

REGISTERED COMPANY NUMBER 07998122 (England and Wales)
EXEMPT CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

WAYNFLETE INFANTS' SCHOOL

(A Company Limited by Guarantee)

Smith Hodge & Baxter
Chartered Accountants
& Statutory Auditors
Thorpe House
93 Headlands
KETTERING
Northamptonshire
NN15 6BL

WAYNFLETE INFANTS' SCHOOL

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FOR THE YEAR TO 31 AUGUST 2017

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WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

| | | |
|---|--|--|
| Members | Mrs L Hunt Mrs T Lagdon Mrs A Ranson | |
| Trustees | Mrs L Bradford K Clayton H Cooper Mrs L Hunt Mrs S Isham Mrs T Lagdon Mrs R Peet Mrs H Perkins Mrs A Ranson Mr G Weir | (Resigned 27 October 2016) (Vice Chair of Trustees) (Staff Trustee) (Head Teacher and Accounting Officer) (Appointed 10 November 2016) (Resigned 20 October 2016) (Chair of Trustees) (Appointed 27 January 2017) |
| Company Secretary/ School Business Manager | Mrs S Newton Mrs S Parry | (Resigned 29 March 2017) (Appointed 29 March 2017) |
| Senior Management Team: <ul style="list-style-type: none">• Head Teacher• Senior Teacher• School Business Manager | Mrs T Lagdon Mrs S Watson Mrs S Newton Mrs S Parry | (Resigned 29 March 2017) (Appointed 29 March 2017) |
| Principal and Registered office | Waynflete Avenue Brackley Northamptonshire NN13 6AF | |
| Company Registration Number | 07998122 (England and Wales) | |
| Independent Auditor | Smith Hodge & Baxter Chartered Accountants & Statutory Auditors Thorpe House 93 Headlands Kettering Northamptonshire NN15 6BL | |
| Bankers | Lloyds TSB 30 Market Place Brackley Northamptonshire NN13 7BA | |
| Solicitors | Tollers LLP Medina House 312-314 Silbury Boulevard Milton Keynes Buckinghamshire MK9 2AE | |

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their report together with the financial statements and auditors' report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 7 serving a catchment area around Brackley. It has a pupil capacity of 180 and had a roll of 162. in the school census on January 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Waynflete Infants' School are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy has purchased professional indemnity insurance to protect Trustees from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

Principal activities

The Academy Trust's principal activity, as set out in its articles of association and funding agreement is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of recruitment and appointment or election of trustees

Trustees of the Academy are nominated by either the Secretary of State for Education, the Local Authority or members of the charitable company. Parent governor trustees are elected by parents of registered pupils at the Academy. The Head Teacher is treated as an ex officio trustee. The articles of association require no less than three trustees.

The term of office for any trustee, shall be 4 years except the Head Teacher who remains a trustee whilst in post. Trustees are eligible for re-election at the meeting at which they retire.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new trustees will be given a tour of the Academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

The management structure consists of three levels; the Trustees, the Head Teacher and the teaching staff. In the absence of the Head Teacher responsibility will be delegated to the Senior Teachers and the School Business Manager will take responsibility for Finance and Operational Management.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and appointment of the Head Teacher and the School Business Manager.

The Senior Leaders are the Head Teacher, Senior Teachers and School Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

The school has a separate pay policy for Support Staff and Teaching Staff. All pay increments are linked to Annual Performance Management Appraisals which the appropriate pay ranges. The Head Teacher undergoes an annual Performance Review with members of the Governing Body, and an External Advisor. All pay recommendations are submitted to the Pay Committee for approval which makes recommendations to the Academy Trust. Teaching Staff incremental date is September and Support Staff is April.

Related Parties and other Connected Charities and Organisations

Staff and trustees complete a Pecuniary Interest Form. There are no staff associations with connected Charities, organisations or businesses. One of the Trustees' is directly related to a member of the teaching staff who was employed from September 2014.

The Academy's Head Teacher represented the Academy on the Board of Directors of Brackley Area Learning Partnership (BALP), a company limited by guarantee, whose purpose was to obtain more favourable prices for goods and services for those schools and academies, whose Head Teachers are members of the company, through increased buying power. It was decided by all Directors that BALP was no longer a viable company and so it was agreed by all Governing Bodies that the Company would cease operations on 31 August 2017.

The Head Teacher of Brackley Junior School (BJS) has been appointed a full Member of the Board of Trustees.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the Academy is to provide education for pupils of different abilities between the ages of 4 and 7.

In accordance with the articles of association the Academy has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

Objectives, strategies and activities

The main objectives of the Academy during the period ended 31 August 2017 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness; and
- to ensure that the building and grounds are fit for purpose, and provides a safe and stimulating learning environment.

The Academy's main strategy to carry out the objectives is to provide education for pupils of different abilities, in a learning environment utilising the best possible teaching facilities and staff. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff, and especially teaching staff;
- a programme of sporting and after school leisure activities for all students;
- provide opportunities to participate in after school activities;
- provide opportunities to participate in externally provided tuition relating to the Arts;
- offer every child in school access to the school's breakfast club to enable them to be ready to learn;
- support a range of activities within the local community, including pre-schools, feeder school and participation in the town's events;
- a curriculum that is rich and stimulating, including opportunities for out of school trips and experiences; and
- maximise opportunities for income generation by letting out the school premises on a regular basis.

Equal opportunities policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued. The Academy's Equality Objectives are published on the school's website and reflect the policies of inclusion and accessibility upheld by the school for all members of the school community.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

OBJECTIVES AND ACTIVITIES (continued)

Public benefit

The trustees have regard to the Charity Commissions guidance on public benefit Section 4 of the Charities Act 2011. The trustees ensure that the Academy's activities, as described above, are undertaken in line with the charitable objects and aims. The Academy Trust follows the school admissions criteria and policies of Northamptonshire County Council to ensure that the basis for admissions is transparent and as fair as possible to all potential pupils applying to the Academy, and is comparable to other local state-funded Schools and Academies.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy challenges all students to make the best of their considerable talents and abilities. An excellent curriculum, good teaching by committed staff and a culture of high aspirations, ensure students of all abilities achieve well and enjoy their learning.

Work hard and do our best is the ethos which supports the Academy's mission statement of "Excellence and enjoyment of learning enable all to achieve." The Academy's key characteristics of Enterprise, Community, Social and Emotional & Creative Arts are embedded into the curriculum.

Over the period of the report, achievements included:

- Following the introduction of assessment without levels, staff have continued to develop the school's assessment and tracking strategies. Targets in Reading have been rewritten to ensure that they reflect the requirements of emerging, expected and exceeded statements. Every term individual child's performance is monitored on the school's tracking system, which allows staff instantly to identify children who are falling behind, not taking enough progress and those that are making accelerated progress. Where children are identified appropriate strategies and interventions are put in place to improve the child's chances of reaching age related expectations. The school's tracking system is updated in December, March and July. In October, February and May, year group teams meet with the Head Teacher and SENCO and highlight children that need additional interventions.
- The use of Tapestry Software to monitor and record EYFS achievements and profiles continues to be successful. The Foundation Stage Leader now works with all preschools regarding school readiness and where the preschool uses Tapestry Software this is uploaded to the Academy's system to enable seamless transition and assessment. During the academic year the Academy developed its own individualised baseline assessment and following review and evaluation at the end of the academic year further work to develop the system will take place during 2017-2018. From using the baseline information the Foundation Stage team have developed a tracking system which highlights appropriate progress, which in turn identifies individual children who are making less than expected progress and accelerated progress.
- The outside environment has been a focus throughout the year. It is now much more appealing, colourful and well maintained. The playground outside now has colourful plastic tables and chairs, benches and all wooden structures have been painted. The Foundation Stage outside learning environment has been the focus of PTFA fundraising and a working party in May 2017 spent a weekend transforming a tired area into a new stimulating, child friendly learning environment. This will continue to be a focus for 2017-2018. More outdoor learning will improve the children's physical development and well-being.
- Sports Premium and Pupil Premium funding has enabled the Academy to employ part time qualified teachers to enhance our sports teaching and teaching of interventions for pupils named on the SENCO provision map. This has also allowed the SENCO to have release time to monitor and plan next steps and interventions for children with additional needs. This has also provided important quality time for her to liaise with both parents and professional external agencies. An external maths tutor has been working with the pupil premium children in Year 1 and Year 2 to improve outcomes. A positive impact has been evidenced as both Pupil Premium children in Year 2 achieved great depth in mathematics in the end of Keystage 1 tests. During the 2017-2018 academic year the maths tutor will continue to work with the four PP children in Year 2. During the academic year the PE subject leader developed a PE tracking system that mirrors that of the core subject areas. This enables the Academy to track progress and account for the spending of Sport Premium and its' impact on children's achievement and performance.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Over the period of the report, achievements included: (continued)

- The Nurture Group continued to have a positive impact for children with emotional and social needs. The SENCO continued to track progress of these children ensuring that their needs were being fully met. This coming year the SENCO will be having additional release time enabling her to meet the needs of a growing number of children with SEN needs. The SENCO has additionally supported a TA trained in speech and language to deliver appropriate interventions to children needing additional speech and language support.
- Trustees were very happy with the Year 2 end of year SAT results for 2016-17, particularly in view of the changing curriculum and harder end of year assessments. One of the aims of the Academy was to have a higher number of children achieving greater depth in line with national percentages. The most pleasing result was an increase in the achievement of an 'in greater depth' result in all three core areas. In Mathematics the school achieved 28% up from 9% in the previous academic year, in Writing the school achieved 21% compare to 11% the previous year and in Reading 28% compared to 11% in the previous year. These are all higher than National.
- The Academy once again submitted a successful application for CIF funding to replace the ageing copper roof. The majority of the work was completed by 31 August 2016 but the completion date is estimated to be October 2016. School has used the opportunity to update lighting throughout the school to maximise energy efficiency and has used additional school funds to make this significant premises improvement. It is hoped to see a dramatic reduction in electricity usage.

The school has now benefitted from three CIF projects: Heating/hot water and Fire Alarm replacement, all roofing, windows and electrical work. This has dramatically enhanced the school premises and learning environments for children, staff and visitors to school.

- New tablets have been purchased so that a whole class can use tablet computers. Early indications showed that children were keen to use this equipment, and teachers planning shows increased use of ICT opportunities throughout the curriculum. In 2017-18 this will be developed further.
- The robust programme of School Maintenance continues and there have been no unexpected incidents of remedial action required, other than routine maintenance.
- Our PTFA continues to thrive and support the school in many ways. This year they have purchased a significant amount of quality books, enabling us to replace many old and outdated books with new ones which are more appealing to both boys and girls and ability groups. Trustees are grateful to the wider school community for the support they have provided this year. Their Christmas Bazaar continues to be a highlight of the school calendar.
- Trustees were pleased with the results of the parent questionnaire that was sent out in the summer term. As a result of a few comments relating to home learning, in 2017-18 the school will adapt home learning to make it more relevant to specific year groups. The survey clearly shows that parents do have a good understanding of the expectation and progress of their child and the children confirmed that they feel safe and happy in school.
- Safeguarding and Child Protection remain a priority of all Trustees and staff. Mrs Lagdon and Mrs Watson are the named Designated Senior Persons, and all staff have certificates for Safeguarding Training. There were no child protection issues or incidences of bullying reported. All staff complete a Child Protection Certificate prior to commencement at school. A new training spreadsheet has been developed to ensure all staff training is monitored and updated in a timely fashion.
- SMSC is implicit in the life of the school. Children have relished the opportunity to be part of a "house" system, collecting points which transfer into treats or prizes. All members of the school team are able to award house points, which is a good opportunity to promote positive behaviours throughout the school community.
- Sporting performance - The Academy plays an active role within the Brackley Area Learning Partnership (BALP) and participates in all KS1 cluster events and came second in the KS1 gymnastics competition. The Academy joined with Brackley Junior School for the cluster cross country event and were overall winners in the event.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

KEY PERFORMANCE INDICATORS

KEY STAGE 1 RESULTS 2016-2017

Year 2

The cohort has 42 children and nobody was disapplied. The tables below reflect the teacher assessment results.

KS1

| 2016-2017 | Number | Writing | Reading |
|---------------------------------------|---------------|----------------|----------------|
| Working towards the expected standard | 26% | 33% | 23% |
| Working at the expected standard | 48% | 45% | 48% |
| Working at greater depth. | 26% | 21% | 29% |

GLD V Achieved expected level

| | Reading | Writing | Maths |
|-----|----------------|----------------|--------------|
| GLD | 78% | 71% | 76% |
| EXS | 76% | 67% | 74% |

Year 1 Phonic Screening

Children in year 1 have to take part in a phonic screening assessment in June. They have to read 40 words some of which are real words some of which are nonsense words. This is to test their phonic ability. The pass mark this year was 32. We had 80% of children achieve this mark compared to national average 81%.

There were 6 children last year who failed the test so they had to retake it in year 2. All of them passed this year.

EYFSP 2017 Outcomes

- 70% achieved a GLD. This is a 7% increase from last year.

Progress

Internal tracking progress shows that the vast majority of children made appropriate progress. This cohort of children left reception with a GLD of 74%. 33% of the year group made accelerated progress from Year R. The Head Teacher reported progress to the Governing Body in each of the Head Teacher reports throughout the year, with Pupil Premium being reported separately and in comparison with their peers.

KEY FINANCIAL PERFORMANCE INDICATORS

Due to the scale of the Academy's operation its key financial performance indicator is whether or not it has generated a surplus or a deficit for the period from its main educational operations, excluding movements in the pension reserve fund and fixed asset funds.

For the period ended 31 August 2017 the Academy's generated a deficit (as defined above) of £13,000 (2016: surplus £33,000).

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.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

FINANCIAL REVIEW

Financial report for the year

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA)/Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA/DfE during the period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA/DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting Activities by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition funds are received from various activities carried out to generate funds, such as any running costs of the Academy not met by restricted grants. Any surplus is carried forward as an unrestricted fund in the balance sheet.

During the period ended 31 August 2017 total revenue expenditure was £0.74 million (2016: £0.69 million) and total incoming funds from the DfE and other sources were £0.71 million (2016: £0.7 million).

At 31 August 2017 the net book value of tangible fixed assets was £1.59 million (2016: £1.65 million) and movements in tangible fixed assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Financial position

The Academy held fund balances at 31 August 2017 of £1.3 million (2016: £1.4 million) comprising £1.2 million (2016: £1.3 million) of restricted funds and £0.1 million (2016: £0.1 million) of unrestricted funds. The restricted pension reserve is currently in deficit £0.4 million (2016: £0.6 million). This deficit relates solely to the actuarial assessment of Local Government Pension Scheme and future contribution rates have been agreed to reduce this deficit.

Reserves policy

The trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of free reserves should be equivalent to 6 weeks expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition, the Academy allocates funds within its repairs and maintenance budget to address any emergency repairs such as failing roof or boiler. The School Premises Plan identifies maintenance/improvement schedule for the fabric of the building in line with the school development plan. The Academy's current level of free reserves (total funds less the amount held in restricted pension fund and fixed assets) is £213,000 (2016: £231,000). Whilst the Academy recognises that this is a relatively small amount and would ideally need to increase, it is very much aware of its responsibilities to use current funding for the pupils in the school at the time of allocation.

Investment policy

The Academy Trust does not hold any investments other than cash at bank. The trustees are aware that Lloyds Bank offer high interest deposit accounts to Academies. Discussion has been held with the Lloyds Bank School Relationship Manager regarding options available.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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The trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The trustees have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and Academy trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Financial and Risk Management Objectives and Policies

The trustees regularly review the risks faced by the Academy Trust and have completed a "Risk Map" to identify the critical areas of concern. As far as possible the Trustees have put in place management controls to minimise/mitigate risks.

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees consider Academy funding as the principal risk facing the Academy Trust.

There is ongoing consultation by the DfE regarding future funding. The following areas may have an impact on the school's future funding.

- Proposed sparsity factor.
- Withdrawal of ESG Protection.
- Reduced mobility allowance.
- Changes to minimum funding guarantee.
- Disadvantaged pupil funding.

The Finance Committee is very much aware of the need for close financial monitoring and recognise the need to maximise income, particularly from regular lettings in school.

PLANS FOR FUTURE PERIODS

In the next 12 months the Academy's main strategic direction is to implement the School's Improvement Plan (SIP).

The main aim of our SIP is to set out the cycle of actions that reflect a commitment to continuous self-review and improvement. The SIP has four sections:

Effectiveness of Leadership and Management

- To ensure value for money and promote marketing of the Academy
- To embed the leadership roles within school including that of the Governing Body
- To continue to work in partnership with Brackley Junior School to promote both schools within town

Outcomes for Children

- To improve outcomes for the bottom 25% of each year group in the core subjects
- To ensure appropriate progress for all groups of children
- To ensure that the curriculum continues to be broad and balanced

Quality of Teaching, Learning and Assessment

- To improve opportunities for physical development in the early years which will result and impact on higher writing results
- To ensure the baseline assessment is relevant and data appropriate for demonstrating progress

Personal Development, Behaviour and Welfare

- To ensure all safeguarding is meeting all standards and is compliant
- To promote health and wellbeing

After completing a process of self evaluation, the identified weaknesses became actions for improvement and form the basis for evaluation.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the trustees are aware:

- there is no relevant information of which the charitable company's auditor is unaware; and
- the trustees have taken all the 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, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 15/11/2017 and signed on the Board's behalf by:



MRS A RANSON
Trustee

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the 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 Waynflete Infants' School 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 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 |
|---|-------------------|-------------------|
| Tina Lagdon (Head Teacher & Accounting Officer) | 6 | 6 |
| Alison Ranson (Chair) | 5 | 6 |
| Laura Bradford | 5 | 5 |
| Kevin Clayton | 1 | 1 |
| Hugh Cooper | 5 | 6 |
| Linda Hunt (Vice Chair) | 6 | 6 |
| Steph Isham | 5 | 6 |
| Rosalynne Peet | 5 | 6 |
| Haley Perkins | 0 | 1 |
| Graham Weir | 4 | 4 |

Governance review

The Board of Trustees have self evaluated against the Ofsted criteria and completed a skills audit and continue to work on skills improvement and Trustee's understanding of their roles and responsibilities. Training has increased, particularly in areas of SEN, Ofsted Inspection and safeguarding.

Finance, Environment and Resources Committee

The purpose of the committee is to consider the Academy's indicative funding, assess its implications for the Academy, in consultation with the Head Teacher and SBM in advance of the financial year, and to ensure that the school and its environment are fit for purpose which well resourced, ensuring probity and value for money. It is responsible for drawing any matters of significance or concern to the board of trustees and for making recommendations as set out in the Terms of Reference. These recommendations may have involved discussions with other sub-committees, e.g. Personnel. Due to three successful CIF bids over the last four years, this has enabled the school to improve the fabrication and grounds of the Academy, whilst at the same time releasing funds allocated for repairs to support the curriculum.

Attendance at Finance meetings during the period was as follows:

| Trustee | Meetings Attended | Out of a Possible |
|---------------------|-------------------|-------------------|
| Hugh Cooper (Chair) | 4 | 4 |
| Tina Lagdon | 4 | 4 |
| Linda Hunt | 4 | 4 |
| Alison Ranson | 4 | 4 |

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

Governance (continued)

Following on from the external Governance Review, the committee structure was reviewed and the following put in place:

- Pay Committee - Meets 2 x annually
- Fear Committee - Meets 4 x annually
- Audit Committee - Meets 4 x annually

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 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:

- Sports Premium and Pupil Premium funding has been used to employ two part time qualified teachers. End of year assessments show that the impact of this initiative has had a very positive impact on both enthusiasm and attainment. In 2017-18 we will be employing a sports specialist as part of our teaching team to ensure that our disadvantaged children achieve as equally as their peers. In addition the sports specialist will be running Change 4 Life and lunchtime clubs.
- The PTFA continue to provide excellent support for the school's wider needs. The main focus was the outside learning environment for Foundation Stage, meaning the area is accessible whatever the weather. In addition to support the school's Healthy Eating initiative a full size oven for the community room and desk top ovens for each classroom have been purchased.
- Breakfast Club continues to provide an excellent start to the school day and Pupil Premium children are actively encouraged to attend.
- Ordering of resources is carefully monitored to ensure value for money. Where appropriate goods are ordered in bulk and alternative suppliers looked at to ensure the best costs are obtained.
- The Governing Body work closely with the Head Teacher to ensure that the Performance Management structure throughout school, for teaching and support staff, supports school improvement. Staff are given opportunity for professional development appropriate to the set targets which means they are able to implement their skills immediately in the working environment. Teaching and support staff have been placed strategically to match their skill set and meet the needs of the school. In 2017-18 the school will be buying into a SLA with Sponne Teaching Alliance to support staff development and training.
- The school continues to be part of Brackley Area Learning Partnership enabling staff and governors to access training and CPD at a reduced cost.

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 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 Waynflete Infants' School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017 (continued)

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Smith Hodge & Baxter as internal auditor.

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

- testing of payroll systems
- testing of income systems
- testing of purchase systems
- testing of debit card payments
- testing of control account / bank reconciliations

On a quarterly basis the auditor reports to the board of the trustees, through the Finance and Audit committee on the operations of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The trustees are responsible for the design and selection of the internal checks. During the year, the quarterly checks were conducted and reports showed no significant issues. Other findings have been addressed as part of usual committee and trustee business.

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 work noted above;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 15/11/2017 and signed on its behalf by:



MRS A RANSON
Trustee



MRS T LAGDON
Accounting Officer

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2017

As Accounting Officer of Waynflete Infants' School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency 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 Board of Trustees are able to identify any material irregularity or improper use of funds by the Academy Trust, or any 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 Board of Trustees and ESFA.



MRS T LAGDON
Accounting Officer

15/11 2017

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The trustees, (who act as governors of Waynflete Infants' School 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 Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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 (FRS 102) 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 operation.

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

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

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

Approved by order of the members of the board of trustees on

15/11/

2017 and signed on its behalf by:



MRS A RANSON
Trustee

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF WAYNFLETE INFANTS' SCHOOL
FOR THE YEAR TO 31 AUGUST 2017**

Opinion

We have audited the financial statements of Waynflete Infants' School (the 'academy trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the academy trust'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 trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's 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 trust'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 for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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.

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF WAYNFLETE INFANTS' SCHOOL
FOR THE YEAR TO 31 AUGUST 2017**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' 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 trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF WAYNFLETE INFANTS' SCHOOL
FOR THE YEAR TO 31 AUGUST 2017**

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Paul Tyler (Senior Statutory Auditor)
for and on behalf of Smith Hodge & Baxter
Chartered Accountants & Statutory Auditors
Thorpe House
93 Headlands
KETTERING
NN15 6BL

Date: 17 NOVEMBER 2017

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO WAYNFLETE INFANTS' SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2017**

In accordance with the terms of our engagement letter dated 7 September 2017 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 Waynflete Infants' School during the period 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 Waynflete Infants' School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Waynflete Infants' School and 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 Waynflete Infants' School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Waynflete Infants' School Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Waynflete Infants' School funding agreement with the Secretary of State for Education dated 1 April 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 period 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 ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Assessment of the internal audit work and reliance placed upon this work for the review of internal control procedures
- Further testing of the internal control procedures has been carried out in the following areas:
 - Sample test of delegated authority procedures
 - Enquiry and review of transactions with connected persons
 - Review of governance procedures including inspection of Trustee and relevant Board minutes
 - Sample test of procurement procedures
- Communication with the Accounting Officer

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Smith Hodge & Baxter
Chartered Accountants & Statutory Auditors
Thorpe House
93 Headlands
KETTERING
Northamptonshire
NN15 6BL

Date: 17 November 2017

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31 AUGUST 2017****(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

| | | Unrestricted | Restricted | Restricted | Restricted | Total | Total |
|---|------|--------------|------------|------------|------------|-------|-------|
| | Note | Funds | Pension | General | Fixed | 2017 | 2016 |
| | | £000s | Reserve | Funds | Asset | £000s | £000s |
| INCOME AND ENDOWMENTS FROM: | | | | | | | |
| Donations and capital grants | 2 | - | - | 2 | 6 | 8 | 219 |
| Charitable activities: | | | | | | | |
| Funding for the Academy Trust's educational operations | 4 | - | - | 680 | - | 680 | 698 |
| Other trading activities | 3 | 18 | - | 2 | - | 20 | 16 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total | | 18 | - | 684 | 6 | 708 | 933 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| EXPENDITURE ON: | | | | | | | |
| Charitable activities: | | | | | | | |
| Academy Trust's educational operations | 6 | - | 30 | 715 | 201 | 946 | 902 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total | 5 | - | 30 | 715 | 201 | 946 | 902 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net income / (expenditure) | | 18 | (30) | (31) | (195) | (238) | 31 |
| Transfers between funds | | - | - | (5) | 5 | - | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| NET INCOME/(EXPENDITURE) FOR THE YEAR | | 18 | (30) | (36) | (190) | (238) | 31 |
| Other recognised gains / (losses) | | | | | | | |
| Actuarial gains / (losses) on defined benefit pension schemes | 23 | - | 166 | - | - | 166 | (182) |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net movement in funds | | 18 | 136 | (36) | (190) | (72) | (151) |
| RECONCILIATION OF FUNDS | | | | | | | |
| Total funds brought forward | 14 | 96 | (583) | 135 | 1,746 | 1,394 | 1,545 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total funds carried forward | 14 | 114 | (447) | 99 | 1,556 | 1,322 | 1,394 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

All of the Academy Trust's activities derive from continuing operations during the above two financial periods.

The notes form part of the financial statements

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)**BALANCE SHEET AS AT 31 AUGUST 2017**

| | | 2017 £000s | 2016 £000s |
|---|-------|---------------|---------------|
| | Notes | | |
| FIXED ASSETS | | | |
| Tangible assets | 10 | 1,529 | 1,651 |
| CURRENT ASSETS | | | |
| Debtors | 11 | 19 | 28 |
| Cash at bank and in hand | | 289 | 357 |
| | | <hr/> | <hr/> |
| | | 308 | 385 |
| LIABILITIES | | | |
| Creditors: Amounts falling due within one year | 12 | 61 | 52 |
| | | <hr/> | <hr/> |
| NET CURRENT ASSETS | | 247 | 333 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <hr/> | <hr/> |
| | | 1,776 | 1,984 |
| Creditors: Amounts falling due after more than one year | 13 | (7) | (7) |
| | | <hr/> | <hr/> |
| NET ASSETS EXCLUDING PENSION LIABILITY | | 1,769 | 1,977 |
| Defined benefit pension scheme liability | 23 | (447) | (583) |
| | | <hr/> | <hr/> |
| TOTAL NET ASSETS | | 1,322 | 1,394 |
| | | <hr/> | <hr/> |
| FUNDS OF THE ACADEMY TRUST | 14 | | |
| Restricted funds: | | | |
| Fixed asset fund | | 1,556 | 1,746 |
| Restricted income fund | | 99 | 135 |
| Pension reserve | | (447) | (583) |
| | | <hr/> | <hr/> |
| Total restricted funds | | 1,208 | 1,298 |
| Unrestricted income funds | | 114 | 96 |
| | | <hr/> | <hr/> |
| TOTAL FUNDS | | 1,322 | 1,394 |
| | | <hr/> | <hr/> |

The financial statements on pages 18 to 33 were approved by the Trustees and authorised for issue on 15/11/2017 and are signed on their behalf by:


MRS A RANSON
Trustee

The notes form part of these financial statements

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

STATEMENT OF CASH FLOWS
FOR THE YEAR TO 31 AUGUST 2017

| | Notes | 2017 £000s | 2016 £000s |
|---|-------|---------------|---------------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 17 | 5 | 10 |
| Cash flows from financing activities | 18 | - | 8 |
| Cash flows from investing activities | 19 | (73) | (41) |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the reporting period | | (68) | (23) |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 1 September 2016 | | 357 | 380 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 31 August 2017 | 20 | 289 | 357 |
| | | <hr/> | <hr/> |

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 AUGUST 2017

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.

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and 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 (FRS102)), the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

Waynflete Infants' School meets the definition of a public benefit entity under FRS 102, and is a private company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on page 1.

Going Concern

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

Presentation Currency

The accounts are presented in pounds sterling (£) and rounded to the nearest thousand.

Income

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

- **Grants receivable**

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

- **Donations**

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

- **Other income**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and "Income from other trading activities". Upon sale, the value of stock is charged against "Income from other trading activities" and the proceeds are recognised as "Income from other trading activities". Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within "Income from other trading activities".

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Upon conversion the Academy Trust entered into a 125 year lease with Northamptonshire County Council for the academy's land and buildings. The rental charge under this lease is a peppercorn. Substantially all the risks and rewards incidental to ownership are assumed by the Academy Trust and therefore the lease is treated as a finance lease and the asset capitalised in accordance with the tangible fixed assets accounting policy below.

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**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

| | |
|--------------------------|-------------|
| Long leasehold buildings | 2% of cost |
| Leasehold improvements | 20% of cost |
| Furniture and equipment | 20% of cost |

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Leased Assets

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

Financial Instruments

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

Financial Assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments. Amounts due to the charity'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 cost as detailed in notes 12 and 13. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the year until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

Restricted pension reserve funds represent the Academy Trust's share of the assets and liabilities of the Local Government Pension Scheme.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumption. 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 23, 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 2013 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.

| 2. DONATIONS AND CAPITAL GRANTS | Unrestricted Funds £000s | Restricted Funds £000s | Total 2017 £000s | Total 2016 £000s |
|--|---|---------------------------------------|---------------------------------|---------------------------------|
| Capital grants | - | 6 | 6 | 214 |
| Other donations | - | 2 | 2 | 5 |
| | <u>-</u> | <u>8</u> | <u>8</u> | <u>219</u> |

The income from donations and capital grants was £8,000 (2016: £219,000) of which £Nil was unrestricted (2016: £Nil), £2,000 was restricted (2016: £5,000) and £6,000 was restricted fixed assets (2016: £214,000).

| 3. OTHER TRADING ACTIVITIES | Unrestricted Funds £000s | Restricted Funds £000s | Total 2017 £000s | Total 2016 £000s |
|------------------------------------|---|---------------------------------------|---------------------------------|---------------------------------|
| Hire of facilities | 5 | - | 5 | 6 |
| Breakfast club | 8 | - | 8 | 7 |
| Scrap metal sales | 3 | - | 3 | - |
| Other income | 2 | 2 | 4 | 3 |
| | <u>18</u> | <u>2</u> | <u>20</u> | <u>16</u> |

The income from other trading activities was £20,000 (2016: £16,000) of which £18,000 was unrestricted (2016: £15,000) and £2,000 was restricted (2016: £1,000).

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017****4. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

| | Unrestricted Funds £000s | Restricted Funds £000s | Total 2017 £000s | Total 2016 £000s |
|----------------------------|---|---------------------------------------|---------------------------------|---------------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant (GAG) | - | 605 | 605 | 616 |
| Other DfE/ESFA grants | - | 75 | 75 | 81 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | 680 | 680 | 697 |
| Other Government grants | | | | |
| Local authority grants | - | - | - | 1 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | - | - | 1 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | 680 | 680 | 698 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

The income from funding for the academy trust's educational operations was £680,000 (2016: £698,000) of which £Nil was unrestricted (2016: £Nil) and £680,000 was restricted (2016: £698,000).

5. EXPENDITURE

| | Staff Costs £000s | Non pay Premises £000s | Expenditure Other £000s | Total 2017 £000s | Total 2016 £000s |
|-----------------------------------|----------------------------------|---------------------------------------|--|---------------------------------|---------------------------------|
| Academy's educational operations: | | | | | |
| Direct costs | 458 | 201 | 39 | 698 | 647 |
| Allocated support costs | 120 | 34 | 94 | 248 | 255 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 578 | 235 | 133 | 946 | 902 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

Expenditure was £946,000 (2016: £902,000) of which £578,000 was staff costs (2016: £547,000), £235,000 was premises (2016: £254,000) and £133,000 was other costs (2016: £101,000). Of this, £Nil was unrestricted (2016: £Nil), £30,000 was restricted pension reserve (2016: £19,000), £715,000 was restricted general funds (2016: £686,000) and £201,000 was restricted fixed assets (2016: £197,000).

Net income/(expenditure) for the year includes:

| | | 2017 £000s | 2016 £000s |
|-------------------------|------------------|-----------------------|-----------------------|
| Fees payable to auditor | - audit | 5 | 5 |
| | - other services | 1 | 1 |
| Depreciation | - owned assets | 201 | 197 |
| | | <hr/> | <hr/> |

6. CHARITABLE ACTIVITIES

| | Total 2017 £000s | Total 2016 £000s |
|--|---------------------------------|---------------------------------|
| Direct Costs – educational operations | 698 | 647 |
| Support costs - educational operations | 248 | 255 |
| | <hr/> | <hr/> |
| | 946 | 902 |
| | <hr/> | <hr/> |

The expenditure for the academy trust's educational operations was £946,000 (2016: £902,000) of which £30,000 was restricted pension reserve (2016: £19,000), £715,000 was restricted general funds (2016: £686,000) and £201,000 was restricted fixed assets (2016: £197,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

6. CHARITABLE ACTIVITIES (continued)

| | Educational Operations £000s | Total 2017 £000s | Total 2016 £000s |
|----------------------------------|---|---------------------------------|---------------------------------|
| Analysis of support costs | | | |
| Support staff costs | 120 | 120 | 120 |
| Technology costs | 14 | 14 | 13 |
| Premises costs | 37 | 37 | 60 |
| Other support costs | 69 | 69 | 53 |
| Governance costs | 8 | 8 | 9 |
| | <u>248</u> | <u>248</u> | <u>255</u> |

All of the academy trust's expenditure for both the current and previous accounting periods was for its educational operations.

7. STAFF

a. Staff costs

Staff costs during the year were:

| | Total 2017 £000s | Total 2016 £000s |
|--|---------------------------------|---------------------------------|
| Wages and salaries | 447 | 425 |
| Social security costs | 33 | 27 |
| Operating costs of defined benefit pension schemes | 98 | 95 |
| | <u>578</u> | <u>547</u> |
| Supply staff costs | - | - |
| | <u>578</u> | <u>547</u> |

b. Staff numbers

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

| | 2017 No. | 2016 No. |
|----------------------------|---------------------|---------------------|
| Teachers | 10 | 9 |
| Administration and support | 15 | 15 |
| Management | 2 | 2 |
| | <u>27</u> | <u>26</u> |

c. Higher paid staff

No employees' emoluments exceeded £60,000.

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 employee benefits (including employer pensions contributions) received by key management personnel for their services to the academy trust was £230,000 (2016: £204,000).

8. RELATED PARTY TRANSACTIONS – TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees have been paid remuneration or have received other benefits from an employment with the Academy Trust. The Head Teacher and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment and not in respect of their role as trustees. Other trustees did not receive any payments from the academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

T Lagdon (Head Teacher and Trustee)

| | | |
|----------------------------------|-------------------|---------------------------|
| Remuneration | £50,000 - £55,000 | (2016: £50,000 - £55,000) |
| Employers' pension contributions | £5,000 - £10,000 | (2016: £ 5,000 - £10,000) |

WAYNFLETE INFANTS' SCHOOL (REGISTERED NUMBER: 07998122)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

8. RELATED PARTY TRANSACTIONS – TRUSTEES' REMUNERATION AND EXPENSES (continued)

| | | |
|----------------------------------|-------------------|---------------------------|
| S Isham (Staff Trustee) | | |
| Remuneration | £20,000 - £25,000 | (2016: £15,000 - £20,000) |
| Employers' pension contributions | £ - - £5,000 | (2016: £ - - £ 5,000) |
| S Watson (Staff Trustee) | | |
| Remuneration | N/A | (2016: £15,000 - £20,000) |
| Employers' pension contributions | N/A | (2016: £ - - £5,000) |
| L Bradford (Staff Trustee) | | |
| Remuneration | £30,000 - £35,000 | (2016: £15,000 - £20,000) |
| Employers' pension contributions | £5,000 - £10,000 | (2016: £ - - £ 5,000) |

During the year ended 31 August 2017 and 31 August 2016 no expenses were reimbursed to Trustees.

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

9. TRUSTEES' AND OFFICERS' INSURANCE

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

10. TANGIBLE FIXED ASSETS

| | Leasehold land and buildings £000s | Leasehold improvements £000s | Furniture and equipment £000s | Totals £000s |
|-----------------------|---|------------------------------------|--|-----------------|
| COST | | | | |
| At 1 September 2016 | 1,388 | 656 | 127 | 2,171 |
| Additions | - | 79 | - | 79 |
| At 31 August 2017 | 1,388 | 735 | 127 | 2,250 |
| DEPRECIATION | | | | |
| At 1 September 2016 | 123 | 285 | 112 | 520 |
| Charged in year | 41 | 145 | 15 | 201 |
| At 31 August 2017 | 164 | 430 | 127 | 721 |
| NET BOOK VALUE | | | | |
| At 31 August 2017 | 1,224 | 305 | - | 1,529 |
| At 31 August 2016 | 1,265 | 371 | 15 | 1,651 |

11. DEBTORS

| | 2017 £000s | 2016 £000s |
|--------------------------------|---------------|---------------|
| Trade debtors | - | - |
| VAT recoverable | 12 | 23 |
| Prepayments and accrued income | 7 | 5 |
| | 19 | 28 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 £000s | 2016 £000s |
|------------------------------------|---------------|---------------|
| Trade creditors | 16 | - |
| Other taxation and social security | 9 | 9 |
| Accruals and deferred income | 35 | 42 |
| Other creditors (Salix Loan) | 1 | 1 |
| | <u>61</u> | <u>52</u> |

See note 13 for full details of Salix Loan

| Deferred income | 2017 £000s | 2016 £000s |
|--------------------------------------|---------------|---------------|
| Deferred income at 1 September 2016 | 37 | 37 |
| Resources deferred in the year | 32 | 37 |
| Amounts released from previous years | (37) | (37) |
| | <u>32</u> | <u>37</u> |
| Deferred income at 31 August 2017 | <u>32</u> | <u>37</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for free school meals for the year ending 31 August 2018.

13. CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR

| | 2017 £000s | 2016 £000s |
|------------------------------|---------------|---------------|
| Other creditors (Salix Loan) | 7 | 7 |

Included within other creditors is a loan of £1,000 (2016: £1,000) due within one year and £6,500 (2016: £7,000) due in greater than one year. The Salix loan is interest free and repayable in six monthly instalments over the 8 year term of the loan.

14. FUNDS

| | Balance at 1 September 2016 £000s | Income £000s | Expenditure £000s | Gains, losses and Transfers £000s | Balance at 31 August 2017 £000s |
|-------------------------------------|--|-----------------|----------------------|--|--|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 135 | 605 | (636) | (5) | 99 |
| Other DfE/ESFA grants | - | 75 | (75) | - | - |
| Other restricted general funds | - | 4 | (4) | - | - |
| Pension Reserve | (583) | - | (30) | 166 | (447) |
| | <u>(448)</u> | <u>684</u> | <u>(745)</u> | <u>161</u> | <u>(348)</u> |
| Restricted fixed asset funds | | | | | |
| DfE/ESFA capital grants | 94 | 6 | - | (74) | 26 |
| Other capital grants | 1 | - | - | - | 1 |
| Fixed Assets | 1,651 | - | (201) | 79 | 1,529 |
| | <u>1,746</u> | <u>6</u> | <u>(201)</u> | <u>5</u> | <u>1,556</u> |
| Total restricted funds | <u>1,298</u> | <u>690</u> | <u>(946)</u> | <u>166</u> | <u>1,208</u> |
| Total unrestricted funds | <u>96</u> | <u>18</u> | <u>-</u> | <u>-</u> | <u>114</u> |
| TOTAL FUNDS | <u>1,394</u> | <u>708</u> | <u>(946)</u> | <u>166</u> | <u>1,322</u> |

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017**14. FUNDS (continued)**

Restricted General Funds represent unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the Academy Trust together with other restricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it should carry forward at 31 August 2017.

Restricted Fixed Asset Funds represent resources which have been applied to specific capital purposes imposed by the funder together with cash resources still to be expended.

Restricted Pension Reserve Funds represent the Academy Trust's share of the assets and liabilities of the Local Government Pension Scheme.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2017 are represented by:

| | Unrestricted Funds | Restricted Pension Reserve | Restricted General Funds | Restricted Fixed Asset Funds | Total Funds |
|--------------------------|-------------------------------|---|---|---|------------------------|
| | £000s | £000s | £000s | £000s | £000s |
| Tangible fixed assets | - | - | - | 1,529 | 1,529 |
| Current assets | 114 | - | 167 | 27 | 308 |
| Current liabilities | - | - | (61) | - | (61) |
| Non-current liabilities | - | - | (7) | - | (7) |
| Pension scheme liability | - | (447) | - | - | (447) |
| Total Net Assets | 114 | (447) | 99 | 1,556 | 1,322 |

16. CAPITAL COMMITMENTS

| | 2017 | 2016 |
|--|-------------|-------------|
| | £000s | £000s |
| Contracted for, but not provided in the financial statements | - | 44 |

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

| | 2017 | 2016 |
|--|-------------|-------------|
| | £000s | £000s |
| Net income for the reporting period (as per the statement of financial activities) | (238) | 31 |
| Adjusted for: | | |
| Depreciation | 201 | 197 |
| Capital grants from DfE and other capital income | (6) | (214) |
| Defined benefit pension scheme cost less contributions payable | 19 | 5 |
| Defined benefit pension scheme finance costs | 11 | 14 |
| Decrease/(increase) in debtors | 9 | (22) |
| Increase/(decrease) in creditors | 9 | (1) |
| Net cash provided by Operating Activities | 5 | 10 |

18. CASH FLOWS FROM FINANCING ACTIVITIES

| | 2017 | 2016 |
|--|-------------|-------------|
| | £000s | £000s |
| Cash inflow from new borrowing (Salix Loan) | - | 8 |
| Net cash provided by Financing Activities | - | 8 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

19. CASH FLOWS FROM INVESTING ACTIVITIES

| | 2017 | 2016 |
|--|--------------|--------------|
| | £000s | £000s |
| Purchase of tangible fixed assets | (79) | (255) |
| Capital grants from DfE/ESFA | 6 | 214 |
| | <hr/> | <hr/> |
| Net cash (used in) / provided by investing activities | (73) | (41) |
| | <hr/> | <hr/> |

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | At 31 | At 31 |
|--|---------------|---------------|
| | August | August |
| | 2017 | 2016 |
| | £000s | £000s |
| Cash in hand and at bank | 289 | 357 |
| | <hr/> | <hr/> |
| Total cash and cash equivalents | 289 | 357 |
| | <hr/> | <hr/> |

21. CONTINGENT LIABILITIES

During the year of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a Government capital grant was received, the Academy is required, either 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 site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22. MEMBERS' LIABILITY

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

23. PENSION AND SIMILAR OBLIGATIONS

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 in 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

23. 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 actual valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pension 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 £47,000 (2016: £45,000).

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 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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £40,000 (2016: £40,000) of which employer's contributions totalled £33,000 (2016: £32,000) and employees' contributions totalled £8,000 (2016: £8,000). The agreed contribution rates for future years are 21.4% for employers and 5.5% to 7.5% for employees.

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

Principal Actuarial Assumptions

| | At 31 August 2017 | At 31 August 2016 |
|--|----------------------------------|----------------------------------|
| Rate of increase in salaries | 2.7% | 4.1% |
| Rate of increase for pensions in payment/inflation | 2.4% | 2.1% |
| Discount rate for scheme liabilities | 2.5% | 2.0% |
| Inflation assumption (CPI) | 2.4% | 2.1% |
| Commutation of pensions to lump sums | | |
| - Pre April 2008 service | 50% | 50% |
| - Post April 2008 service | 7.5% | 75% |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

23. PENSION AND SIMILAR OBLIGATIONS (continued)

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

| | At 31 August 2017 | At 31 August 2016 |
|-----------------------------|-------------------------|-------------------------|
| <i>Retiring today</i> | | |
| Males | 22.1 | 22.3 |
| Females | 24.2 | 24.3 |
| <i>Retiring in 20 years</i> | | |
| Males | 23.9 | 24.0 |
| Females | 26.1 | 26.6 |

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

| | At 31 August 2017 £000s | At 31 August 2016 £000s |
|--|----------------------------------|----------------------------------|
| Discount rate +0.1% | 20 | 20 |
| Discount rate -0.1% | (20) | (20) |
| Mortality assumption – 1 year increase | 34 | 34 |
| Mortality assumption – 1 year decrease | (34) | (34) |
| CPI rate +0.1% | 17 | 17 |
| CPI rate -0.1% | (17) | (17) |

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

| | Fair value at 31 August 2017 £000s | Fair value at 31 August 2016 £000s |
|-------------------------------------|---|---|
| Equity instruments | 301 | 190 |
| Debt instruments | 65 | 51 |
| Property | 29 | 21 |
| Cash | 12 | 6 |
| Total market value of assets | 407 | 268 |

The actual return on scheme assets was £6,000 (2016: £8,000).

Amounts recognised in the statement of financial activities

| | 2017 £000s | 2016 £000s |
|--|---------------|---------------|
| Current service cost (net of employee contributions) | 52 | 37 |
| Interest income | (6) | (8) |
| Interest cost | 17 | 22 |
| Total amount recognised in the SOFA | 63 | 51 |

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

| | 2017 £000s | 2016 £000s |
|------------------------|---------------|---------------|
| At 1 September | 851 | 572 |
| Current service cost | 52 | 37 |
| Interest cost | 17 | 22 |
| Employee contributions | 8 | 8 |
| Actuarial (gain)/loss | (59) | 216 |
| Benefits paid | (15) | (4) |
| At 31 August | 854 | 851 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR TO 31 AUGUST 2017

23. PENSION AND SIMILAR OBLIGATIONS (continued)

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

| | 2017 | 2016 |
|------------------------|--------------|--------------|
| | £000s | £000s |
| At 1 September | 268 | 190 |
| Interest income | 6 | 8 |
| Actuarial gain/(loss) | 107 | 34 |
| Employer contributions | 33 | 32 |
| Employee contributions | 8 | 8 |
| Benefits paid | (15) | (4) |
| At 31 August | 407 | 268 |

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

The academy's Head Teacher represents the academy on the Board of Directors of Brackley Area Learning Partnership (BALP), a company limited by guarantee, whose purpose is to obtain more favourable prices for goods and services for those schools and academies, whose Head Teachers are members of the company, through increased buying power.

During the year the academy made purchases of £2,517 (2016: £2,086) from BALP.

In entering into the transactions the trust has complied with the requirements of the ESFA's Academies Financial Handbook.

No other related party transactions took place in the year of account.

25. ULTIMATE CONTROLLING PARTY

The Academy Trust is under the control of the Trustees.