ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

St Andrew's Church of England Academy

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017

Company Registration Number:
08128214 (England and Wales)

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DUNCAN & TOPLIS
CHARTERED ACCOUNTANTS AND BUSINESS ADVISERS

Duncan & Toplis is the trading name of Duncan & Toplis Limited, registered in England and Wales, company number 04544710.
Registered Office: 3 Castlegate, Grantham, Lincolnshire, NG31 6SF.
Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.
A list of the directors of Duncan & Toplis Limited is available on our website and at all offices.

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr I Burnley Mr D Clarke Mr M Webb Lincoln Diocesan Trust and Board of Finance Limited
Governors	Mrs P Bennison-Pauls, Members Mrs K E Bradbury, Appointed by the members Mr I Burnley, Parent Mr R J Leggate, Foundation (resigned 19 July 2017) Mr T J Peacock, Appointed by the members Mrs R S Ruddock, Staff (resigned 4 January 2017) Rev Major, Foundation (Ex Offico) Mrs M Smith, Foundation (resigned 19 July 2017) Mr T Wilkinson, Staff Mr M J Whalley, Head Teacher (Ex Offico) Mrs Rachel Lear, Parent (resigned 15 May 2017) Mrs S Barlett-Jones, Governing Body Mr P Masterman, Parent Mrs S Willerton, Parent (appointed 7 October 2016) Ms S Smith, Parent (appointed 7 June 2017) Ms L Csiba, Staff (appointed 5 July 2017) Mr G Brown, Foundation (appointed 1 September 2017) Mr S Hardacre (appointed 5 September 2017)
Senior Leadership Team	Mr M J Whalley, Head Teacher Mrs K Martin, Deputy Head Teacher Mrs J Leeson, Assistant Head Teacher Mrs L Garner, School Business Manager
Registered Office	St Andrew's Church of England Academy King Edward Crescent Woodhall Spa LN10 6RQ United Kingdom
Company Registration number	08128214
Independent Auditors	Duncan & Toplis Limited 4 Henley Way Doddington Road Lincoln LN6 3QR

Bankers	Lloyds TSB 14 High Street Horncastle Lincs LN9 5BL
Solicitors	Duncan A Pickering 4 Southfields Bourne Lincolnshire PE10 9TZ

GOVERNORS' REPORT

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2016 to 31 August 2017. The annual report serves the purposes of both a governors' report, and a directors' report under company law.

The rust operates an Academy for pupils aged 4 to 11 serving a catchment are in Woodhall Spa. It has a pupil capacity of 294 and had a roll of 295 in the school on the autumn 2016 school census.

Structure, Governance and Management

Constitution

The Academy Trust is a Company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Governors of St Andrew's Church of England Academy are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as St Andrew's Church of England Academy.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page one.

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 may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Insurance for Governors is included within the school's RPA Insurance.

Method of Recruitment and Appointment or Election of Governors

The number of Governors shall be not less than three nor more than fifteen except for appointments of any additional Governors made by the Secretary of State.

The academy trust shall have the following Governors:

- Up to three Governors appointed by the members of the Academy Trust.
- Up to three Foundation Governors, including the incumbent, appointed by the Diocese.
- Up to two Staff Governors appointed by the members of the Academy trust through such process as they may determine.
- A minimum of two Parent Governors appointed though an election process.
- The Head Teacher.
- Up to two Governors Co-opted by the Governing Body.

The term of office for any Governor shall be four years, save that this time limit shall not apply to the head teacher or the Incumbent. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. The Academy buys back into the Governor Support package provided by CFBT and this includes a full programme of induction and training courses.

The Governor responsible for development maintains a log of all training completed and reports of training matters at every full Governing body meeting.

All Governors are expected to complete the First Certificate in Governance and Safeguarding training within the first six months in office.

Organisational Structure

The Governors act as the trustees for the charitable activities of St Andrews Church of England Academy and are also directors for the purpose of company law. The Governors that served during the year were:

Mrs P Bennison-Pauls, Parent
Mrs K E Bradbury, Appointed by the members
Mr I Burnley, Parent
Mr R J Leggate, Foundation
Mr T J Peacock, Appointed by the members
Rev Major, Foundation (Ex Offico)
Mrs M Smith, Foundation
Mr T Wilkinson, Staff
Mr P Masterman, Parent
Mr M J Whalley, Head Teacher (Ex Offico)
Mrs Rachel Lear, Parent
Mrs S Barlett-Jones, Parent
Mrs S Willerton, Parent
Ms S Smith, Parent
Ms L Csiba, Staff

None of the Governors have any beneficial interest in the Company.

The Governors are responsible for the overall management and control of the Academy and formally meet six times a year.

The reviewing and monitoring of the work of the Academy is delegated to sub-committees which were, at the 1st September 2016, "Curriculum & Standards" and "Resources". The Committees meet five or six times a year. They all work under the Chairmanship of a Governor appointed at the first committee meeting in each academic year. Terms of Reference of these committees are agreed annually at these meetings.

The Clerk to the Governing Body co-ordinates the work of the full Governing Body and each committee.

The School Business Manager prepares the accounts of the Academy on behalf of the Governors, and is a member of the Resource Committee and attends full Governing Body meetings. The Headteacher is the Accounting Officer.

The Governors determine the general policies of the Academy. The day to day running of the Academy is delegated to the Headteacher who is supported by the Senior Leadership Team. The Headteacher undertakes the key leadership role in the Academy but delegates the day to day educational, pastoral and administrative functions to members of the Senior Leadership Team. The day to day administration of the Academy is undertaken within the policies and procedures approved by the Governors.

All non-staff Governors give their time to the role freely and no remuneration or expenses were paid during the period.

Arrangements for setting pay and remuneration of key management personnel

All procedures for setting the pay and remuneration of the Academy's key management personnel follow our school policy which mirrors approved STRB and DfE guidelines.

Connected organisation including related party relationships

At the present time the Academy does not have any connected organisations including related party relationships.

Objectives and Activities

Objects and Aims

The principle objective of the Academy is to provide education for pupils in an environment where all are proud and want to participate; where they can develop; where they feel physically and emotionally safe; where respect, good manners and good behaviour towards others are the norm; where lessons are productive and well taught and the learning is productive; and where any mistakes are seen as learning opportunities from which we can grow. Operating within this environment we strive to ensure every single child believes in their own potential and takes pride in their achievements, whether they be academic, sporting, cultural, social or personal.

To deliver this objective the strategic work of the Academy has been focussed on four key themes, those being:

For all children to attain well according to their ability and to progress well irrespective of their ability. We strive to ensure that this is done by:

- ensuring that the highest standards are met within teaching and learning
- effective systems are in place for monitoring and challenging pupil performance
- treating all children as individuals and supporting their personal needs
- informing and supporting parents in matters relating to the education of their children

Ensuring that we have the most effective and capable workforce possible. In order to facilitate this we will:

- ensure all staff access a supportive but challenging appraisal system
- raise profile and accountability of Senior Teachers
- raise expectations through rigorous application of pupil progress measures
- review roles and responsibility of staff within the SLT and develop a middle management structure

Ensuring that we have an appropriate, diverse and exciting curriculum by:

- allowing children to have a say in what interests them when choosing project themes
- giving children the opportunities to enrich their lives and excel
- ensuring that, where possible, learning should be based on experience and real life context
- developing the use of theme days and weeks
- ensuring that sufficient time is allocated to different curriculum strands

Providing an environment where all members of the School Community are valued and supported and all decision making is made with the best interests of the children at its heart. We will:

- promote meaningful opportunities to reflect in our worship the Christian foundation of the school and its care for all who work here

- have appropriate systems in place to ensure that the school is safe
- support children and parents in regular school attendance
- provide an environment where we consult and listen to the views of all our stakeholders
- support all members of our School Community in any challenges they may meet
- ensure that all members of the School Community have a shared responsibility to the effective and efficient running of the school

Objectives, Strategies and Activities

This is with particular reference to the following UNICEF articles:

Article 28: Every child has the right to an education. Primary education must be free. Discipline in schools must respect children's human dignity. Wealthy countries must help poorer countries achieve this.

Our priorities for the next academic year are to:

1. Continue to raise standards in reading, writing and maths across the school by ensuring that:

- the average progress by each child in Reading, Writing, GPS and Maths is never less than expected and year group cohort progress equates to 3.5 tracking points
- the average point score for the Y6 cohort exceeds the equivalent of 14 tracking across Key Stage 2 with all Y6 children making at least expected progress across the Key Stage
- the average tracking point score for the Y2 cohort identifies at least good progress, with all Y2 children making at least expected progress across Key Stage 1.
- to maintain and raise the, higher than average, percentage of children attaining a Good Level of Development at the end of EYFS and for standards in writing at the end of EYFS to mirror that of reading
- cross curricular dimensions are explored to best effect to support learning
- for each year group, handwriting continues to meet school age group expectations
- the average progress by each child in spelling is never less than expected chronologically and the average progress for each year group cohort makes an additional 6 months progress
- all children by the end of Y6 can understand and can recall their multiplication tables up to 12 x 12

2. Ensure that the provision and quality of teaching provides breadth and balance along with support, extension and enrichment for all by

- providing a thematic based curriculum that meets both the needs of the children and the needs of relevant Government legislation
- using ICT to complement the curriculum provision
- ensuring children have the opportunities to consider and understand themselves within the school's Christian character as well as having respect and understanding for other people's views and beliefs
- supporting staff to ensure that no teaching is less than good and that all staff are able to demonstrate, with increasing confidence, those aspects of teaching and learning defined as outstanding
- targeting support and challenge for groups and individuals to maximum effect in relation to pupil premium, late entry and those of the highest ability
- the early identification of children with additional needs and the appropriate targeting of intervention to meet their needs
- encouraging all EYFS children to be confident and independent learners with a particular focus on numbers and writing
- develop provision in the Nursery to the same standard as expected currently in EYFS

3. **Develop the effectiveness of leadership and management by:**

- ensuring that the monitoring of teaching and learning continues to be rigorously evaluative and holds staff accountable for the progress of pupils
- ensuring best value in resource allocation and provision by planning for the future of the school taking account the growth of the village
- effectively promoting the school and its achievements
- developing strategies for staff development through effective use of both internal and external opportunities
- closely monitoring support so that all children, and specifically those on pupil premium, make at least good progress
- working in collaboration with parents and other professionals as well as closely monitoring and continually evaluating the effectiveness of our provision for children with additional needs to support them in achieving their potential
- ensure that resource provision effectively supports learning
- closely monitoring attendance and implement revised procedures
- closely monitoring provision for PE so that the Sport Premium is used to maximum effect
- developing the school grounds to maximum impact both aesthetically and as a learning resource
- identifying alternate funding streams to enhance and support provision

Public Benefit

The Governors have complied with their duty to have due regard to exercise their powers to ensure that the trust is for the advancement of education, which includes the two clear principles of public benefit as published by the Charities Commission.

STRATEGIC REPORT

Achievement and Performance

St Andrew's Church of England Academy has set strategic goals related to achievement, attainment and enrichment within a Church of England ethos. These goals are closely monitored by the Senior Leadership Team and Governing Body.

Our current procedures and system of self-review and external moderation identify the school as a "good school". This is supported by the following endorsements:

- "St Andrews is a thoroughly good school that continues to improve" Ofsted 2014.
- "High quality music, excellence in sport and opportunities to make films are just a selection of what the school offers" Ofsted 2014.
- "Governors, leaders and managers have an accurate view of the school's work. They celebrate its strengths but any weaknesses are quickly and successfully tackled" Ofsted 2014

From the SIAMS Section 48 Inspection June 2017, the following endorsements:

- Relationships at all levels of the school community are embedded in the school's Christian ethos and the high standard of behaviour in the school reflects the school's Christian values".
- "A set of core values, underpinned by Christian teaching, are central to the life of the whole school community".
- "Collective worship is inspirational and inclusive....."
- "High quality and well planned acts of collective worship deepen pupils' spiritual development and personal faith journey".
- "The commitment of school staff to improving the distinctive Christian character of the school is evident as this continues to grow in all areas of the school's life".
- "The strong leadership of the Head Teacher and his leadership team has ensured that the school has made good progress in developing its distinctive Christian character since the previous inspection. They articulate and promote a Christian vision that puts the holistic wellbeing of every child at the heart of all that the school does and are fully supported by the school governors".

The attainment of children at the end of EYFS was significantly above the Local Authority average. Performance at the end of KS1 and KS2 showed a similar trend at both Local and National levels, with both KS1 children at the end of Year 2 and KS2 children at the end of Year 6 attaining at a level significantly above National age related expectations.

The impact of improved teaching and learning has ensured that progress in reading, writing and maths was at least good and often better for each year group in the Academic Year 2016 to 2017.

The effective tracking of pupil progress demonstrates the significant majority of children in the school are now attaining their challenging targets.

To ensure that high standards are maintained and raised further where possible the Academy:

- has a comprehensive School Development and Improvement Plan.
- operates a monitoring strategy that includes a full review of teaching and learning throughout the school.
- has contracted the services of outside Professional Agencies to provide external moderation and support self evaluation.

- undertakes a comprehensive review on performance data regularly over the year and a full benchmarking review against Local and National data in EYFS, at the end of Key Stage 1 and at the end of Key Stage 2.
- implements a comprehensive appraisal programme for all staff.
- has constructed and furnished two group rooms and extended the additional needs office to facilitate its use for meetings and as a teaching area.

School sporting achievements have gone from strength to strength with the school achieving the Sainsbury School Games Gold Award for the period. The school offers a comprehensive sports provision both within the curriculum and through extra-curricular activities.

In addition, the school is currently holding awards for "Eco-Schools", Heart Start, Healthy Schools and is one of a limited number of schools who have been awarded the International School Award.

In September 2015 the school took over the provision of pre-school education from Woodhall Wizards. Woodhall Wizards was a charitable organisation that provided a nursery setting for ages 2 to 4 and also an after school club. The organisation was unable to find sufficient management committee members to continue operation and approached St Andrews with a request to subsume the offering within the school. The school has been able to assimilate these services, thus ensuring their continued community presence, whilst ensuring due financial diligence and separation of financial assets.

In 2015 -2016, using EFA Capital funding, the school successfully reinsulated to current standards and resurface the school roof. Having been identified as a critical component in our repairs planning, the school expects a net benefit with reduced energy consumption and CO2 emission.

Based on our most recent Parent View Questionnaire 95% of parents responded that they would recommend the school to a friend.

Key Financial Performance Indicators

As funding is based on pupil numbers this is key performance indicator. Pupil numbers in 2016-2017 reached 315 as compared to 302 in 2015-16, 275 in 2014–2015 and 270 in 2013-2014.

Another key financial indicator is total staffing costs as a percentage of GAG and Revenue Funding (excluding Capital Funding). For 2016-2017 this was 86.5% and for 2015-16 this was 89.5%. These figures include staffing costs and funding in respect of the Nursery which was introduced at the start of 2015-16. Staffing costs as a percentage of GAG funding for 2014-15 was 84.6% (excluding Nursery).

Going Concern

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

Financial Review

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2017 and the associated expenditure are shown in the statement of financial activities.

During the year, the academy received total funding of £1,373,601 compared to total resources expended of 1,428,093 to give a deficit for the year of £54,492.

Taking into account the surplus brought forwards from last year / inherited from the former local authority school, the academy has £1,960,551 in accumulated reserves carried forward.

The Academy is on a sound financial footing and is regularly scrutinised through the work of the Resources Committee as well as the Responsible Officer (a named representative from Lincolnshire Audit). The Responsible Officer meets with the SBM regularly in line with the Academy regulations.

Key spending within the Academy is linked to the delivery of the School Development and Improvement Plan. Where spending falls outside this remit the implications of the expenditure is discussed by the Resources Committee and a decision reached by the Governing Body.

Reserves Policy

It is the policy of the Academy that financial reserves have been held to future proof the Academy in terms of capital projects for an increasing student roll, as well as prudency in relation to business contingencies. Unrestricted funds that have not been designated for specific use will be maintained at a maximum level equivalent to six months expenditure.

Funds in deficit

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the academy balance sheet shows a net liability of £301,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary and is reported within the notes to the financial statements.

Investment Policy

It is the policy to invest any surplus funds in low risk short term deposits.

Principal Risks and Uncertainties

The Governors are responsible for the overseeing of the risks faced by the Academy. Detailed considerations of risk are delegated to the Senior Leadership Team of the Academy. Risks were identified, assessed and controls established throughout the period. Risk is managed under the headings of strategic, reputational, operational, compliance and financial risks as recommended by the DfE Financial Handbook.

Through the risk management process the Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

Plans for Future Periods

The plans for the future period are articulated and published in the School Development and Improvement Plan. The four strategic strands outlined in the plan are:

- To promote high standards
- To pursue the highest standards of professional competence for all staff
- To promote a curriculum that maximises the opportunities for learning through the development of a meaningful, relevant and engaging curriculum
- To encourage an effective, reflective, caring & supportive corporate school

Funds Held as Custodian Trustee on Behalf of Others

No funds are held as custodian trustee on behalf of others.

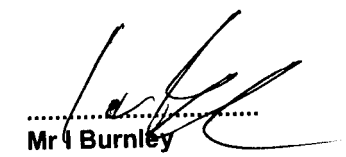
Auditor

In so far as the Governors are aware:

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

The Auditors, Duncan and Toplis Limited, are contracted to continue in office until August 2018.

Governors' report, incorporating a strategic report, approved by order of the members of the Governing Body, as the Company Directors, on 23 November 2017 and signed on its behalf by:



.....
Mr I Burnley
Chair of Governors

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management, and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between St Andrew's Church of England Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors Report and in the Statement of Governors Responsibilities. The Governing Body has met five times during the year. Attendance during the year at meetings of the Governing Body in the period was as follows:

Governor	Meetings attended out of a possible 5
Iain Burnley	5
Kathryn Bradbury	2
Pip Bennison-Pauls	3
Stacy Smith	1 out of 1
Richard Leggate	2
Tim Peacock	3
Tom Wilkinson	5
Rachel Ruddock	2 out of 2
Rev Richard Major	4
Rachel Lear	2 out of 3
Margaret Smith	4
Sam Willerton	4 out of 4
John Whalley	5
Stefanie Bartlett-Jones	3
Paul Masterman	3
Louise Csiba	2 out of 2

In April 2016 an external Governing Skills Audit was carried out. This highlighted the key areas which the Governing Body are now focussing on, which are:

- Personnel management expertise.
- Communicating with stakeholders as a Governing Body.
- Identifying good GB practise outside the school.

- Data analysis.

The Governing body has a number of sub-committees:

Curriculum and Standard Committee

The Curriculum and Standards Committee purpose is to:

- review the School's curriculum policies on a regular basis to ensure that they comply with all appropriate legal requirements
- ensure that teaching programmes and opportunities comply with all appropriate equality and diversity legislation
- ensure that the School meets the legal requirements for pupil assessments.
- monitor the delivery of the National Curriculum
- make recommendations to the Full Governing Body on arrangements for Collective Worship and the provision of Religious Education
- make recommendations to the Full Governing Body on the policy for the provision of Sex Education and the delivery of PSHE in school
- review annual class organisation and class size with the Senior Management Team and make recommendations to and inform the Governing Body
- recommend to the Governing Body the targets to be achieved by pupils at the end of Key Stage 2
- review the quality of reporting to parents annually
- review attainment and progress of all pupils
- monitor and evaluate curriculum related targets within the School Development plan
- establish a review on curriculum complaints procedure
- review and monitor the School's Additional Needs Code of Practice, in consultation with the Head Teacher and the Additional Needs Co-Ordinator, ensure that the Additional Needs Governor monitors the implementation of the Additional Needs policy.

The curriculum and standard committee has formally met five times during the year. Attendance during the year at meetings of the curriculum and standard committee was as follows:

Governor	**Meetings attended out of a possible 5**
Kathryn Bradbury	5
Margaret Smith	2 out of 4
Pip Bennison-Pauls	3
Richard Leggate	3
Tim Peacock	4
Rachel Ruddock	1 out of 1
Rev Richard Major	4
Rachel Lear	1 out of 3
John Whalley	4
Stefanie Bartlett-Jones	5

Resources Committee

The Resources Committee purpose is to:

- review the staffing structure in consultation with the Head teacher in March and June
- oversee the appointment procedure for all staff which has been delegated to the SLT
- establish and review a Performance Management policy for all staff
- oversee the process leading to staff reductions
- keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence
- consider any query regarding decisions on pay grading or pay awards
- oversee and advise on the training and development of staff
- take primary responsibility for matters concerning staff welfare and ensure appropriate safeguarding procedures are agreed
- review and make recommendations on any personnel related policies
- receive reports from the School Business Manager
- ensure the Single Central Register is maintained and current, review and monitor the Equality and Diversity Plan
- oversee the drafting of appropriate Policy Documents to the full Governing Body (e.g. Equal Opportunities)
- oversee the drafting of the school prospectus (meeting legal requirements) and recommendations for its publication and distribution to the Governing Body
- be responsible on behalf of the Governing Body for ensuring that all matters of pupil health and welfare (e.g. school meals) are adequately provided for
- oversee home/school and community/business links
- oversee, monitor and advise on the implication of all matters relating to child protection and safeguarding
- oversee the drafting of school discipline/behaviour policy and recommendations for Governing Body approval
- oversee the drafting of the Home School Agreement and recommendations for Governing Body approval
- ensure that pupil attendance arrangements meet statutory requirements
- oversee and authorise the procedures for school visits in line with school policy and legal requirement
- oversee the drafting of the School Profile
- oversee the drafting of the Additional Needs policy and make recommendations for Governing Body approval
- monitor the implementation of the Additional Needs Code of Practice and provision for pupils with Education Healthcare Plans and those on the Additional Needs/Gifted and Talented register.

The Finance Handbook contains the Terms of Reference, duties and powers of the Head Teacher and the Resources Committee.

With regard to Premises and Health and Safety purpose is to:

- advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the school's premises
- oversee arrangements for repairs and maintenance
- make recommendations to the Full Governing Body on premises-related expenditure, in consultation with the Head Teacher and the Finance Committee
- oversee premises-related funding bids
- oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to Governing Body policy
- establish and keep under review a Building Development Plan
- establish and keep under review an Accessibility plan and make recommendations and allocate Devolved Capital, and monitor the spend

Governor	Meetings attended out of a possible 5
Iain Burnley	5
Pip Bennison-Pauls	5
Rachel Lear	3 out of 4
Tom Wilkinson	2
Laura Garner	5
John Whalley	5
Sam Willerton	2 out of 3
Paul Masterman	3

Review of Value for Money

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

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

Over the last financial period, the school has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to improve.

The school has focussed on targeted improvement linked to the School Development and Improvement Plan to ensure maximum impact on outcomes for pupils in key areas. The school has continued to target improving the quality of teaching, by ensuring teachers set challenging targets, by ensuring teachers provide feedback to pupils that helps move their learning forward and by involving parents and children more in their education. Outcomes at the school continue to be significantly higher than those achieved Nationally. In addition, the school has regained accreditation for UNICEF's Respecting Rights Award and continues to promote high quality Physical Education. It has established Nursery Provision for Pre-reception children as well as an After-school Club to run alongside its already successful Breakfast Club. The school has sought to promote staff development and self review. It is actively involved in Peer Group moderation with other local Head Teacher to carry out targeted self-review, as

well as the 'Mobilise' programme for identifying strategies to ensure the effective use of additional teaching assistant support.

Regular maintenance and refurbishment to the fabric of the buildings is ensuring that an attractive and stimulating environment is provided for all pupils. Significant refurbishment has taken place over the last twelve months. Governance provided strong challenge over such purchases and all contracts and services for the school are always appraised and approved to ensure value for money. In awarding contracts for goods and services, the school does not default to the option that was cheapest but considers which will be the most cost effective over time, or provide a service at a quality level necessary to ensure the required outcomes for pupils. The school has a policy of regularly applying for grants to improve the fabric of all its buildings and this will continue next year.

There is a constant desire within the school to improve through better systems that lead to better outcomes for pupils. Value for money is a key part of ensuring we are able to do this.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Andrew's Church of England Academy Trust for the year ended 31 August 2017 and up to the date of approval of the Annual Report and Financial Statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Resource 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 Governing Body has decided to appoint an external third party, Lincolnshire Audit, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Four times a year, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of Effectiveness

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

- the Governing Body
- the work of the responsible officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing Body on 23 November 2017 and signed on their behalf, by:

.....
I Burnley
Chair of Governors

.....
MJ Whalley
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Andrew's Church of England Academy I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Governing Body 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 2016.

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 governing body and ESFA.

.....
MJ Whalley
Accounting Officer

Date:

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 governors are required to:

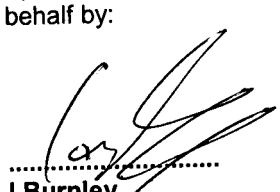
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Governors 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 Governing Body on 23 November 2017 and signed on its behalf by:



I Burnley
Chair of Governors

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY

OPINION

We have audited the financial statements of St Andrew's Church of England Academy for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Governor are responsible for the other information. The other information comprises the information

included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the 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 Governor's report including the Strategic report for which the financial statements are prepared is consistent with the financial statements.
- the Governor's 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 Governor's 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 Governor's remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Governor's responsibilities, the Governors (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 Governors 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 Governors 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 Governors either intend to liquidate the Academy's or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Timothy Godson FCA (Senior statutory auditor)

for and on behalf of

Duncan & Toplis Limited
Chartered Accountants and Statutory Auditors

4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR
23 November 2017

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST ANDREW'S CHURCH OF ENGLAND ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 21 September 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Andrew's Church of England Academy during the year 1 September 2016 to 31 August 2017 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 St Andrew's Church of England Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Andrew's Church of England 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 St Andrew's Church of England Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of St Andrew's Church of England Academy's funding agreement with the Secretary of State for Education dated 1 August 2012, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 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.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST ANDREW'S CHURCH OF ENGLAND ACADEMY AND THE EDUCATION AND 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Duncan T Toplis Ltd.

Timothy Godson FCA (Senior Statutory Auditor)

for and on behalf of

Duncan & Toplis Limited
Chartered Accountants and Statutory Auditors

4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

Date:

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	*Total funds 2016 £*
INCOME FROM:						
Donations and capital grants	2	17,725	-	11,165	28,890	*39,153*
Charitable activities	3	-	1,258,020	-	1,258,020	*1,207,436*
Other trading activities	4	74,299	12,266	-	86,565	*82,553*
Investments	5	126	-	-	126	*226*
TOTAL INCOME		92,150	1,270,286	11,165	1,373,601	*1,329,368*
EXPENDITURE ON:						
Charitable activities		61,943	1,322,570	43,580	1,428,093	*1,433,990*
TOTAL EXPENDITURE	6	61,943	1,322,570	43,580	1,428,093	*1,433,990*
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		30,207	(52,284)	(32,415)	(54,492)	*(104,622)*
Transfers between Funds	17	(18,469)	18,033	436	-	*-*
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		11,738	(34,251)	(31,979)	(54,492)	*(104,622)*
Actuarial gains/(losses) on defined benefit pension schemes	22	-	140,000	-	140,000	*(149,000)*
NET MOVEMENT IN FUNDS		11,738	105,749	(31,979)	85,508	*(253,622)*
RECONCILIATION OF FUNDS:						
Total funds brought forward		41,755	(324,193)	2,157,481	1,875,043	*2,128,665*
TOTAL FUNDS CARRIED FORWARD		53,493	(218,444)	2,125,502	1,960,551	*1,875,043*

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08128214

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		**2,121,272**		*2,149,897*
CURRENT ASSETS					
Debtors	14	**60,413**		*45,005*	
Cash at bank and in hand		**184,199**		*169,094*	
		244,612		*214,099*	
CREDITORS: amounts falling due within one year	15	**(97,535)**		*(89,953)*	
NET CURRENT ASSETS			**147,077**		*124,146*
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,268,349**		*2,274,043*
CREDITORS: amounts falling due after more than one year	16		**(6,798)**		-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			**2,261,551**		*2,274,043*
Defined benefit pension scheme liability	22		**(301,000)**		*(399,000)*
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			**1,960,551**		*1,875,043*
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	**82,556**		*74,807*	
Restricted fixed asset funds	17	**2,125,502**		*2,157,481*	
Restricted income funds excluding pension liability		**2,208,058**		*2,232,288*	
Pension reserve		**(301,000)**		*(399,000)*	
Total restricted income funds			**1,907,058**		*1,833,288*
Unrestricted income funds	17		**53,493**		*41,755*
TOTAL FUNDS			**1,960,551**		*1,875,043*

The financial statements on pages 27 to 49 were approved by the Governor, and authorised for issue, on 23 November 2017 and are signed on their behalf, by:

.....

Mr I Burnley
Chair of Trustees

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	**10,839**	*(95,212)*
Cash flows from investing activities:			
Dividends, interest and rents from investments		**125**	*226*
Proceeds from the sale of tangible fixed assets		**4,778**	*-*
Purchase of tangible fixed assets		**(19,733)**	*(144,541)*
Capital grants from DfE/ESFA		**11,165**	*7,069*
Net cash used in investing activities		**(3,665)**	*(137,246)*
Cash flows from financing activities:			
Repayments of borrowings		**(1,133)**	*-*
Cash inflows from new borrowing		**9,064**	*-*
Net cash provided by financing activities		**7,931**	*-*
Change in cash and cash equivalents in the Year		**15,105**	*(232,458)*
Cash and cash equivalents brought forward		**169,094**	*401,552*
Cash and cash equivalents carried forward	20	**184,199**	*169,094*

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Andrew's Church of England Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Governor 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 Governor 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.

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.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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.

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:

Long-term leasehold property	-	2% Straight Line
Plant and machinery	-	25% Straight Line
Fixtures and fittings	-	25% Straight Line
Computer equipment	-	33% 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.

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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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. ACCOUNTING POLICIES (continued)

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 22, 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.

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 Governor.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

1. ACCOUNTING POLICIES (continued)

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 22, 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 2017. 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.

1.16 Restatement of Comparatives

Following revisions to the EFA Accounts Direction, certain expenses in 2016/17 have been classified on a different basis to 2015/16. Where such differences arise, comparatives have been realigned to accord with 2016/2017 classifications.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	*Total funds 2016 £*
School trip and Uniform income	**17,725**	**-**	**-**	**17,725**	*9,295*
Grants	**-**	**-**	**11,165**	**11,165**	*7,060*
Gift on transfer of Woodhall Wizards	**-**	**-**	**-**	**-**	*22,798*
	17,725	**-**	**11,165**	**28,890**	*39,153*
Total 2016	*9,295*	*22,798*	*7,060*	*39,153*	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	*Total funds 2016 £*
DfE/ESFA grants				
General Annual Grant (GAG)	-	**1,036,180**	**1,036,180**	*1,026,604*
Pupil Premium	-	**72,913**	**72,913**	*60,924*
Other DfE/ESFA Revenue grants	-	**48,118**	**48,118**	*45,212*
SEN 1-1 Funding	-	**18,956**	**18,956**	*17,370*
Other government revenue grants	-	**50,550**	**50,550**	*44,141*
Other income revenue	-	**31,303**	**31,303**	*13,185*
	-	**1,258,020**	**1,258,020**	*1,207,436*
Total 2016	-	*1,207,436*	*1,207,436*	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	*Total funds 2016 £*
Catering Income	**12,110**	-	**12,110**	*12,753*
Receipts from staff insurance claims	-	**12,266**	**12,266**	*4,436*
Lettings Income	**1,930**	-	**1,930**	*2,265*
Other Income	**60,259**	-	**60,259**	*63,099*
	74,299	**12,266**	**86,565**	*82,553*
Total 2016	*78,117*	*4,436*	*82,553*	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	*Total funds 2016 £*
Bank account interest	**126**	-	**126**	*226*
Total 2016	*226*	-	*226*	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	*Total 2016 £*
Funding for the Academy's:					
Direct costs	942,642	-	95,506	1,038,148	*1,045,611*
Support costs	172,123	57,136	160,686	389,945	*388,379*
	1,114,765	57,136	256,192	1,428,093	*1,433,990*
Total 2016	*1,049,027*	*60,982*	*323,981*	*1,433,990*	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	*Total 2016 £*
Funding for the Academy's educational operations	1,038,148	389,945	1,428,093	*1,433,990*
Total 2016	*1,045,611*	*388,379*	*1,433,990*	

Analysis of direct costs

	Educational Operations £	Total 2017 £	*Total 2016 £*
Educational supplies	26,532	26,532	*32,310*
Technology costs	1,120	1,120	*12,106*
Staff Development	8,165	8,165	*1,730*
Other costs	16,109	16,109	*36,867*
Wages and salaries	732,783	732,783	*730,377*
National insurance	60,363	60,363	*51,495*
Pension cost	149,496	149,496	*133,734*
Depreciation	43,580	43,580	*46,992*
	1,038,148	1,038,148	*1,045,611*
At 31 August 2016	*1,045,611*	*1,045,611*	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Educational Operations £	Total 2017 £	*Total 2016 £*
Technology costs	**11,540**	**11,540**	*1,131*
Recruitment and support	**201**	**201**	*1,278*
Maintenance of premises and equipment	**14,645**	**14,645**	*26,284*
Cleaning	**23,743**	**23,743**	*21,732*
Rent and rates	**6,541**	**6,541**	*8,418*
Energy costs	**8,795**	**8,795**	*11,081*
Insurance	**19,781**	**19,781**	*18,565*
Transport	**11,512**	**11,512**	*10,125*
Telephone, postage and stationery	**9,532**	**9,532**	*10,564*
Catering	**68,121**	**68,121**	*66,963*
Other costs	**26,720**	**26,720**	*41,773*
Bank interest and charges	**68**	**68**	*233*
Operating leases - other	**5,732**	**5,732**	*7,063*
Auditors remuneration	**6,716**	**6,716**	*6,200*
Wages and Salaries	**125,236**	**125,236**	*104,779*
National Insurance	**5,757**	**5,757**	*5,205*
Pension Cost	**41,130**	**41,130**	*23,437*
Legal and professional fees	**4,175**	**4,175**	*23,548*
	389,945	**389,945**	*388,379*
At 31 August 2016	*388,379*	*388,379*	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	*2016 £*
Depreciation of tangible fixed assets:		
- owned by the charity	**43,580**	*46,992*
Operating lease rental	**783**	*6,712*

9. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £6,716 (2016 - £6,200), and Auditors' remuneration- other services of £2,763(2016 - £1,780).

10. STAFF COSTS

a. Staff Costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	832,212	815,037
Social security costs	66,120	56,700
Operating costs of defined benefit pension schemes	190,626	157,171
	1,088,958	1,028,908
Supply teacher costs	25,807	20,119
	1,114,765	1,049,027

b. Staff Numbers

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

	2017 No.	2016 No.
Management	1	1
Teaching	19	18
Administration and support staff	35	35
	55	54

c. Higher paid staff

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

The above employee earning more than £60,000 per annum participated in the Teachers' pension scheme. During the period ended 31 August 2017, pension contributions for the members of staff amounted to £10,511 (2016: £10,303).

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of remuneration and employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £211,043 (2016: £225,802).

11. GOVERNOR'S REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors 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 Governors, The value of Governors' remuneration and other benefits was as follows:

		2017	*2016*
		£'000	*£'000*
John Whalley	Remuneration	**60-65**	*60-65*
	Pension contributions paid	**10-15**	*10-15*
Rachel Ruddock	Remuneration	**30-35**	*30-35*
	Pension contributions paid	**5-10**	*5-10*
Tom Wilkinson	Remuneration	**20-25**	*15-20*
	Pension contributions paid	**0-5**	*0-5*
Louise Csiba	Remuneration	**35-40**	*0*
	Pension contributions paid	**5-10**	*0*

During the Year, no Governors received any benefits in kind (2016 - £NIL).
During the Year ended 31 August 2017, a total of £62 (2016 - £8) was reimbursed to governors.

12. GOVERNOR'S 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. It is not possible to quantify the Governors and Officers indemnity element from the overall cost of the RPA scheme.

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2016	**2,293,410**	**1,010**	**5,216**	**21,295**	**2,320,931**
Additions	**15,559**	**-**	**2,186**	**1,988**	**19,733**
Disposals	**(4,778)**	**-**	**-**	**-**	**(4,778)**
At 31 August 2017	**2,304,191**	**1,010**	**7,402**	**23,283**	**2,335,886**
Depreciation					
At 1 September 2016	**148,009**	**967**	**3,277**	**18,781**	**171,034**
Charge for the Year	**40,037**	**43**	**1,408**	**2,092**	**43,580**
At 31 August 2017	**188,046**	**1,010**	**4,685**	**20,873**	**214,614**
Net book value					
At 31 August 2017	**2,116,145**	**-**	**2,717**	**2,410**	**2,121,272**
At 31 August 2016	*2,145,401*	*43*	*1,939*	*2,514*	*2,149,897*

IIncluded in long leasehold property is leasehold land at valuation of £295,000 (2016: £295,000) which is not depreciated.

14. DEBTORS

	2017 £	2016 £
Other debtors	**23,582**	*16,235*
Prepayments and accrued income	**36,831**	*28,770*
	60,413	*45,005*

15. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Other loans	**1,133**	-
Trade creditors	**21,625**	*15,827*
Other taxation and social security	**15,871**	*16,555*
Other creditors	**18,081**	*19,001*
Accruals and deferred income	**40,825**	*38,570*
	97,535	*89,953*

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

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	**21,031**	*25,747*
Resources deferred during the year	**28,990**	*21,031*
Amounts released from previous years	**(21,031)**	*(25,747)*
Deferred income at 31 August 2017	**28,990**	*21,031*

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

	2017 £	2016 £
Other loans	**6,798**	-

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

	2017 £	2016 £
Repayable by instalments	**2,266**	-

Other loans principally comprise an 8-year loan from the Department for Education, repayable by way of a reduction in the monthly GAG payments issued by the ESFA.

17. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
Unrestricted Funds	**41,755**	**92,150**	**(61,943)**	**(18,469)**	**-**	**53,493**
Restricted funds						
General Annual Grant (GAG)	**-**	**1,036,180**	**(1,072,479)**	**36,299**	**-**	**-**
Other DFE/ESFA Grants	**27,308**	**121,031**	**(111,250)**	**(6,000)**	**-**	**31,089**
Other Government Grants	**6,793**	**69,506**	**(69,506)**	**-**	**-**	**6,793**
Other Income	**40,706**	**43,569**	**(27,335)**	**(12,266)**	**-**	**44,674**
Pension reserve	**(399,000)**	**-**	**(42,000)**	**-**	**140,000**	**(301,000)**
	(324,193)	**1,270,286**	**(1,322,570)**	**18,033**	**140,000**	**(218,444)**

17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DFE/EFSA Capital grants	-	7,299	(541)	-	-	6,758
Capital expenditure from GAG	4,496	-	(2,674)	436	-	2,258
Capital expenditure from other income	1,883,031	1,481	(34,974)	-	-	1,849,538
Other government capital grant	269,954	2,385	(5,391)	-	-	266,948
	2,157,481	11,165	(43,580)	436	-	2,125,502
Total restricted funds	1,833,288	1,281,451	(1,366,150)	18,469	140,000	1,907,058
Total of funds	1,875,043	1,373,601	(1,428,093)	-	140,000	1,960,551

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DFE / EFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £98,000 actuarial decrease in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	2,121,272	2,121,272
Current assets	59,795	172,656	12,161	244,612
Creditors due within one year	(6,302)	(90,100)	(1,133)	(97,535)
Creditors due in more than one year	-	-	(6,798)	(6,798)
Provisions for liabilities and charges	-	(301,000)	-	(301,000)
	53,493	(218,444)	2,125,502	1,960,551

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	*2016 £*
Net expenditure for the year (as per Statement of Financial Activities)	(54,492)	*(104,622)*
Adjustment for:		
Depreciation charges	43,580	*46,992*
Losses on investments	(125)	*(226)*
(Increase)/decrease in debtors	(15,408)	*8,865*
Increase/(decrease) in creditors	6,449	*(54,152)*
Capital grants from DfE and other capital income	(11,165)	*(7,069)*
Defined benefit pension scheme finance cost	42,000	*15,000*
Net cash provided by/(used in) operating activities	10,839	*(95,212)*

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	*2016 £*
Cash in hand	184,199	*169,094*
Total	184,199	*169,094*

21. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale of disposal by other means of any asset for which a Government grant was received, the Academy is required to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of state sums determined by reference to:

a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which the expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

At the year end the academy had a contingent liability of £15,541 in respect of unspent CIF funds received.

22. 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 Lincolnshire 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 £17,818 were payable to the schemes at 31 August 2017 *(2016 - £18,495)* 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

22. PENSION COMMITMENTS (continued)

valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

During the previous year the employer contribution rate was 14.1%. 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 £87,374 *(2016 - £88,273).*

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 2017 was £81,000 *(2016 - £82,000)*, of which employer's contributions totalled £66,000 *(2016 - £67,000)* and employees' contributions totalled £15,000 *(2016 - £15,000)*. The agreed contribution rates for future years are 24% for employers and various% 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:

	2017	*2016*
Discount rate for scheme liabilities	**2.50 %**	*2.00 %*
Expected return on scheme assets at 31 August	**2.50 %**	*2.00 %*
Rate of increase in salaries	**2.80 %**	*3.60 %*
Rate of increase for pensions in payment / inflation	**2.40 %**	*2.10 %*

22. 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:

	2017	*2016*
Retiring today		
Males	**22.1**	*22.2*
Females	**24.4**	*24.4*
Retiring in 20 years		
Males	**24.1**	*24.5*
Females	**26.6**	*26.8*

Sensitivity analysis	**At 31 August 2017 £**	*At 31 August 2016 £*
Discount rate -0.5%	**104,000**	*100,000*
Morality assumption - 1 year increase	**-**	*24,000*
Salary rate +0.5%	**8,000**	*33,000*
Pension rate +0.5%	**95,000**	*64,000*

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

	Fair value at 31 August 2017 £	*Fair value at 31 August 2016 £*
Equities	**405,000**	*320,000*
Debt Instruments	**62,000**	*54,000*
Property	**47,000**	*41,000*
Cash and other liquid assets	**5,000**	*-*
Total market value of assets	**519,000**	*415,000*

The actual return on scheme assets was £45,000 *(2016 - £63,000).*

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

	2017 £	*2016 £*
Current service cost	**(100,000)**	*(73,000)*
Employer contributions	**66,000**	*67,000*
Total	**(34,000)**	*(6,000)*
Actual return on scheme assets	**45,000**	*63,000*

22. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening defined benefit obligation	**814,000**	*519,000*
Current service cost	**100,000**	*73,000*
Interest cost	**17,000**	*21,000*
Employee contributions	**15,000**	*15,000*
Actuarial (gains)/losses	**(104,000)**	*200,000*
Benefits paid	**(22,000)**	*(14,000)*
Closing defined benefit obligation	**820,000**	*814,000*

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

	2017 £	2016 £
Opening fair value of scheme assets	**415,000**	*284,000*
Interest income	**9,000**	*12,000*
Actuarial losses	**36,000**	*51,000*
Employer contributions	**66,000**	*67,000*
Employee contributions	**15,000**	*15,000*
Benefits paid	**(22,000)**	*(14,000)*
Closing fair value of scheme assets	**519,000**	*415,000*

23. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	**2,151**	*5,768*
Between 1 and 5 years	**4,203**	*4,787*
Total	**6,354**	*10,555*

24. 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.

25. RELATED PARTY TRANSACTIONS

During the year the Academy received a grant from Johnson & Mukherjee Bros Charitable Trust of £5,000 (2016: £5,200). Tim Peacock, a Governor of the Academy is a trustee of the trust.

During the year the Academy spent £7,176 on swimming lessons from Jubilee Park (2016: £8,556). At the year end there was a balance owing of £5,916 (2016: £7,633). Tim Peacock is a trustee of Jubilee Park.

During the year the Academy purchased goods from Woodhall Spa Parish Council totalling £15 (2016: £15). The governor Mr D Clarke is a member of the council. There was no balance owing at the balance sheet date (2016: £NIL)

26. POST BALANCE SHEET EVENTS

The Academy Trust is awaiting transfer of legal title for the building occupied by Woodhall Wizards Childrens Centre which has an expected value of £264,000.

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