still greater than 2015/16
- Maths and writing show improvements compared with last year
- GPS has fallen for the third year running (91% in 2016, 88% in 2017, 86% this year)

Attainment at the higher standard

- Reading and GPS are above national, whilst writing and maths are below
- Reading has dropped significantly compared to previous years (28% when previously mid –forties)
- Writing has dropped compared to last year but is still above 2015/16
- GPS is slightly down compared to previous years
- Maths is 3% lower than both the previous years and 14% lower than national. This remains our greatest concern and was particularly disappointing as the department had been predicting a significant improvement.

Progress

- Reading progress is greater than that of pupils with similar starting points in other schools, writing is the same and maths less
- Reading progress while positive is lower than last year
- Writing is the same as that of pupils with similar starting points in other schools
- Progress in maths has improved considerably compared with last year (now -0.8, last year -1.6) mainly as a consequence of positive progress by boys overall and all pupils in the lower sets.

Overview

In view of fact that this was a lower achieving cohort, results overall were pleasing; it was good to see that all subjects were above national at the expected standard. The reduced percentages at the higher level are reflective of the cohort and are not a particular area of concern with the single exception of maths. Overall progress was a flatter picture than last year - the same pattern but with less extremes.

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

2017-18	Achieving expected and above		Achieving greater depth	
	Woodhouse	National	Woodhouse	National
Reading	89%	75%	28%	25%
Writing	85%	78%	17%	20%
GPS	86%	77%	34%	31%
Maths	84%	75%	9%	23%
Reading, writing and maths	76%	64%	5%	10%

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

Reading	All	Boys	Girls	PP
Pupils	111	58	53	12
Av scaled score KS2	107	107	107	103
100+	89%	90%	89%	83%
110+	28%	24%	32%	17%
Progress	1.1	1.47	0.80	2.12

Writing	All	Boys	Girls	PP
Pupils	111	58	53	12
Expected standard	85%	76%	94%	67%
Greater depth	17%	10%	25%	0%
Progress	0	-0.73	0.82	-0.35

Maths	All	Boys	Girls	PP
Pupils	111	58	53	12
Av scaled score KS2	104	103	104	100
100+	84%	78%	89%	58%
110+	9%	9%	9%	0%
Progress	-0.80	0.12	-1.82	-0.91

Financial objectives

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.

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

c. Going concern

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

a. Financial Review

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

All grants received from the ESFA and LA during the period 1 September 17 – 31 August 2018 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 2018 totalled £507,000. The agreed contribution rates for future years are 1 April 2018 to 31 March 2019 at 23.2%, 1 April 2019 to 31 March 2020 at 24.2% for employers and between 5.5% to 12.5% for employees.

During the year ended 31 August 2018 total expenditure of £1,997,444 (excluding depreciation of £94,956) was covered by grant funding from the ESFA together with other incoming resources.

At 31 August 2018 the net book value of fixed assets was £4,986,260 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

The Academy secured £505k of Condition improvement funding (CIF) in the 2018-19 round and invested £11k towards a life safety project which included replacing fire doors, remodelling evacuation routes, new fire alarm system and emergency lighting work is expected to be complete by December 2018. The Academy is actively seeking to secure further funding from the CIF 2019-20 to improve safeguarding and kitchen refurbishment.

b. Reserves policy

The policy of the Trustees' is that the Academy trust has a project development plan to continually 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. The Academy's current level of free reserves (unrestricted funds) is £109,613 (2017 - £111,757).

At the 31 August 2018 the Academy's fixed asset fund is £5,279,949 (2017 - £4,768,928).

At the 31 August 2018 the total funds amounted to £5,205,303 (2017 - £4,507,901). The Academy has restricted funds of deficit £184,257 (2017 – deficit £372,784) which is made up of a restricted pension reserve amounting to a deficit of £507,000 (2017 - £540,000) and other restricted general funds of £322,743 (2017 - £167,216).

The Academy's restricted funds (excluding pension reserve) plus the unrestricted fund at the 31 August 2018 amounted to £432,356 (2017 - £284,973).

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

c. Investments 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.

d. 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 Academy has developed and embedded systems of internal control 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 ESFA funding
- Changes in government education policies
- Strategic gaps in the disaster recovery plan
- ICT Infrastructure

Strategies put into place to reduce the risks include:

- Consistent drive to market the Academy
- Continue to update finance and general committee and trustees as information is released around funding, to assist strategic decisions to be made
- Promote our team culture so that employees that are not oppose to change and can respond to changes quickly
- Carry out desk top exercises to prepare for emergencies
- Appointment of experienced IT personnel to provide support with the new ICT infrastructure

Fundraising

Approach to fundraising

Woodhouse Academy rely on public generosity from fundraising activities organised by staff members or the Woodhouse Association. During the period a group of parents launched the Woodhouse Association. The aim is to get parents involved and raise money to fund projects across the Academy. The association has been formed with a structured committee who meet regularly with the Academy Business Manager to discuss and plan fundraising activities.

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

Various events have been held throughout the year such as Easter bingo, sports day refreshments and a Christmas fair. The Association funded the first year 8 leaver's celebration and plans to make contributions to the music department towards its percussion project.

One of the Academy's chosen charities this year was Street Child whose aim is to target communities across Sierra Leone where there is little or zero education provision. The pupils held various fundraising events to raise £1000.00 so that we can sponsor and name our own school in Sierra Leone as well as continue to enhance their multicultural understanding and global responsibility. Other charities we have supported include children in need and Fairtrade foundation.

The Academy follows the code of fundraising practice to protect the public, including vulnerable people and will not use intrusive, persistent or undue pressure to get individuals to donate. There have been no fundraising complaints during the period.

Plans for future periods

a. Future developments

- Enable all pupils to achieve or exceed expected standards
- Ensure that there is stretch challenge and support for all
- Embed core values and vision, attendance and behaviour for learning, and progress healthy eating and lifestyle
- Continue to develop the senior leadership and governance in their roles
- Improve the internal appearance of the Academy – flooring, displays, lighting etc
- Continue to explore the possibilities of creating or joining a Multi Academy Trust

Funds held as custodian

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 10 October 2018 and signed on its behalf by:



Mrs N Perkin
Chair of Trustees

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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 Statement of Trustees' responsibilities. The board of trustees has formally met 5 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
Mrs C Hamnett	4	5
Mrs C Butler, Principal and Accounting Officer	5	5
Mrs C Anthony, Vice Chair	5	5
Mrs J Betts	4	5
Mr G Butler	5	5
Mrs E Cox	4	5
Mrs S Haden, Staff Trustee	3	5
Mrs A Millington	3	5
Mrs N Perkin, Chair of Trustees	5	5
Mr G Frost	1	1
Mr P Reeves	1	1

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 decision relating to finance. In addition the Finance and General Purposes committee has also been given the responsibilities of the audit committee, in order to review the control of the academy's finances.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Hamnett	3	3
Mrs C Butler, Principal	3	3
Mr G Butler	3	3
Mrs E Cox	2	3
Mrs N Perkin, Chair of trustees	2	3

Governance Statement (continued)

Review of Value for Money

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

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

- Offering apprenticeships;
- Re-tendering for service contracts, working in collaboration with other schools within Biddulph in order to gain better prices from greater purchasing power;
- Continuing to share joint training and professional development strategies within Biddulph schools but also with other Middle School;
- Changing terms and conditions which enables the governors and senior leaders to safeguard the future financial viability of the academy.

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 year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2017 to 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.

Governance Statement (continued)

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Dains LLP, the external auditors, to perform additional checks.

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

- Purchases system
- Payroll system
- Income system
- Accounting system

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

Review of Effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question 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 Purposes 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 *10 October 2018* and signed on their behalf, by:



Mrs N Perkin
Chair of Trustees



Mrs C Butler
Accounting Officer

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 trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



Mrs C Butler
Accounting Officer

10 October 2018

Woodhouse Academy
(A company limited by guarantee)

Statement of Trustees' Responsibilities
For the Year Ended 31 August 2018

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 issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 10 October 2018 and signed on its behalf by:



Mrs N Perkin
Chair of Trustees

Independent Auditors' Report on the Financial Statements to the Members of Woodhouse Academy

Opinion

We have audited the financial statements of Woodhouse Academy (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Independent Auditors' Report on the Financial Statements to the Members of Woodhouse Academy

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Woodhouse Academy
(A company limited by guarantee)

Independent Auditors' Report on the Financial Statements to the Members of Woodhouse Academy

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 opinions we have formed.



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
10 October 2018

Woodhouse Academy
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 1 October 2018 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 Woodhouse Academy during the year 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 Woodhouse Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Woodhouse Academy 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 Woodhouse Academy and the ESFA, 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 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 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

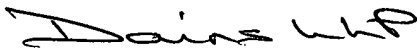
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

Woodhouse Academy
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Woodhouse Academy and the Education & Skills 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 year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Dains LLP

Statutory Auditor
Chartered Accountants

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

Date: 10 October 2018

Woodhouse Academy
(A company limited by guarantee)

Statement of Financial Activities incorporating Income and Expenditure Account
For the Year Ended 31 August 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations and capital grants	2	1,734	2,281	498,251	502,266	218,848
Charitable activities:	3					
Funding for the academy		59,587	1,998,724	-	2,058,311	2,052,015
trust's educational operations	4	8,224	96,703	-	104,927	104,087
Other trading activities	5	300	-	-	300	252
Investments						
Total income		69,845	2,097,708	498,251	2,665,804	2,375,202
Expenditure on:						
Raising funds	6	208	99,149	-	99,357	99,142
Other charitable activities	7	62,128	1,835,959	94,956	1,993,043	1,933,565
Total expenditure	6	62,336	1,935,108	94,956	2,092,400	2,032,707
Net income before transfers		7,509	162,600	403,295	573,404	342,495
Transfers between Funds	16	(9,653)	(98,073)	107,726	-	-
Net income / (expenditure) before other recognised gains and losses		(2,144)	64,527	511,021	573,404	342,495
Actuarial gains on defined benefit pension schemes	21	-	124,000	-	124,000	206,000
Net movement in funds		(2,144)	188,527	511,021	697,404	548,495
Reconciliation of funds:						
Total funds brought forward		111,757	(372,784)	4,768,928	4,507,901	3,959,406
Total funds carried forward		109,613	(184,257)	5,279,949	5,205,305	4,507,901

The notes on pages 32 to 55 form part of these financial statements.

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

Balance Sheet
As at 31 August 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		4,986,259		4,768,926
Current assets					
Debtors	13	390,115		124,440	
Cash at bank and in hand		787,946		437,855	
		<u>1,178,061</u>		<u>562,295</u>	
Creditors: amounts falling due within one year	14	(439,015)		(277,252)	
Net current assets			<u>739,046</u>		<u>285,043</u>
Total assets less current liabilities			<u>5,725,305</u>		<u>5,053,969</u>
Creditors: amounts falling due after more than one year	15		(13,000)		(6,068)
Net assets excluding pension scheme liabilities			<u>5,712,305</u>		<u>5,047,901</u>
Defined benefit pension scheme liability	21		(507,000)		(540,000)
Net assets including pension scheme liabilities			<u><u>5,205,305</u></u>		<u><u>4,507,901</u></u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	16	322,743		167,216	
Restricted fixed asset funds	16	5,279,949		4,768,928	
Restricted income funds excluding pension liability		<u>5,602,692</u>		<u>4,936,144</u>	
Pension reserve		(507,000)		(540,000)	
Total restricted income funds			<u>5,095,692</u>		<u>4,396,144</u>
Unrestricted income funds	16		<u>109,613</u>		<u>111,757</u>
Total funds			<u><u>5,205,305</u></u>		<u><u>4,507,901</u></u>

Woodhouse Academy
(A company limited by guarantee)

Balance Sheet (continued)
As at 31 August 2018

The financial statements on pages 28 to 55 were approved by the Trustees, and authorised for issue, on 10 October 2018 and are signed on their behalf, by:



Mrs N Perkin
Chair of Trustees

The notes on pages 32 to 55 form part of these financial statements.

Woodhouse Academy
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>422,512</u>	<u>299,256</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		300	252
Purchase of tangible fixed assets		(312,289)	(300,320)
Capital grants from DfE Group		<u>233,366</u>	<u>215,213</u>
Net cash used in investing activities		<u>(78,623)</u>	<u>(84,855)</u>
Cash flows from financing activities:			
Repayments of borrowings		(9,798)	(8,798)
Cash inflows from new borrowing		<u>16,000</u>	<u>-</u>
Net cash provided by/(used in) financing activities		<u>6,202</u>	<u>(8,798)</u>
Change in cash and cash equivalents in the Year		350,091	205,603
Cash and cash equivalents brought forward		<u>437,855</u>	<u>232,252</u>
Cash and cash equivalents carried forward	19	<u><u>787,946</u></u>	<u><u>437,855</u></u>

The notes on pages 32 to 55 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

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.

Woodhouse Academy constitutes a public benefit entity as defined by FRS 102.

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 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.

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. Accounting Policies (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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.

1.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. Accounting Policies (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised 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 incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight line
Office equipment	-	25% straight line
Computer equipment	-	33% straight line
Building improvements	-	3.3% - 10% straight line

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 incorporating income and expenditure account.

1.6 Interest receivable

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

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 Debtors

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

1.9 Cash at Bank and in hand

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

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. Accounting Policies (continued)

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 14 and 15. 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.

1.12 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.

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. Accounting Policies (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account 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.

1.14 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 with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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.

Woodhouse Academy
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2018

2. Income from donations and capital grants

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	1,734	2,281	-	4,015	3,634
Capital Grants	-	-	498,251	498,251	215,214
	<u>1,734</u>	<u>2,281</u>	<u>498,251</u>	<u>502,266</u>	<u>218,848</u>
<i>Total 2017</i>	<u>3,065</u>	<u>569</u>	<u>215,214</u>	<u>218,848</u>	

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General annual grant	-	1,821,454	1,821,454	1,818,957
Other Dfe/EFSA grants	-	24,902	24,902	15,228
Pupil premium	-	71,450	71,450	77,950
	<u>-</u>	<u>1,917,806</u>	<u>1,917,806</u>	<u>1,912,135</u>
Other government grants				
Local authority grants	-	4,500	4,500	6,000
Special educational funding	-	76,418	76,418	68,513
	<u>-</u>	<u>80,918</u>	<u>80,918</u>	<u>74,513</u>
Other funding				
Catering income	59,587	-	59,587	65,367
	<u>59,587</u>	<u>-</u>	<u>59,587</u>	<u>65,367</u>
	<u>59,587</u>	<u>1,998,724</u>	<u>2,058,311</u>	<u>2,052,015</u>
<i>Total 2017</i>	<u>65,367</u>	<u>1,986,648</u>	<u>2,052,015</u>	

Woodhouse Academy
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Notes to the Financial Statements
For the Year Ended 31 August 2018

4. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Trip Income	-	85,483	85,483	79,037
Staff Insurance Income	-	11,220	11,220	13,050
Other Income	7,514	-	7,514	11,380
Letting Income	710	-	710	620
	<u>8,224</u>	<u>96,703</u>	<u>104,927</u>	<u>104,087</u>
<i>Total 2017</i>	<u>12,000</u>	<u>92,087</u>	<u>104,087</u>	

5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	300	-	300	252
	<u>300</u>	<u>-</u>	<u>300</u>	<u>252</u>
<i>Total 2017</i>	<u>252</u>	<u>-</u>	<u>252</u>	

6. Expenditure

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading	-	17,788	81,569	99,357	99,142
Activities:					
Direct costs	1,395,137	65,143	64,943	1,525,223	1,496,016
Support costs	208,729	101,537	157,554	467,820	437,549
	<u>1,603,866</u>	<u>184,468</u>	<u>304,066</u>	<u>2,092,400</u>	<u>2,032,707</u>
<i>Total 2017</i>	<u>1,569,275</u>	<u>61,465</u>	<u>401,967</u>	<u>2,032,707</u>	

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Notes to the Financial Statements
For the Year Ended 31 August 2018

7. Charitable activities

	Total funds 2018 £	<i>Total funds 2017 £</i>
Direct costs - educational operations		
Wages and salaries	1,045,845	1,051,780
National insurance	91,532	98,871
Pension cost	257,759	221,642
Depreciation	65,143	65,143
Educational supplies	45,147	44,193
Examination fees	6,705	6,705
Other direct costs	13,092	7,682
	<u>1,525,223</u>	<u>1,496,016</u>
Support costs - educational operations		
Wages and salaries	171,951	166,046
National insurance	9,660	8,834
Pension cost	27,117	22,103
Depreciation	29,814	22,354
FRS 102 pension adjustment	14,000	14,000
Technology costs	14,831	16,854
Education consultancy	3,905	16,500
Travel and subsistence	5,329	3,706
Catering costs	29,077	29,826
Maintenance of premises	45,504	25,803
Cleaning	10,505	12,165
Operating leases	6,577	7,821
Rates	6,402	6,019
Water rates	10,814	10,847
Energy	19,874	18,738
Insurance	10,067	10,603
Other occupancy costs	39,493	34,708
Governance costs	12,900	10,622
	<u>467,820</u>	<u>437,549</u>
	<u><u>1,993,043</u></u>	<u><u>1,933,565</u></u>

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Notes to the Financial Statements
For the Year Ended 31 August 2018

8. Net income/(expenditure)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	94,956	87,496
Auditors remuneration - audit	6,350	6,050
Auditors remuneration - other services	2,230	2,355
Operating lease rentals	6,577	2,723

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Notes to the Financial Statements
For the Year Ended 31 August 2018

9. Staff costs

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,194,310	1,197,059
Social security costs	101,193	107,706
Operating costs of defined benefit pension schemes	284,876	243,744
	<u>1,580,379</u>	<u>1,518,509</u>
Agency staff costs	23,487	20,766
	<u>1,603,866</u>	<u>1,569,275</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	21	20
Administration and support	30	32
Management	4	4
	<u>55</u>	<u>56</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £242,536 (2017: £285,697).

Notes to the Financial Statements
For the Year Ended 31 August 2018

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other 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:

		2018	2017
		£	£
Mrs C Butler (Principal and trustee)	Remuneration	65,000-70,000	60,000-65,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Mrs C Washington (Staff trustee)	Remuneration	N/A	15,000-20,000
	Pension contributions paid	N/A	0-5,000
Mrs S Haden (Staff trustee)	Remuneration	30,000-35,000	5,000-10,000
	Pension contributions paid	5,000-10,000	0-5,000

During the Year, no Trustees received any benefits in kind (2017 - £NIL).

During the Year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL to no Trustees).

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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Notes to the Financial Statements
For the Year Ended 31 August 2018

12. Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 September 2017	4,611,135	416,534	5,027,669
Additions	-	312,289	312,289
At 31 August 2018	4,611,135	728,823	5,339,958
Depreciation			
At 1 September 2017	206,286	52,457	258,743
Charge for the Year	65,142	29,814	94,956
At 31 August 2018	271,428	82,271	353,699
Net book value			
At 31 August 2018	4,339,707	646,552	4,986,259
At 31 August 2017	4,404,849	364,077	4,768,926

13. Debtors

	2018 £	2017 £
Trade debtors	108	905
VAT recoverable	65,161	49,593
Prepayments and accrued income	324,846	73,942
	390,115	124,440

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other loans	8,068	8,798
Trade creditors	294,396	23,897
Other taxation and social security	27,635	26,624
Other creditors	26,691	25,252
Accruals and deferred income	82,225	192,681
	439,015	277,252

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Notes to the Financial Statements
For the Year Ended 31 August 2018

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

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	48,066	8,175
Resources deferred during the year	14,331	48,066
Amounts released from previous years	(48,066)	(8,175)
Deferred income at 31 August 2018	<u>14,331</u>	<u>48,066</u>

Amount deferred related to grant income and dinner money for the 2018/19 year (2017 - grant and trip income for the 2017/18 year).

Other loans represent loans held with the local authority that 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.

Included within the loans above is a loan from Salix which is provided interest free and will be fully repaid by August 2026.

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

	2018 £	2017 £
Other loans	<u>13,000</u>	<u>6,068</u>
Included within the above are amounts falling due as follows:		
Between one and two years		
Other loans	<u>2,000</u>	<u>6,068</u>
Between two and five years		
Other loans	<u>6,000</u>	<u>-</u>
Over five years		
Other loans	<u>5,000</u>	<u>-</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2018

15. Creditors: Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2018	2017
	£	£
Repayable by instalments	5,000	-

Included within the loans above is a loan held with the local authority that were transferred to Woodhouse Academy on conversion. This loan is subject to an interest rate of 0.5% above base rate and will be fully repaid by August 2019.

Included within the loans above is a loan from Salix which is provided interest free and will be fully repaid by August 2026.

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Notes to the Financial Statements
For the Year Ended 31 August 2018

16. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	111,757	69,845	(62,336)	(9,653)	-	109,613
Restricted funds						
General annual grant	167,216	1,821,456	(1,576,186)	(102,360)	-	310,126
Other DfE / ESFA grants	-	24,901	(16,406)	-	-	8,495
Pupil premium	-	71,450	(71,450)	-	-	-
Other government grants	-	80,918	(80,918)	-	-	-
Trip income	-	85,482	(81,360)	-	-	4,122
Other income	-	13,501	(17,788)	4,287	-	-
Pension reserve	(540,000)	-	(91,000)	-	124,000	(507,000)
	<u>(372,784)</u>	<u>2,097,708</u>	<u>(1,935,108)</u>	<u>(98,073)</u>	<u>124,000</u>	<u>(184,257)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	92,074	-	(17,376)	89,160	-	163,858
Donations on conversion	4,405,517	-	(65,808)	-	-	4,339,709
Devolved formula capital	28,196	9,706	(1,750)	-	-	36,152
Capital expenditure from unrestricted funds	16,664	-	(815)	5,765	-	21,614
Condition improvement fund	218,591	488,545	(8,968)	12,801	-	710,969
Cera Funding	7,886	-	(239)	-	-	7,647
	<u>4,768,928</u>	<u>498,251</u>	<u>(94,956)</u>	<u>107,726</u>	<u>-</u>	<u>5,279,949</u>
Total restricted funds	<u>4,396,144</u>	<u>2,595,959</u>	<u>(2,030,064)</u>	<u>9,653</u>	<u>124,000</u>	<u>5,095,692</u>
Total of funds	<u>4,507,901</u>	<u>2,665,804</u>	<u>(2,092,400)</u>	<u>-</u>	<u>124,000</u>	<u>5,205,305</u>

Notes to the Financial Statements
For the Year Ended 31 August 2018

16. 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 objectives 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 ESFA 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 other funds.

Woodhouse Academy
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Notes to the Financial Statements
For the Year Ended 31 August 2018

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General Funds	93,302	80,684	(62,229)	-	-	111,757
Restricted funds						
General Annual Grant (GAG)	-	1,818,957	(1,562,020)	(89,721)	-	167,216
Other DfE/ESFA revenue grants	-	15,228	(15,228)	-	-	-
Pupil premium	-	77,950	(77,950)	-	-	-
Other government grants	-	74,513	(74,513)	-	-	-
Trip income	-	79,037	(83,652)	4,615	-	-
Other restricted income	-	13,619	(13,619)	-	-	-
Pension reserve	(690,000)	-	(56,000)	-	206,000	(540,000)
	<u>(690,000)</u>	<u>2,079,304</u>	<u>(1,882,982)</u>	<u>(85,106)</u>	<u>206,000</u>	<u>(372,784)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	20,960	-	(13,992)	85,106	-	92,074
Donations on conversion	4,474,873	-	(69,356)	-	-	4,405,517
Devolved formula capital	19,608	10,198	(1,610)	-	-	28,196
Capital expenditure from unrestricted funds	16,664	-	-	-	-	16,664
Condition improvement fund	20,687	200,203	(2,299)	-	-	218,591
CERA funding	3,312	4,813	(239)	-	-	7,886
	<u>4,556,104</u>	<u>215,214</u>	<u>(87,496)</u>	<u>85,106</u>	<u>-</u>	<u>4,768,928</u>
Total restricted funds	<u>3,866,104</u>	<u>2,294,518</u>	<u>(1,970,478)</u>	<u>-</u>	<u>206,000</u>	<u>4,396,144</u>
Total of funds	<u>3,959,406</u>	<u>2,375,202</u>	<u>(2,032,707)</u>	<u>-</u>	<u>206,000</u>	<u>4,507,901</u>

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Notes to the Financial Statements
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A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	93,302	150,529	(124,565)	(9,653)	-	109,613
Restricted funds						
General Annual Grant (GAG)	-	3,640,413	(3,138,206)	(192,081)	-	310,126
Other DfE/ESFA revenue grants	-	40,129	(31,634)	-	-	8,495
Pupil premium	-	149,400	(149,400)	-	-	-
Other government grants	-	155,431	(155,431)	-	-	-
Trip income	-	164,519	(165,012)	4,615	-	4,122
Other restricted income	-	27,120	(31,407)	4,287	-	-
Pension reserve	(690,000)	-	(147,000)	-	330,000	(507,000)
	<u>(690,000)</u>	<u>4,177,012</u>	<u>(3,818,090)</u>	<u>(183,179)</u>	<u>330,000</u>	<u>(184,257)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	20,960	-	(31,368)	174,266	-	163,858
Donations on conversion	4,474,873	-	(135,164)	-	-	4,339,709
Devolved formula capital	19,608	19,904	(3,360)	-	-	36,152
Capital expenditure from unrestricted funds	16,664	-	(815)	5,765	-	21,614
Condition improvement fund	20,687	688,748	(11,267)	12,801	-	710,969
CERA funding	3,312	4,813	(478)	-	-	7,647
	<u>4,556,104</u>	<u>713,465</u>	<u>(182,452)</u>	<u>192,832</u>	<u>-</u>	<u>5,279,949</u>
	<u>3,866,104</u>	<u>4,890,477</u>	<u>(4,000,542)</u>	<u>9,653</u>	<u>330,000</u>	<u>5,095,692</u>
Total of funds	<u><u>3,959,406</u></u>	<u><u>5,041,006</u></u>	<u><u>(4,125,107)</u></u>	<u><u>-</u></u>	<u><u>330,000</u></u>	<u><u>5,205,305</u></u>

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Notes to the Financial Statements
For the Year Ended 31 August 2018

17. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	4,986,260	4,986,260
Current assets	109,613	774,758	293,689	1,178,060
Creditors due within one year	-	(439,015)	-	(439,015)
Creditors due in more than one year	-	(13,000)	-	(13,000)
Provisions for liabilities and charges	-	(507,000)	-	(507,000)
	<u>109,613</u>	<u>(184,257)</u>	<u>5,279,949</u>	<u>5,205,305</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	4,768,927	4,768,927
Current assets	111,758	450,535	1	562,294
Creditors due within one year	-	(277,252)	-	(277,252)
Creditors due in more than one year	-	(6,068)	-	(6,068)
Provisions for liabilities and charges	-	(540,000)	-	(540,000)
	<u>111,758</u>	<u>(372,785)</u>	<u>4,768,928</u>	<u>4,507,901</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	573,404	342,495
Adjustment for:		
Depreciation charges	94,956	87,496
Dividends, interest and rents from investments	(300)	(252)
Increase in debtors	(790)	(63,486)
Increase in creditors	162,493	92,216
Capital grants from DfE and other capital income	(498,251)	(215,213)
FRS 102 pension adjustments	91,000	56,000
Net cash provided by operating activities	<u>422,512</u>	<u>299,256</u>

Notes to the Financial Statements
For the Year Ended 31 August 2018

19. Analysis of cash and cash equivalents

	2018	2017
	£	£
Cash in hand	787,946	437,855
Total	787,946	437,855

20. Capital commitments

At 31 August 2018 the academy had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	217,344	-

21. 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 Multi-employer defined benefit pension 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 £26,059 were payable to the schemes at 31 August 2018 (2017 - £25,036) 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:

Notes to the Financial Statements
For the Year Ended 31 August 2018

21. Pension commitments (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £137,000 (2017 - £137,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, 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 year ended 31 August 2018 was £94,000 (2017 - £86,000), of which employer's contributions totalled £75,000 (2017 - £68,000) and employees' contributions totalled £19,000 (2017 - £18,000). The agreed contribution rates for future years are 22.2% for employers and 5.5 - 12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.80 %	2.80 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %
Inflation assumption (CPI)	2.40 %	2.40 %
Commutation of pensions to lump sums - pre-April 2008	50.00 %	50.00 %
Commutation of pensions to lump sums - post April 2008	75.00 %	75.00 %

Notes to the Financial Statements
For the Year Ended 31 August 2018

21. Pension commitments (continued)

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.1
Females	26.4	26.4

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate -0.5%	161,000	147,000
Salary rate +0.5%	22,000	24,000
Pension rate +0.5%	137,000	121,000

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	561,000	519,000
Debt instruments	152,000	82,000
Property	64,000	5,000
Cash and other liquid assets	25,000	27,000
Total market value of assets	802,000	633,000

The actual return on scheme assets was £54,000 (2017 - £58,000).

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21. Pension commitments (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(137,000)	(110,000)
Past service cost	(15,000)	-
Interest income	18,000	11,000
Interest cost	(32,000)	(25,000)
Total	<u>(166,000)</u>	<u>(124,000)</u>
Actual return on scheme assets	<u>54,000</u>	<u>58,000</u>

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

	2018 £	2017 £
Opening defined benefit obligation	1,223,000	1,200,000
Current service cost	137,000	110,000
Interest cost	32,000	25,000
Employee contributions	19,000	18,000
Actuarial gains	(94,000)	(100,000)
Benefits paid	(23,000)	(30,000)
Past service costs	15,000	-
Closing defined benefit obligation	<u>1,309,000</u>	<u>1,223,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	683,000	510,000
Return on plan assets (excluding net interest on the net defined pension liability)	30,000	106,000
Employer contributions	75,000	68,000
Employee contributions	19,000	18,000
Benefits paid	(23,000)	(30,000)
Interest income	18,000	11,000
Closing fair value of scheme assets	<u>802,000</u>	<u>683,000</u>

Notes to the Financial Statements
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22. Operating lease commitments

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

	2018	2017
	£	£
Amounts payable:		
Within 1 year	1,878	2,723

23. 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.

24. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.