

REGISTERED COMPANY NUMBER: 10605768 (England and Wales)

Trustees' Report and
Financial Statements for the Year Ended 31st August 2018
for

Weaver Trust Limited
(A Company Limited by Guarantee)

UHY Hacker Young
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

Weaver Trust Limited

Contents of the Financial Statements
for the Year Ended 31st August 2018

	Page
Reference and Administrative Details	1 to 2
Trustees' Report	3 to 11
Governance Statement	12 to 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees Responsibilities	16
Report of the Independent Auditors	17 to 19
Independent Accountant's Report on Regularity	20 to 21
Statement of Financial Activities	22 to 23
Balance Sheet	24 to 25
Cash Flow Statement	26
Notes to the Financial Statements	27 to 48

Weaver Trust Limited

Reference and Administrative Details
for the Year Ended 31st August 2018

MEMBERS

J D Stannard CBE
M J Cladingbowl
M Jackson
D L Wright
J B W Mann

TRUSTEES

M Jackson (Chairman)
A J S Lawson (Headteacher) (resigned 24.5.18)
T G Pettit
A S Williams (Executive Head & Accounting Officer)
D L Wright
J M Field
I Burnett (appointed 24.5.18)

COMPANY SECRETARY

Oliver & Co Secretarial Services Limited

SENIOR MANAGEMENT TEAM

P Atkinson (Chief Operating Officer)
C Morris (Deputy Headteacher)
A S Williams (Executive Head & Accounting Officer)
A J S Lawson (Headteacher)

REGISTERED OFFICE

Barnton Community Primary School
Townfield Lane
Barnton
Northwich
Cheshire
CW8 4QL

**REGISTERED COMPANY
NUMBER**

10605768 (England and Wales)

AUDITORS

UHY Hacker Young
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

Weaver Trust Limited

Reference and Administrative Details
for the Year Ended 31st August 2018

BANKERS

Lloyds Bank Plc
76-78 Stamford New Road
Altrincham
WA14 1BS

SOLICITORS

Oliver & Co
117 Foregate Street
Chester
Cheshire
CH1 1HE

Trustees' Report
for the Year Ended 31st August 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2018. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The trust operates 1 primary academy, Barnton Community Nursery & Primary School, which has a pupil capacity of 420 and had a roll of 366 in the school census on 24th May 2018.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our Aims

The Trust operates an academy, Barnton Community Nursery and Primary School, for pupils from aged 2 to 11 years, serving a semi-rural catchment. It has capacity for 420 children from Reception - Year 6.

Weaver Trust is a charitable multi-academy trust specialising in primary academies. We are building a thriving community of schools including converter and sponsored primary academies that succeed on behalf of their children. We bring an understanding of the unique role of successful primary education as a pre-requisite for even greater success at secondary school level.

We will aim to maintain a group of exceptional primary academies that is uncompromising in drive and commitment to sharing best practice, with our overarching aim being outstanding personal success.

Our goals and objectives are set out in our Corporate Plan, with the overarching aims:

Goals and Objectives

To develop confident, happy, articulate learners, who are well prepared to make a positive contribution to society, and are best prepared for their next stage in education, increasing social mobility.

Build and sustain a multi academy trust that creates effective strategic partnerships and collaboration to develop research led policy and ensure best practice in and across learning communities.

Recruit and retain the best people by growing the next generation of practitioners and leaders at all levels and build Governance that is effective, ethical and socially just.

To ensure financial compliance and effective management of resources, providing value for money, and building governance that is effective, socially just and ethically sound.

Trustees' Report
for the Year Ended 31st August 2018

OBJECTIVES AND ACTIVITIES

Public benefit

The trust strives to promote and support the advancement of education within the local area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport.

For example the school works with:

- specialists to provide bespoke approaches to music and the arts
- sports coaches for the enhancement and breath of sports provided
- charities , with pupils and staff undertaking voluntary work
- Local secondary schools to provide further enrichment for all pupils

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities.

For example:

- Barnton Football Club
- Barnton Band
- Rainbows, Brownies & Guides
- Barnton Flower and Produce Show

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

Trustees' Report
for the Year Ended 31st August 2018

STRATEGIC REPORT

Achievement and performance

Charitable activities

Attainment in KS2 was above national average in reading and maths, and broadly in line with national average in writing. Attainment has risen significantly since 2017, in all subjects, and for all groups. Progress measure for reading is 6.4, mathematics 3.4 and writing 2.4 - evidencing that progress across KS2 is outstanding in all subjects, and for all groups.

In KS2 disadvantaged pupils made more progress than their peers in reading and maths and the difference in attainment was diminished, with disadvantaged children attaining higher than their peers. In writing disadvantaged children made more progress than their peers, but did not attain as highly as their peers, this is mainly due to their considerably low starting point.

In KS1 attainment was broadly in line with national average, increasing since 2017 in writing and maths. This suggests that pupils made more than expected progress in writing and maths, and at least expected progress in reading, from their EYS starting point.

The attainment of disadvantaged pupils was lower than that of others. However disadvantaged pupils made better progress from their starting points than other pupils.

Phonics results at the end of Year 1 remained above average.

Internal tracking shows that pupils made consistently good progress in each subject in both Year 1 and Year 2, leading to outstanding progress over the key stage.

Our rich and varied curriculum has also led to sporting achievements, with school gaining Sports Mark Gold for the third year in succession.

Reception: 6 Year Comparison

<u>Reception</u>	<u>GLD (Good Level of Development)</u>		
2013	36% (NA 52%)		
2014	47% (NA 61%)		
2015	55% (NA 69%)		
2016	64% (NA 69%)		
2017	62% (NA 71%)		
2018	69%		

<u>Year Group - Reception</u>	<u>Reading</u>	<u>Writing</u>	<u>Maths (Number)</u>
2013	52% (NA 71%)	38% (NA 62%)	50% (NA 69%)
2014	59% (NA 74%)	57% (NA 67%)	61% (NA 74%)
2015	64% (NA 78%)	64% (NA 73%)	69% (NA 80%)
2016	65% (NA 77%)	64% (NA 73%)	65% (NA 79%)
2017	69% (NA 77%)	62% (NA 73%)	70% (NA 79%)
2018	69%	69%	74%

Phonics Screening: 6 Year Comparison

	<u>Working at required standard</u>
2013	71% (NA 71%)
2014	85% (NA 74%)
2015	85% (NA 77%)

Trustees' Report

for the Year Ended 31st August 2018

STRATEGIC REPORT

Achievement and performance

Charitable activities

2016	86% (NA 81%)
2017	87% (NA 81%)
2018	86%

KS1: 6 Year Comparison

Year

<u>Group - Y2</u>	<u>Level/Standard</u>	<u>Reading</u>	<u>Writing</u>	<u>Maths</u>
2013	2b+	88% (NA 76%)	60% (NA 64%)	73% (NA 77%)
2013	3	16% (NA 27%)	13% (NA 14%)	16% (NA 22%)
2014	2b+	71% (NA 80%)	62% (NA 69%)	81% (NA 80%)
2014	3	24% (NA 30%)	14% (NA 16%)	19% (NA 24%)
2015	2b+	85% (NA 82%)	76% (NA 72%)	80% (NA 82%)
2015	3	32% (NA 32%)	20% (NA 18%)	24% (NA 26%)
2016	HNM/WTS	22%	29%	25%
2016	EXS	78% (NA 74%)	71% (NA 65%)	75% (NA 73%)
2016	GDS	31% (NA 24%)	20% (NA 13%)	24% (NA 18%)
2017	HNM/WTS	23%	34%	30%
2017	EXS	77% (NA 76%)	66% (NA 68%)	70% (NA 75%)
2017	GDS	27% (NA 25%)	16% (NA 16%)	23% (NA 21%)
2018	HNM/WTS	25%	32%	23%
2018	EXS	75% (NA 75%)	68% (NA 70%)	77% (NA 76%)
2018	GDA	28%	16%	26%

KS2: 6 Year Comparison

Year

Group -

<u>Y6</u>	<u>Level/Standard</u>	<u>Reading</u>	<u>Writing</u>	<u>SPag</u>	<u>Maths</u>
2013	3 or below	5%	14%	19%	5%
2013	4+	95% (NA 89%)	86% (NA 83%)	81% (NA 74%)	95% (NA 85%)
2013	5+	41% (NA 44%)	22% (NA 30%)	64% (NA 47%)	65% (NA 41%)
2013	6	3% (NA 0%)	3% (NA 2%)	3% (NA 2%)	11% (NA 6%)
2014	3 or below	3%	12%	12%	12%
2014	4+	97%	88% (NA 86%)	88% (NA 76%)	88% (NA 86%)
2014	5+	68% (NA 49%)	53% (NA 33%)	65% (NA 52%)	62% (NA 42%)
2014	6	-	3%	3%	24%
2015	3 or below	-	3%	5%	-
2015	4+	100% (NA 89%)	98% (NA 87%)	95% (NA 80%)	100% (NA 87%)
2015	5+	68% (NA 48%)	53% (NA 36%)	70% (NA 55%)	65% (NA 41%)
2015	6	-	5%	5%	30%
2016	NS/HMS/WTS	15%	15%	8%	8%
2016	AS/EXS+	85% (NA 66%)	87% (NA 74%)	92% (NA 72%)	92% (NA 74%)
2016	GDS	12% (NA 19%)	24% (NA 15%)	35% (NA 22%)	20% (NA 18%)
2017	NS/HMS/WTS	31%	31%	33%	31%
2017	AS/EXS+	69% (NA 72%)	63% (NA 76%)	67% (NA 77%)	69% (NA 75%)
2017	GDS	21% (NA 25%)	19% (NA 18%)	19% (NA 31%)	23% (NA 23%)
2018	NS/HMS/WTS	6%	27%	24%	15%
2018	AS/EXS+	94% (NA 75%)	74% (NA 75%)	76% (NA 78%)	84% (NA 76%)
2018	GDS	39%	25%	31%	22%

Trustees' Report
for the Year Ended 31st August 2018

STRATEGIC REPORT

Achievement and performance

Charitable activities

KS2 Average Scales Scores - 2018

	<u>Reading</u>	<u>SPag</u>	<u>Maths</u>
School	108	106	105
National	105	106	104

Progress Measures KS1 - KS2

Reading progress score (confidence interval in brackets)	6.4 (4.8 to 8.0)
% of eligible pupils included in the reading progress measure	100%
Writing progress score (confidence interval in brackets)	2.4 (0.8 to 4.0)
% of eligible pupils included in the writing progress measure	100%
Maths progress score (confidence interval in brackets)	3.4 (1.9 to 4.9)
% of eligible pupils included in that maths progress measure	100%

KS2 Maths and English Combined - 6 Year Comparison

<u>Year</u>	
2013	86% (NA 75%)
2014	88% (NA 79%)
2015	98% (NA 80%)
2016	82% (NA 53%)
2017	58% (NA 61%)
2018	66% (NA 64%)

Key financial performance indicators

The Governors consider that the following are key performance indicators for the Academy Trust:

- Pupils numbers (leading directly to the Education and Skills Funding Agency ("ESFA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Percentage of income received from ESFA spent on total staff costs;
- Income per pupil;
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure per pupil.

The Governors have been pleased that expectations for all key performance indicators listed have been successfully met during the period.

Trustees' Report
for the Year Ended 31st August 2018

STRATEGIC REPORT

Financial review

Financial position

During the period ended 31 August 2018, total expenditure of £2,183,000 was more than covered by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £228,000.

At 31 August 2018, the net book value of fixed assets was £4,873,000 and movements in tangible fixed assets are shown in the notes to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Investment policy and objectives

The trustees have the ability to invest the funds of the Trust as they see fit. Currently the Trust does not have any long term investments with the cash reserves of the trust being held in bank accounts. The trustees have no plans for any long term investment purchases in the near future.

Reserves policy

The trustees review the level of reserves on an annual basis. The reserves of the Trust consist of restricted funds. The trustees consider the present level of reserves adequate for the needs of the organisation.

Going concern

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

Principal risks and uncertainties

The Trust is exposed to a variety of financial risks. The trustees have appointed a Finance Committee, who scrutinise and monitor school performance, and have a Financial Officer and accountant who produce accounts for the trustees to scrutinise and check. Termly management accounts will be produced and all financial spend is signed off monthly by the school's shared accountant. The policies set by the board of trustees are implemented by the Headteacher.

Future plans

The trustees allocate the budget each year on receipt of their GAG from the ESFA. Approximately 81% of the budget is taken up each year by staffing costs with the remainder allocated for the running of the school on a day to day basis ensuring the staff has sufficient financial resources to develop and influence curriculum and pupil development to achieve the key academic performance indicators set by the trustees.

Each October the SSDP is approved by the trustees with delegated spend for key priorities given and approved. Through a system of distributed leadership, key decisions are made that improve the quality of learning for all.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Weaver Trust are also the directors of the charitable company for the purpose of company law. The charitable company is known as Weaver Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details page.

Trustees' Report
for the Year Ended 31st August 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Members' liability

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

Trustees' Indemnities

The trustees carry full indemnity and directors' liability insurance. Details of the insurance cover are provided in the notes to the financial statements

Recruitment and appointment of new trustees

The number of members shall not be less than four. The members as designated in the articles of association may appoint up to twelve trustees. The total number of trustees, including the CEO, who are employees of the Trust shall not exceed one third of the total number of trustees.

A Local Governing Body will be established, with two parent governors and one staff governor elected. The members as designated in the articles of association may appoint up to ten governors. All governors shall upon their appointment give a written undertaking to the foundation members/trustees to uphold the objectives of the Trust.

Members may appoint additional governors provided that the total number of governors (including ex officio governors) would not thereby exceed 25% of the total number of governors.

The Secretary of State may appoint such additional Governor as he thinks fit, if he has given the Governors a warning notice and the Governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

Organisational structure

Subject to provisions of the Companies Act 2006, the Articles of Association and any directions given by special resolution, the business of the Trust is managed by the trustees in accordance with the Scheme of Delegation.

Induction and training of new trustees

All governors are subject to a formal training and induction process. Training can take place internally or involving external organisations. The Headteacher also fully briefs all governors on the daily operation of the school.

A review of the training needs of the trustees has been carried out during the period and the necessary requirements for further training and the induction of any new trustees will be considered in each period. Governor training is comprehensive and reviewed regularly.

Trustees' Report
for the Year Ended 31st August 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on the Reference and Administrative page.

The Pay Policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of trustees, after taking advice from the Headteacher and following guidance from the relevant professional pay review bodies. The Headteacher is not involved in setting her own remuneration package.

Only staff trustees, including the Headteacher, are remunerated, and these individuals are only receiving remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. Specific disclosures concerning staff trustees' remuneration is included in notes to the financial statements.

The day to day running of the Pay Policy is delegated to the Headteacher and monitored by the finance and resources committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked closely to pay spines, helping trustees conclude that each individual is remunerated at an appropriate level. As such, salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board always bears in mind the charitable status of the academy trust and recognises the fact that trust receives funding under a funding agreement with the Secretary of State for Education. It ensures that remuneration paid to senior management personnel never exceeds a reasonable amount and that it provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continued value for money.

Total remuneration paid to senior management personnel is set out in the notes to the financial statements.

Trade Union Facility Time

The trust had no relevant union officials.

FUNDS HELD AS CUSTODIAN FOR OTHERS

There are no funds held by the Trust as custodian for others.

AUDITORS

The auditors, UHY Hacker Young, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Insofar as the trustees are aware:

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

Trustees' Report
for the Year Ended 31st August 2018

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11th December 2018 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'M Jackson', written in a cursive style with a long horizontal stroke extending to the right.

M Jackson - Chairman

Governance Statement
for the Year Ended 31st August 2018

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Weaver Trust Limited 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Executive Headteacher, 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 Weaver Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Jackson	5	6
A S Williams	6	6
T G Pettit	6	6
D L Wright	6	6
J M Field	5	6
A J S Lawson	6	6
I Burnett	1	1

Governance Reviews

The academy trust carries out an annual review of governance.

The impact and effectiveness of the board of trustees is considered and reviewed as part of this review, with all findings, recommendations and actions forming part of the process.

The trust intends to carry out its next review within the current academic year.

The Finance and Audit committee is a sub-committee of the main board of trustees. It will operate from 2018/19 as the trust expands. Its purpose is to review and monitor the financial position of the schools and ensuring effective financial control.

Review of Value for Money

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

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

- Continuing to review the impact of finances and its link to outcomes, ie TA provision of targeted interventions
- Reviewing contracts for services to ensure the trust achieves value for money and benchmarking such items

Governance Statement
for the Year Ended 31st August 2018

Review of Value for Money

- Leveraging economies of scale as the MAT grows

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Weaver Trust Limited for the period 1st September 2017 to 31st August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1st September 2017 to 31st August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has commissioned a review of the finance function by an external company.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the auditor/RO/reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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

- testing of payroll systems

Governance Statement
for the Year Ended 31st August 2018

The Risk and Control Framework

- testing of purchase systems
- testing of control account/ bank reconciliations

This review is ongoing. The main control issues identified included the absence of a finance timetable, no period closedowns being undertaken and management accounts and cashflow forecasts not being produced. A Chief Financial Officer has been appointed to ensure these issues are resolved.

On a termly basis, the Chief Financial Officer reports to the board of trustee, through the committee on the operation of the systems of control and on the discharge of the board of trustees' responsibilities.

Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 11th December 2018 and signed on its behalf by:



M Jackson - Chairman



A S Williams - Accounting Officer

Weaver Trust Limited

Statement on Regularity, Propriety and Compliance
for the Year Ended 31st August 2018

As accounting officer of Weaver Trust Limited I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

- Services totalling £13,299 were provided by a trustee's related party. These services exceed the 'at cost' De minimis of £2,500 and as a result should have been provided 'at cost' to the academy trust.



A S Williams - Accounting Officer

11th December 2018

Weaver Trust Limited

Statement of Trustees Responsibilities for the Year Ended 31st August 2018

The trustees (who act as governors of Weaver Trust Limited and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees 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 2017 to 2018;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


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

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

In so far as the trustees are aware:

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

Approved by order of the board of trustees on 11th December 2018 and signed on it's behalf by:



M Jackson - Chairman

Report of the Independent Auditors to the Members of Weaver Trust Limited

Opinion

We have audited the financial statements of Weaver Trust Limited (the 'charitable company') for the year ended 31st August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of
Weaver Trust Limited

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

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

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

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report of the Independent Auditors to the Members of
Weaver Trust Limited



Mr Nicolaus Jenkins (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

11th December 2018

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

This report is made solely to Weaver Trust Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Weaver Trust Limited 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 Weaver Trust Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Weaver Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Weaver Trust Limited's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

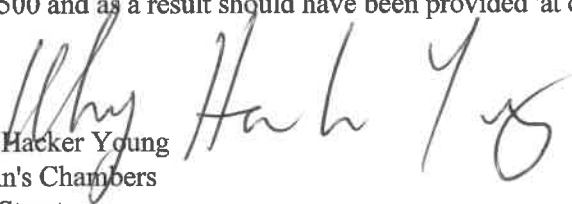
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

Conclusion

In the course of our work, except for the matter listed below nothing has come to our attention which suggests that in material respects the expenditure disbursed and income received during the year ended 31st August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Exception Matter

Services totalling £13,299 were provided by a trustee's related party. These services exceed the 'at cost' De minimis of £2,500 and as a result should have been provided 'at cost' to the academy trust.


UHY Hacker Young
St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

11th December 2018

Weaver Trust Limited

Statement of Financial Activities
for the Year Ended 31st August 2018

		Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
	Notes					
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	18	2	186	206	15
Transfer from Local Authority on conversion		-	-	-	-	4,427
Charitable activities - Other						
Funding for the academy's educational operations	4	367	1,949	-	2,316	796
Other trading activities	5	5	-	-	5	52
Total		<u>390</u>	<u>1,951</u>	<u>186</u>	<u>2,527</u>	<u>5,290</u>
EXPENDITURE ON						
Raising funds	7	-	-	-	-	76
Charitable activities						
Academy's educational operations		234	1,879	70	2,183	829
Total	6	<u>234</u>	<u>1,879</u>	<u>70</u>	<u>2,183</u>	<u>905</u>
NET INCOME		<u>156</u>	<u>72</u>	<u>116</u>	<u>344</u>	<u>4,385</u>
Transfers between funds	20	<u>(14)</u>	<u>(120)</u>	<u>134</u>	<u>-</u>	<u>-</u>
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	166	-	166	(43)
Net movement in funds		<u>142</u>	<u>118</u>	<u>250</u>	<u>510</u>	<u>4,342</u>

The notes form part of these financial statements

Weaver Trust Limited

Statement of Financial Activities - continued
for the Year Ended 31st August 2018

	Notes	Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
RECONCILIATION OF FUNDS						
Total funds brought forward		45	(425)	4,722	4,342	-
TOTAL FUNDS CARRIED FORWARD		<u>187</u>	<u>(307)</u>	<u>4,972</u>	<u>4,852</u>	<u>4,342</u>

The notes form part of these financial statements

Weaver Trust Limited

Balance Sheet
At 31st August 2018

		Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	31.8.18 Total funds £'000	31.8.17 Total funds £'000
FIXED ASSETS						
Tangible assets	13	-	-	4,873	4,873	4,721
CURRENT ASSETS						
Debtors	14	-	178	18	196	94
Cash at bank and in hand		188	47	144	379	265
		<u>188</u>	<u>225</u>	<u>162</u>	<u>575</u>	<u>359</u>
CREDITORS						
Amounts falling due within one year	15	-	(177)	(7)	(184)	(293)
NET CURRENT ASSETS		<u>188</u>	<u>48</u>	<u>155</u>	<u>391</u>	<u>66</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		188	48	5,028	5,264	4,787
CREDITORS						
Amounts falling due after more than one year	16	-	-	(56)	(56)	-
PENSION LIABILITY	21	-	(356)	-	(356)	(445)
NET ASSETS		<u>188</u>	<u>(308)</u>	<u>4,972</u>	<u>4,852</u>	<u>4,342</u>
FUNDS	20					
Unrestricted funds					188	45
Restricted funds					4,664	4,297
TOTAL FUNDS					<u>4,852</u>	<u>4,342</u>

The notes form part of these financial statements

Weaver Trust Limited

Balance Sheet - continued
At 31st August 2018

The financial statements were approved by the Board of Trustees on 11th December 2018 and were signed on its behalf by:



M Jackson -Chairman



A S Williams -Executive Head & Accounting Officer

The notes form part of these financial statements

Weaver Trust Limited

Cash Flow Statement
for the Year Ended 31st August 2018

	Notes	Year Ended 31.8.18 £'000	Period 7.2.17 to 31.8.17 £'000
Cash flows from operating activities:			
Cash generated from operations	24	84	200
		<u>84</u>	<u>200</u>
Net cash provided by (used in) operating activities		<u>84</u>	<u>200</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(222)	-
Capital grants from DfE/ESFA		189	7
		<u>(222)</u>	<u>7</u>
Net cash provided by (used in) investing activities		<u>(33)</u>	<u>7</u>
Cash flows from financing activities:			
New loans in year		63	-
		<u>63</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>63</u>	<u>-</u>
Cash transferred on conversion to an academy		<u>-</u>	<u>58</u>
Change in cash and cash equivalents in the reporting period		114	265
Cash and cash equivalents at the beginning of the reporting period		<u>265</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period		<u><u>379</u></u>	<u><u>265</u></u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31st August 2018

1. STATEMENT OF ACCOUNTING POLICIES

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Weaver Trust Limited meets the definition of a public benefit entity under FRS 102.

Going concern

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

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

2. ACCOUNTING POLICIES - continued

Sponsorship income

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Expenditure

Expenditure is as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- Straight line over 125 years
Improvements to property	- 10% on cost
Fixtures and fittings	- 15% on cost
Computer equipment	- 33% on cost

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

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until the are brought into use.

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.

Financial instruments

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

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

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

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

2. ACCOUNTING POLICIES - continued

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes, the TPS is a multi-employers 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 the scheme introductions, benefit charges, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme asset 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.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
Donations	17	-	17	-
Grants	1	188	189	7
Donations and / or Voluntary income	-	-	-	8
	<u>18</u>	<u>188</u>	<u>206</u>	<u>15</u>

Grants received, included in the above, are as follows:

	Year Ended 31.8.18 £'000	Period 7.2.17 to 31.8.17 £'000
Devolved Formula Capital	10	7
CIF Funding	179	-
	<u>189</u>	<u>7</u>

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
Other income for the academy trust's educational operations	367	-	367	43
Grants	-	1,949	1,949	753
	<u>367</u>	<u>1,949</u>	<u>2,316</u>	<u>796</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	1,423	1,423	602
Other Grants	-	181	181	80
Start Up Grant	-	-	-	25
	<u>-</u>	<u>1,604</u>	<u>1,604</u>	<u>707</u>
 Other government grant				
Local authority grants	-	345	345	46
	<u>-</u>	<u>1,949</u>	<u>1,949</u>	<u>753</u>

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
Hire of facilities	5	-	5	-
Nursery Income	-	-	-	52
	<u>5</u>	<u>-</u>	<u>5</u>	<u>52</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

6. EXPENDITURE

				Year Ended 31.8.18	Period 7.2.17 to 31.8.17
	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	Total £'000	Total £'000
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	-	-	-	-	76
Charitable activities					
Academies educational operations					
Direct costs	1,177	43	256	1,476	580
Allocated support costs	296	146	265	707	249
	<u>1,473</u>	<u>189</u>	<u>521</u>	<u>2,183</u>	<u>905</u>

Net income/(expenditure) is stated after charging/(crediting):

			Year Ended 31.8.18	Period 7.2.17 to 31.8.17
			£'000	£'000
Auditors' remuneration			5	8
Other non-audit services			4	3
Depreciation - owned assets			70	21
Other operating leases			13	6
			<u>92</u>	<u>38</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

7. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted funds £'000	Restricted funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
Staff costs	-	-	-	73
Other costs	-	-	-	3
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	-	-	76
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	Year Ended 31.8.18 Total funds £'000	Period 7.2.17 to 31.8.17 Total funds £'000
Direct costs	234	1,242	1,476	580
Support costs	-	707	707	249
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	234	1,949	2,183	829
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Year Ended 31.8.18 Total £'000	Period 7.2.17 to 31.8.17 Total £'000
Analysis of support costs		
Support staff costs	296	63
Technology costs	33	26
Premises costs	146	51
Other support costs	223	98
Governance costs	9	11
	<u> </u>	<u> </u>
Total support costs	707	249
	<u> </u>	<u> </u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

9. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff trustees only receive remuneration in respect of service they provide undertaking the roles of Headteacher and staff members under their contracts of employment.

The value of trustees' remuneration and other benefit was as follows (per annum - pro-rata current period):

A Williams (Executive Headteacher & Trustee)

- Remuneration £80,000 - £85,000 (2017 £70,000 - £75,000)

- Employer's pension contributions paid £10,000 - £15,000 (2017 £10,000 - £15,000)

A Lawson (Headteacher & Trustee)

- Remuneration £50,000 - £55,000 (2017 £45,000 - £50,000)

- Employer's pension contributions paid £5,000 - £10,000 (2017 £5,000 - £10,000)

Trustees' expenses

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

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

10. STAFF COSTS

	Year Ended	Period
	31.8.18	7.2.17
	to	31.8.17
	£'000	£'000
Wages and salaries	1,098	453
Social security costs	90	38
Operating costs of defined benefit pension schemes	285	85
	1,473	576
	1,473	576

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	Year Ended	Period
	31.8.18	7.2.17
	to	31.8.17
Teachers	17	19
Administration and support	40	24
Management	3	2
	60	45
	60	45

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

	Year Ended	Period
	31.8.18	7.2.17
	to	31.8.17
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	1	1
	1	1

Key management personnel

The key management personnel of the academy trust comprises their trustees and the senior management team shown on the reference and admin page. The total amount of employee benefits (including employers pension contributions) received by key management personnel for their services to the academy trust was £244,139 (2017 £58,650) for the period.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

11. TRUSTEES' AND OFFICERS' INSURANCE

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	Total funds £'000
INCOME AND				
ENDOWMENTS FROM				
Donations and capital grants	9	(1)	7	15
Transfer from Local Authority on conversion	133	(448)	4,742	4,427
Charitable activities - Other				
Funding for the academy's educational operations	43	753	-	796
Other trading activities	50	1	1	52
Total	235	305	4,750	5,290
EXPENDITURE ON				
Raising funds				
Raising funds	76	-	-	76
Charitable activities				
Academy's educational operations	-	817	12	829
Total	76	817	12	905
NET INCOME	159	(512)	4,738	4,385
Transfers between funds	(114)	130	(16)	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	(43)	-	(43)
Net movement in funds	45	(425)	4,722	4,342
TOTAL FUNDS CARRIED FORWARD	45	(425)	4,722	4,342

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

13. TANGIBLE FIXED ASSETS

	Long leasehold £'000	Improvements to property £'000	Fixtures and fittings £'000	
COST				
At 1st September 2017	4,650	-	50	
Additions	-	55	77	
	<u> </u>	<u> </u>	<u> </u>	
At 31st August 2018	<u>4,650</u>	<u>55</u>	<u>127</u>	
 DEPRECIATION				
At 1st September 2017	12	-	3	
Charge for year	41	2	13	
	<u> </u>	<u> </u>	<u> </u>	
At 31st August 2018	<u>53</u>	<u>2</u>	<u>16</u>	
 NET BOOK VALUE				
At 31st August 2018	<u>4,597</u>	<u>53</u>	<u>111</u>	
At 31st August 2017	<u>4,638</u>	<u>-</u>	<u>47</u>	
 Motor vehicles				
	£'000	Computer equipment £'000	Assets under construction £'000	Totals £'000
COST				
At 1st September 2017	-	42	-	4,742
Additions	9	2	79	222
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st August 2018	<u>9</u>	<u>44</u>	<u>79</u>	<u>4,964</u>
 DEPRECIATION				
At 1st September 2017	-	6	-	21
Charge for year	-	14	-	70
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st August 2018	<u>-</u>	<u>20</u>	<u>-</u>	<u>91</u>
 NET BOOK VALUE				
At 31st August 2018	<u>9</u>	<u>24</u>	<u>79</u>	<u>4,873</u>
At 31st August 2017	<u>-</u>	<u>36</u>	<u>-</u>	<u>4,721</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18	31.8.17
	£'000	£'000
Trade debtors	27	6
Other debtors	18	-
VAT	82	43
Prepayments and accrued income	69	45
	196	94
	196	94

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18	31.8.17
	£'000	£'000
Other loans (see note 17)	8	-
Trade creditors	63	166
Social security and other taxes	24	22
Other creditors	-	24
Teacher Pension Control	13	-
LGPS Control	14	-
Accrued expenses	29	10
Deferred government grants	33	71
	184	293
	184	293

Deferred Income

	31.08.2018	31.08.2017
	£'000	£'000
Deferred income b.fwd	71	-
Released from the previous year	(71)	-
Resources deferred in year	33	71
	33	71
Deferred Income at 31 August	33	71

At the balance sheet date the academy trust was holding funds of £33k received in advance for Universal Infant Free School Meals.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.18	31.8.17
	£'000	£'000
Other loans (see note 17)	56	-
	56	-

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

17. LOANS

An analysis of the maturity of loans is given below:

	31.8.18	31.8.17
	£'000	£'000
Amounts falling due within one year on demand:		
Other loans	8	-
	<u>8</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	32	-
	<u>32</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	24	-
	<u>24</u>	<u>-</u>

Loans of £63,000 from Salix which is provided on the following terms:

- Repayable over 5 yrs
- Interest free

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.18	31.8.17
	£'000	£'000
Within one year	11	11
Between one and five years	28	39
	<u>39</u>	<u>50</u>

19. 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 whilst 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.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

20. MOVEMENT IN FUNDS

	At 1.9.17 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.18 £'000
Unrestricted funds				
General fund	45	157	(14)	188
Restricted funds				
Pupil Premium	20	4	(9)	15
General Annual Grant (GAG)	-	144	(111)	33
Pension	(445)	89	-	(356)
Fixed Asset Fund - Transfer on conversion	4,722	(62)	(1)	4,659
Fixed Asset Fund - DfE Group capital grants	-	185	-	185
Fixed Asset Fund - Capital Expenditure from GAG & Others	-	(7)	135	128
	<u>4,297</u>	<u>353</u>	<u>14</u>	<u>4,664</u>
TOTAL FUNDS	<u><u>4,342</u></u>	<u><u>510</u></u>	<u><u>-</u></u>	<u><u>4,852</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
Unrestricted funds				
General fund	390	(233)	-	157
Restricted funds				
Pupil Premium	123	(119)	-	4
General Annual Grant (GAG)	1,424	(1,280)	-	144
Other Grants	404	(404)	-	-
Pension	-	(77)	166	89
Fixed Asset Fund - Transfer on conversion	1	(63)	-	(62)
Fixed Asset Fund - DfE Group capital grants	186	(1)	-	185
Fixed Asset Fund - Capital Expenditure from GAG & Others	(1)	(6)	-	(7)
	<u>2,137</u>	<u>(1,950)</u>	<u>166</u>	<u>353</u>
TOTAL FUNDS	<u><u>2,527</u></u>	<u><u>(2,183)</u></u>	<u><u>166</u></u>	<u><u>510</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	Net movement in funds £'000	Transfers between funds £'000	At 31.8.17 £'000
Unrestricted Funds			
General fund	159	(114)	45
Restricted Funds			
Restricted Fund	1	(1)	-
Pupil Premium	20	-	20
General Annual Grant (GAG)	(131)	131	-
Pension	(445)	-	(445)
Fixed Asset Fund - Transfer on conversion	4,738	(16)	4,722
	<u>4,183</u>	<u>114</u>	<u>4,297</u>
	<u>4,342</u>	<u>-</u>	<u>4,342</u>
TOTAL FUNDS	<u><u>4,342</u></u>	<u><u>-</u></u>	<u><u>4,342</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
Unrestricted funds				
General fund	235	(76)	-	159
Restricted funds				
Restricted Fund	1	-	-	1
Pupil Premium	53	(33)	-	20
General Annual Grant (GAG)	504	(635)	-	(131)
Other Grants	120	(120)	-	-
Pension	(373)	(29)	(43)	(445)
Fixed Asset Fund - Transfer on conversion	4,750	(12)	-	4,738
	<u>5,055</u>	<u>(829)</u>	<u>(43)</u>	<u>4,183</u>
	<u>5,290</u>	<u>(905)</u>	<u>(43)</u>	<u>4,342</u>
TOTAL FUNDS	<u><u>5,290</u></u>	<u><u>(905)</u></u>	<u><u>(43)</u></u>	<u><u>4,342</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

21. PENSION AND SIMILAR OBLIGATIONS

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

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

Contributions amounting to £26,415 were payable to the schemes at 31 August 2018 (2017: £23,648) 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.

21. PENSION AND SIMILAR OBLIGATIONS

- continued

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge

- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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 £97,844 (2017: £34,306).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £133,000 (2017: £58,000), of which employer's contributions totalled £108,000 (2017: £47,000) and employees' contributions totalled £25,000 (2017: £11,000). The agreed contribution rates for future years are 31.1% 2019/2020 for employers and between 5.5% - 12.5% for employees.

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

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

21. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£'000	£'000
Present value of funded obligations	(1,175)	(1,105)
Fair value of plan assets	819	660
	<u>(356)</u>	<u>(445)</u>
Deficit	<u>(356)</u>	<u>(445)</u>
Liability	<u><u>(356)</u></u>	<u><u>(445)</u></u>

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

	Defined benefit pension plans	
	31.8.18	31.8.17
	£'000	£'000
Current service cost	173	71
Net interest from net defined benefit asset/liability	12	4
	<u>185</u>	<u>75</u>
Actual return on plan assets	<u>26</u>	<u>30</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£'000	£'000
Defined benefit obligation	1,105	946
Current service cost	173	71
Contributions by scheme participants	25	11
Interest cost	30	11
Actuarial (gains)/losses from changes in financial assumptions	(158)	66
	<u>1,175</u>	<u>1,105</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

21. PENSION AND SIMILAR OBLIGATIONS
- continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£'000	£'000
Fair value of scheme assets	660	573
Net Interest on plan assets	18	7
Contributions by employer	108	46
Contributions by scheme participants	25	11
Return on plan assets (excluding interest income)	8	23
	819	660
	819	660

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£'000	£'000
Actuarial (gains)/losses from changes in financial assumptions	158	(66)
Return on plan assets (excluding interest income)	8	23
	166	(43)
	166	(43)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

21. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	31.8.18	31.8.17
Equities	48%	50%
Bonds	43%	41%
Property	8%	7%
Cash	1%	2%

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

	At 31 August 2018	At 31 August 2017
Retiring today		
Males	22.3	22.3
Females	24.5	24.5
Retiring in 20 years		
Males	23.9	23.9
Females	26.5	26.5

Sensitivity analysis

	At 31 August 2018	At 31 August 2017
	£'000	£'000
0.1% decrease in Real Discount Rate	40	37
0.1% increase in Salary Increase Rate	8	9
0.1% increase in Pension Increase Rate	31	27

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

	31.8.18	31.8.17
Discount rate	2.8%	2.5%
Future salary increases	2.6%	2.7%
Future pension increases	2.3%	2.4%

22. CAPITAL COMMITMENTS

	31.8.18	31.8.17
	£'000	£'000
Contracted but not provided for in the financial statements	161	-

Notes to the Financial Statements - continued
for the Year Ended 31st August 2018

23. RELATED PARTY DISCLOSURES

During the year services were provided to the trust by connected party to Mr T G Pettit (trustee). These services total £13,299 for the year. The services have been disclosed in the Statement on Regularity, Propriety and Compliance as well as within the Assurance Report on Regularity.

24. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 31.8.18 £'000	Period 7.2.17 to 31.8.17 £'000
Net income for the reporting period (as per the statement of financial activities)	344	4,385
Adjustments for:		
Depreciation	71	21
Capital grants from DfE/ESFA	(189)	(7)
Transfer from Local Authority on conversion	-	(4,427)
Increase in debtors	(102)	(94)
(Decrease)/increase in creditors	(109)	293
Difference between pension charge and cash contributions	69	29
	84	200
Net cash provided by (used in) operating activities	84	200