

**The GORSE Academies Trust
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2017**



**Company Registration Number:
07465701 (England and Wales)**

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The GORSE Academies Trust
REFERENCE AND ADMINISTRATIVE DETAILS

Members

D Morgan
T Elliott
N Donkin
D Bradshaw (appointed 29/11/17)
J Kay (appointed 29/11/17)

Directors and Trustees

D Morgan (Chair) (resigned 31/07/17)
T Elliott (appointed Chair from 01/08/17)
T Latham
P Gruen
R West
S Slee
A McAvan (appointed 01/09/16)
C Gorse (appointed 01/09/16)
J Boucher (appointed 01/09/16)
Sir John Townsley (Executive Principal and Accounting Officer)
A Micklefield(resigned 29/11/16)

Company Secretary

J Shore

Senior Leadership Team

Sir John Townsley (Executive Principal and Accounting Officer)
D Craine
F McNally
A M Garnett
J Shore
L Griffiths
S Wilson
A Ryder
R Taylor
D Holtham
M Randall
H Townsley
S McCarthy
S Done

Principal and Registered Office

Bruntcliffe Lane
Morley
Leeds
West Yorkshire
LS27 0LZ

Company Registration Number

07465701 (England and Wales)

The GORSE Academies Trust
REFERENCE AND ADMINISTRATIVE DETAILS

Independent Auditor

Mazars LLP
Mazars House
Gelderd Road
Gildersome
Leeds
LS27 7JN

Bankers

Lloyds Bank
44 Queens St
Morley
Leeds
LS27 9BR

Solicitors

Leeds City Council
Civic Hall
Leeds
LS1 1UR
(Service Level Agreement for general enquiries)

Langleys
Olympic House
Doddington Rd
Lincoln
LN6 3SE

The GORSE Academies Trust DIRECTORS' REPORT

The directors of The GORSE Academies Trust (who are also the directors for the purposes of the Companies Act 2006) present their annual report together with the audited financial statements and auditor's report of The GORSE Academies Trust for the year to 31 August 2017.

This report also represents the directors' report which is prepared in accordance with the Companies Act 2006.

Structure, Governance and Management

Constitution

The GORSE Academies Trust ("trust") is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association dated 12 February 2015 are the primary governing documents of the Academy Trust.

The GORSE Academies Trust is currently responsible for The Morley Academy (TMA), The Farnley Academy (TFA), The Ruth Gorse Academy (TRGA), The Bruntcliffe Academy (TBA), Morley Newlands Academy (MNA), Hillcrest Academy (HA), Ryecroft Academy (RA) and Elliott Hudson College (EHC). TMA is the sponsor of the other academies.

The directors act as trustees for the charitable activities of The GORSE Academies Trust for the purposes of company law. The Charitable Company is known as The GORSE Academies Trust.

Details of the directors who served throughout 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 a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Directors' and Governors' indemnity provisions are described in Note 11 to the financial statements.

Principal activities

The principal object of The GORSE Academies Trust is to advance for the public benefit education in the United Kingdom, in particular establishing, maintaining, managing and developing schools/academies offering a broad and balanced curriculum.

Directors

The articles of association require the appointment of at least three directors. The directors of the company are also directors of the charity. Nine directors have been appointed to the Company's board of directors. The term of office for a director is currently four years and any director may be re-appointed.

The Members may appoint by ordinary resolution up to 15 directors. The total number of directors including the Chief Executive Officer, who are employees of the Academy Trust, shall not exceed one third of the total number of directors.

Where necessary, directors have received training on legal and financial matters to enable them to undertake their role as directors.

The directors are responsible for setting the strategic direction of The GORSE Academies Trust, reviewing and agreeing the Company's policies and procedures and making major decisions about the arrangements entered into by The GORSE Academies Trust.

The directors meet at least three times in each financial year to discuss the business of The GORSE Academies Trust.

The directors have delegated a number of their functions to the local governing bodies of the academies.

The GORSE Academies Trust DIRECTORS' REPORT

Each Academy has its own Board of Governors (the Local Governing Body). Each Academy Board of Governors has responsibility for setting policy, annual plans and budgets. The day to day operational running of the Academies is delegated by the Local Governing Body to the local Senior Leadership Team (SLT).

Method of recruitment and appointment or election of the local governing body

The Local Governing Body is comprised of Community Governors, Staff Governors and Parent Governors. Governors are appointed to serve a four year term as agreed by the Local Governing Body. The Community Governors are appointed at a meeting of the Local Governing Body on the basis of nominations received. Parent Governors are elected by parents of the children attending the Academy. Staff Governors are elected by staff of the Academy. The board of the GORSE Academies Trust reserves the right to appoint governors to Local Governing Bodies and the appointment is by the way of board resolution.

Policies and procedures for the induction and training of Directors and Governors

New Governors are inducted into the workings of the Trust, including policies and procedures, at arranged meetings with the Principal and representatives from finance. The training and induction provided for new directors depends on their existing experience. Where necessary, induction provides training on charity and educational, legal and financial matters (with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors). Governors are invited to attend various training sessions covering all matters of governance organised by Leeds City Council. The Local Governing Body have designated Governors for key areas of responsibility, such as special educational needs, safeguarding, and policy review.

All Governors give their time freely and no remuneration was paid in the year.

Organisational structure

The Board meets as a full body a minimum of four times throughout the year to discuss:

- Strategic matters of the Academy; and
- Significant operational developments.

The Local Governing Bodies meet four times per year to manage and oversee the matters delegated to them. This includes finance, curriculum, safeguarding and all other key elements of the operation of the Academy.

Arrangements for setting pay and remuneration of key management personnel

The Remuneration Committee is responsible for determining the policy for the remuneration of key management personnel. This committee consists of three board members, all of whom are independent non-executive directors. In determining such policy the committee will take into account all factors which it deems necessary, including relevant regulatory requirements. The objective of such policy is to ensure that members of the executive management of the Trust are provided with appropriate incentives to encourage enhanced performance and are, in a fair and reasonable manner, rewarded for their individual contributions to the success of the Trust.

Related Parties and Other Connected Charities and Organisations

No member of the Trust or related party provided services during this academic year.

The GORSE Academies Trust DIRECTORS' REPORT

Objectives and aims of The GORSE Academies Trust

The Trusts objectives are ambitious and are for young people to be successful learners who enjoy learning, make progress and achieve; are confident individuals who have a sense of self-worth and personal identity; and are responsible citizens who make a positive contribution to society.

The strategic aim is to provide a broadly-based education that improves young peoples' life chances by delivering:

- academic excellence;
- a broad based curriculum;
- a curriculum enriched through sport, music, drama and a wide range of other extra-curricular activities and trips; and
- active engagement with parents and carers.

The GORSE Academies Trust ensures its Academies use combined resources and collective expertise in order to assist each other and so raise standards faster than would be the case if working in isolation.

Public benefit

When setting the objectives of the academies for the year, The GORSE Academies Trust's Directors have given careful consideration to the Charity Commission's guidance on public benefit.

Strategic Report

This has been another successful year for the Trust with both The Morley Academy and The Farnley Academy gaining World Class School status and Hillcrest Academy, the first primary to become a part of the Trust, being inspected in September 2016 and judged to be 'outstanding' in all areas. This was a remarkable achievement for the Trust. Ryecroft Academy was also inspected and judged 'requires improvement'. Although this was disappointing, HMI did acknowledge the impact of the Trust's support since conversion. Our vision is for Ryecroft Academy to be judged an outstanding school at its next inspection.

In addition to this The Ruth Gorse Academy moved into their £22 million permanent location in Leeds city centre. Significant capital development has also been undertaken with the conversion of part of the Bruntcliffe site to house our new alternative provision, The Stephen Longfellow Academy and the redevelopment of office buildings at the White Rose Office Park to create the permanent location of the Elliott Hudson College. Both of these programmes are expected to have been completed by September 2017.

The Trust monitors its financial performance throughout the year and appropriate action is taken to ensure that

- Actual expenditure incurred does not exceed planned expenditure in any single financial year
- The Trust has sufficient cash to meet all obligations as they fall due
- Financial forecasts are prepared to ensure that the Trust remains financially viable

For the year to 31 August 2017, all of these objectives have been met.

The GORSE Academies Trust
DIRECTORS' REPORT

Achievements and Performance

Attendance and Fixed term Exclusion Data

	2016-17 Attendance %	2015-16 Attendance %	2016-17 Exclusions (number)	2015-16 Exclusions (number)
The Morley Academy	94.4	94.8	118	92
The Farnley Academy	95.2	95.5	177	115
The Ruth Gorse Academy	95.2	94.4	56	43
The Bruntcliffe Academy	94.3	94.6	188	231
Elliott Hudson College	93.6	93.6	6	0
Hillcrest Academy	96.0	95.9	0	0
Ryecroft Academy	94.5	96.0	13	0
Morley Newlands Academy	95.7	95.6	2	5

The increased levels of fixed term exclusions at The Ruth Gorse Academy reflect the additional cohort of pupils. The higher number of exclusions at The Morley Academy and The Farnley Academy reflects increased cohort size.

GCSE Results

Progress 8 aims to capture the progress a pupil makes from the end of primary school to the end of secondary school. It is a type of value added measure, which means that pupils' results are compared to the actual achievements of other pupils with the same prior attainment. A school's Progress 8 score is calculated as the average of its pupils' Progress 8 scores. A positive result therefore indicates better performance than other pupils with the same prior attainment.

Secondary Academies

	The Bruntcliffe Academy		The Farnley Academy		The Morley Academy	
Measure	GCSE Results 2017	GCSE Results 2016	GCSE Results 2017	GCSE Results 2016	GCSE Results 2017	GCSE Results 2016
*Progress 8 ALL STUDENTS	0.18	-0.59	0.79	0.30	0.55	0.51

*Unvalidated results

Progress 8 for all three academies shows significant improvement on 2016 with noticeable increases being recorded for The Bruntcliffe Academy and the Farnley Academy.

Post 16

	Elliott Hudson College 2017	The Farnley Academy 2017	The Morley Academy 2017
%A* - C	57.02%	48.5%	41.44%
%A* - E	89.12%	88.5%	84.98%

Elliott Hudson College has achieved an Advanced Level Performance System (ALPS) 3 score putting it in the top 15% of centres nationally.

The GORSE Academies Trust DIRECTORS' REPORT

Primary Academies

Floor Standard

In 2017, a school will be above the floor if: at least 65% of pupils meet the expected standard in English reading, English writing and Mathematics; or the school achieves sufficient progress scores in all three subjects.

Hillcrest Academy and Morley Newlands Academy are both operating above the floor standard.

At Hillcrest Academy, progress was above the national average in reading and well above the national average in writing and mathematics.

At Morley Newlands Academy, progress was below the national average in reading but above average in writing and mathematics. The proportion of pupils meeting the expected standard in reading, writing and mathematics increased significantly from 2016 (29% to 56%).

At Ryecroft Academy progress was not as strong as we would have hoped, and progress in reading means that the school falls below the floor standard.

Other Activities

The School Centred Initial Teacher Training (SCITT) based at The Morley Academy recruited 80 student teachers and has secured approval to train 130 in 2017-18.

An extensive range of extra-curricular activities takes place across the Trust, with more than 40 clubs running on a regular basis. There is also an extensive Engage programme to help parents and carers support the learning of their children.

Going concern

After making appropriate enquiries, the directors have a reasonable expectation that The GORSE Academies 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 Principal Accounting Policies.

Financial Review

The GORSE Academies Trust has had a successful financial period. Net incoming resources were £9,737k (2016: £39,640k). The decrease is due to no academies joining the trust in year and reduction in capital allocations, Net current assets at 31 August 2017 were £2,808k (2016: £3,844k).

The tangible fixed assets additions were £14,841k of which £10,364k were assets under construction in relation to Elliot Hudson College MC2 refurbishment and £1,810k The Ruth Gorse Academy. Other major additions were:

- The Morley Academy: £725k Classroom refurbishment
- The Farnley Academy: £222k Music block refurbishment
- Ryecroft Academy: £48k Classroom refurbishment
- Morley Newlands £98k Nursery refurbishment

As at 31 August 2017 The GORSE Academies Trust had cash reserves of £7,163k (2016: £6,701k).

The GORSE Academies Trust's income is derived in the main from the Department for Education (DFE) and the Local Education Authority (LEA) in the form of recurrent and capital grants, the use of which is restricted to particular purposes. The grants received from the DFE and the LEA during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The GORSE Academies Trust DIRECTORS' REPORT

The Academies also received grants for the acquisition of fixed assets from the DFE. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting 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 assets fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Reserves policy

The GORSE Academies Trust has 3 categories of reserves: Restricted Funds, which is funding used to carry out the principal objects of the organisation, Fixed Asset Reserve used to finance fixed assets and Unrestricted Reserves which is used under the direction of the board of directors and which has been delegated to the Local Governing Bodies.

The unrestricted reserves of £1,957k (2016: £1,856k) are freely available for general purposes. These will be allocated in line with the strategic objectives of The GORSE Academies Trust.

The restricted funds and fixed asset reserve of £91,847k (2016: £79,031k) include the restricted funds of £92k (3G Pitch).

The restricted pension fund is in deficit to the value of £5,551k (2016: £7,424k) as at 31 August 2017. The Directors will continue to monitor this situation closely.

Free reserves stand at £1,957k which include retained balance by The GORSE Academies Trust of £361k this represent about 1% of funding. The Directors and Trustees have decided to build up a reserve of up to 2% of ESFA/LEA funding over a gradual period of time.

Investment policy

Currently The GORSE Academies Trust has no significant funds for investment purposes. Short term high interest deposit accounts are used to maximise the return on current balances.

Principal Risks and Uncertainties

The Directors delegate responsibility for identifying risks faced by each Academy of The GORSE Academies Trust.

The Local Governing Body is responsible for the management of the risks faced by the Academy and ensuring that employees are aware of these procedures and of the implications of failing to implement them. The directors are satisfied that the system of delegated responsibility and the associated procedures are consistent with guidelines issued by the Charity Commission. Detailed consideration of the risks are reviewed by the Local Governing Body of each Academy assisted by the Senior Leadership Team. Risks are identified and assessed and controls are established on an ongoing basis.

The main risks to Academies as identified in the risk registers are:

- Changes in Government legislation, particularly with regard to funding;
- Inadequate budgetary control;
- Failure of ICT including back up procedures;
- Lack of data management and scrutiny leading to underperforming academies.

Through the risk management processes established for The GORSE Academies Trust, the board of directors is satisfied that the major risks have been adequately managed where necessary. It is recognised that systems and procedures can only provide reasonable but not absolute assurance that major risks have been adequately managed, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

The key controls used by The GORSE Academies Trust are:

- Formal agendas for the board of directors and each Local Governing Body activity;
- Detailed and comprehensive terms of reference and standing orders for the Local Governing Body;
- Comprehensive strategic planning, budgeting and management accounting;

The GORSE Academies Trust DIRECTORS' REPORT

- Established organisational structure and lines of reporting;
- Formal written policies, compliant with relevant laws and regulations;
- Clear authorisation and approval levels;
- Vetting and clearance procedures as required by law for the protection of children and young people; and
- ICT disaster recovery policy.

Employee involvement

Each academy encourages the involvement of its employees in its leadership and management through weekly meetings of the SLT, half termly meetings of middle leaders and half termly meetings of department teams. This ensures a sharing of vision and policy and discussion of key issues including the receiving of views of the staff.

Disabled persons

Each academy will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. Through the support and guidance of Occupational Health employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the academy. During employment the academy seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

The number of disabled persons employed by the Trust during the year was nil.

Plans for the Future

The GORSE Academies Trust plans to further develop the School Centred Initial Teacher Training Centre based at The Morley Academy. The GORSE Academies Trust aims to provide support to other institutions whose circumstances may be challenging and for whom we may assume a sponsorship/supporting role.

The Elliott Hudson College will move into permanent buildings in September 2017. The GORSE Academies Trust plans to open an alternative provision free school (The Stephen Longfellow Academy) in September 2017. It is anticipated that two further academies will join the Trust in 2017-2018.

Auditor

Mazars LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to the auditor

The directors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. The directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by order of the Board of Directors at its meeting on 12th December.....2017
and signed on its behalf by:

Mr Terry Elliott
Chair

M. T. Elliott

The GORSE Academies Trust GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of directors has delegated the day-to-day responsibility to the Executive Principal as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The GORSE Academies Trust and the Secretary of State for Education. The accounting officer and the Local Governing Body are responsible for reporting to the board of directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors Report and in the Statement of Directors responsibilities. The board has formally met 7 times during the year. Attendance during the year at meetings of the board was as follows:

Director	Meetings attended	Out of a possible
T Elliott	5	7
D Morgan(resigned 31/7/17)	6	7
J Townsley	7	7
A Micklefield (resigned 29/11/16)	0	3
T Latham	7	7
P Gruen	6	7
A McAvan	6	7
J Boucher	6	7
S Slee	5	7
C Gorse	5	7
R West	7	7

Governance Review

A programme of Governor recruitment targeting individuals that can enhance the skill set of existing Governors was undertaken following the previous year's review. A number of governors have been recruited and a successful training program has been implemented. Following a previous review a trial of a new structure of LGB meetings has taken place this year. It is intended that this will increase efficiency and improve Governor participation.

The Trust is satisfied that these steps will address the need for improvements that were identified in the review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Audit Committee

The audit committee consists of the board members with the exception of Sir John Townsley they have met 7 times within the year and are scheduled to meet in line with the board meetings.

Review of Value for Money

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

The GORSE Academies Trust GOVERNANCE STATEMENT

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 directors 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:

Improving Educational Outcomes

The secondary schools within the Trust achieved excellent results with The Morley Academy producing outstanding results above national average and ranking first in Leeds in Mathematics outcomes. The Farnley Academy has produced strong results in comparison to the national average and The Bruntcliffe Academy have made significant improvements on the previous year's results.

The primary academies have also achieved encouraging results with progress at Hillcrest Academy above national average and the proportion of students meeting expected standard at Morley Newlands Academy increasing significantly.

The Elliott Hudson College in its second year and first year of 'A level' results, has achieved an ALPS high 3 score putting it in the top 15% of centres nationally.

The Trust has employed a wide range of Advanced Skills Teachers to improve the performance of teachers and improve educational outcomes of students. These are deployed across all academies focusing on key areas of concern. Deploying staff across all academies within the Trust ensures best value.

Teaching Assistants work with small groups of students to raise outcomes, including HLTAs working for example, on literacy. There are learning mentors for vulnerable students in all key stages and Home – School mentors.

The Trust operates a centralised system for support services. Finance, ICT, HR, Admissions, Operations Management, Governance, School Improvement and Assessment are all controlled centrally. This represents far better value for money than each organisation entering SLA's individually.

Budgetary Control

The Trust has tight budgetary control with regular budget meetings being held with the Principals of the academies and the Executive Principal. Middle Leaders are required to submit fully costed departmental improvement plans which include Pupil Premium expenditure before funds are allocated. Budget overspends are not permitted.

Purchasing

Wherever possible all contracts are entered into on a Trust basis to take advantage of economies of scale. In this academic year significant savings have been negotiated on Trust contracts for transport services, catering, energy, refuse collection and ICT.

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 The GORSE Academies Trust for the financial year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

The GORSE Academies Trust GOVERNANCE STATEMENT

Capacity to Handle Risk

The Local Governing Bodies have reviewed the key risks to which their Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The directors oversee this risk management framework. The board of directors is of the view that there is a formal on-going process for identifying, evaluating and managing The GORSE Academies Trust's significant risks and that the process has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of directors.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Local Governing Body in respect of each Academy;
- regular reviews by the Governing Bodies 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; and
- Identification and management of risks.

The board of directors regularly reviews The GORSE Academies Trust's consolidated budgets, forecasts and financial policies and procedures. The board of directors has considered the need for a specific internal audit function and has decided to appoint Frank W Dobby accountants as internal auditors. The Board agrees an annual schedule of work focusing on specific areas for scrutiny that are considered to be high risk: Payroll, Purchases, Income, Accounting System and Transactions with Related Parties. The audit committee is provided with a termly report on the operation of the systems of control and on the discharge of the Local Governing Body's financial responsibilities. The schedule of work has been completed for 2016-17 and no significant issues have been reported.

Review of Effectiveness

The GORSE Academies Trust has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior leaders within the Trust who have responsibility for the development and maintenance of the governance environment and also by comments made by the external auditors and other review agencies and inspectorates.

The trust insists on regular budget reports being provided to the Local Governing Body (LGB). There is a strict scheme of delegation in place that ensures larger contracts or purchases are reviewed at LGB or Board level.

The Trust has been advised on the implications of the review of the effectiveness of the governance framework by the executive overview and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

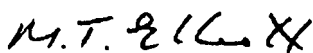
The GORSE Academies Trust
GOVERNANCE STATEMENT

As accounting officer, Sir John Townsley, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

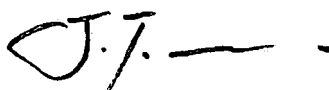
- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the board of directors and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the board of directors on 12th Dec 2017 and signed on its behalf by:



Mr Terry Elliott
Chair



Sir John Townsley
Accounting Officer

The GORSE Academies Trust
STATEMENT on REGULARITY, PROPRIETY and COMPLIANCE


As accounting officer of The GORSE Academies Trust I have considered my responsibility to notify the board of directors of The GORSE Academies Trust and the Education and Skills Funding Agency of material irregularity, impropriety and noncompliance 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.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

The trust was the subject of fraud by an external party to the value of £11k. This was investigated in line with the Trust procedures and reported to the ESFA, police and insurers. As a result the Trust has made amendments to their Financial Regulations and training documentation along with highlighting procedures to relevant staff.

If any instances are identified after the date of this statement, these will be notified to the board of directors and the ESFA

 12th Dec 2017

Sir John Townsley
Accounting Officer

The GORSE Academies Trust
STATEMENT of DIRECTORS' RESPONSIBILITIES

The directors (who act as trustees for the charitable activities of The GORSE Academies Trust as well as being the directors of the Charitable Company for the purposes of company law) are responsible for preparing the directors' 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 directors to prepare financial statements for each financial year. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the directors 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 (AAD) 2016- 2017
- make judgements 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 business.

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

The directors 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 on 12th Dec 2017 and signed on its behalf by:

Mr Terry Elliott
Chair

M. T. Elliott

The GORSE Academies Trust
Independent Auditor's report to the Directors of The GORSE Academies Trust
for the year ended 31 August 2017

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

Respective responsibilities of trustees and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 15, the directors (who act as trustees for the charitable activities of The GORSE Academies Trust as well as being the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the directors as a body. Our audit work has been undertaken so that we might state to the 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 members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' Annual Report including the incorporated strategic report for the year for which the financial statements are prepared is consistent with the financial statements.

The GORSE Academies Trust
Independent Auditor's report to the Directors of The GORSE Academies Trust
for the year ended 31 August 2017

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- 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.



Shaun Mullins (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Mazars House
Gelderd Road
Gildersome
Leeds
LS27 7JN

Date: 20.12.2017

The GORSE Academies Trust
Independent Reporting Accountant's Assurance Report on Regularity to the
Governing Body of The GORSE Academies Trust and the Education and Skills
Funding Agency for the year ended 31 August 2017

In accordance with the terms of our engagement letter dated 5 October 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 The GORSE Academies Trust 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 The GORSE Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The GORSE Academies Trust and the ESFA those matters we are required to state to it 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 The GORSE Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The GORSE Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The GORSE Academies Trust's funding agreement with the Secretary of State for Education dated 30 December 2014 and the Academies Financial Handbook, extant from 1 September 2015, 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 and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

The GORSE Academies Trust
Independent Reporting Accountant's Assurance Report on Regularity to the
Governing Body of The GORSE Academies Trust and the Education and Skills
Funding Agency for the year ended 31 August 2017

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.

Mazars LLP

Reporting Accountant

Mazars LLP

Date: 20.12.2017

The GORSE Academies Trust

Statement of Financial Activities for the year ended 31 August 2017 (including Income and Expenditure Account)

		Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000	Total 2016 restated £000
Income and endowments from:	Note					
Donations and capital grants	2	-	-	15,195	15,195	32,237
Transfer from LA/EFA on conversion		-	-	-	-	9,420
Charitable activities:						
Funding for the academy trust's educational operations	3	2,063	31,779	-	33,842	30,300
Other trading activities	4	1,143	-	-	1,143	919
Investments	5	15	-	-	15	18
Total		3,221	31,779	15,195	50,195	72,894
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6	1,099	36,436	2,923	40,458	33,254
Total		1,099	36,436	2,923	40,458	33,254
Net income / (expenditure)		2,122	(4,657)	12,272	9,737	39,640
Transfers between funds	16	(2,021)	3,369	(1,348)	-	-
Other recognised gains / (losses):						
Actuarial gains / (losses) on defined benefit pension schemes	16	-	3,180	-	3,180	(4,451)
Net movement in funds		101	1,892	10,924	12,917	35,189
Reconciliation of funds						
Total funds brought forward		1,856	(7,351)	86,382	80,887	45,698
Total funds carried forward		1,957	(5,459)	97,306	93,804	80,887

The restricted fixed assets fund has been increased from the published figure in the 2015-2016 accounts of £72,236k to £86,383k to reflect the purchase of land by the EFA on behalf of The Ruth Gorse Academy in December 2014 of (£4,800k) and EFA grant for The Ruth Gorse Academy of (£1,547k) received in August 2016 which should have been included in 2015-2016 and the purchase of MC2 for The Elliott Hudson College for (£7,800) in December 2015.

The GORSE Academies Trust

Statement of Financial Activities for the year ended 31 August 2017 (including Income and Expenditure Account)

		Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2016 restated £000
Income and endowments from:	Note				
Donations and capital grants	2			32,237	32,237
Transfer from LA/EFA on conversion		431	(261)	9,250	9,420
Charitable activities:					
Funding for the academy trust's educational operations	3	1,318	28,982		30,300
Other trading activities	4	919			919
Investments	5	18			18
Total		2,686	28,721	41,487	72,894
Expenditure on:					
Charitable activities:					
Academy trust educational operations	6	978	30,545	1,731	33,254
Total		978	30,545	1,731	33,254
Net income / (expenditure)		1,708	(1,824)	39,756	39,640
Transfers between funds	16	(733)	1,056	(323)	-
Other recognised (losses)/gains :					
Actuarial (losses) / gains on defined benefit pension schemes	16	-	(4,451)		(4,451)
Net movement in funds		975	(5,219)	39,433	35,189
Reconciliation of funds					
Total funds brought forward		881	(2,133)	46,950	45,698
Total funds carried forward		1,856	(7,352)	86,383	80,887

The GORSE Academies Trust
Balance Sheet
as at 31 August 2017

Company Number 07465701

	Notes	Total 2017 £000	Total 2017 £000	Total 2016 restated £000	Total 2016 restated £000
Fixed assets					
Tangible assets	12		96,710		84,793
Current assets					
Stock	13	-		18	
Debtors	14	1,617		2,193	
Cash at bank and in hand	21	7,163		6,701	
		<u>8,780</u>		<u>8,912</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	(5,972)		(5,068)	
Net current assets			<u>2,808</u>		<u>3,844</u>
Total assets less current liabilities			<u>99,518</u>		<u>88,637</u>
Creditors: Amounts falling due after more than one year	15	(163)		(326)	
Net assets excluding pension liability			<u>99,355</u>		<u>88,311</u>
Defined benefit pension scheme liability	16	(5,551)		(7,424)	
Total assets			<u>93,804</u>		<u>80,887</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	16	97,306		86,383	
. Restricted income fund	16	92		72	
. Pension reserve	16	(5,551)		(7,424)	
Total restricted funds			<u>91,847</u>		<u>79,031</u>
Unrestricted income funds	16		<u>1,957</u>		<u>1,856</u>
Total funds			<u>93,804</u>		<u>80,887</u>

The financial statements on pages 20-43 were approved by the trustees, and authorised for issue on 12 December 2017 and are signed on their behalf by:

Mr T Elliott
Chair

M. T. Elliott

The GORSE Academies Trust
Statement of Cash Flows
for the year ended 31 August 2017

	Notes	Total 2017	Total 2016
		£000	£000
Cash flows from operating activities			
Net cash provided (used in) / by operating activities	19	(3,114)	3,227
Cash flows from investing activities	20	3,576	2,122
Change in cash and cash equivalents in the reporting period		462	5,349
Cash and cash equivalents at 1 September 2016		6,701	1,352
Cash and cash equivalents at the 31 August 2017	21	7,163	6,701

The GORSE Academies Trust

Notes to the Financial Statements for the period ended 31 August 2017

1 Statement of Accounting Policies : Basis of preparation

Basis of Preparation

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

Going Concern

The directors 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 directors 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.

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**

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

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

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

- **Sponsorship Income**

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

- **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.

The GORSE Academies Trust

Notes to the Financial Statements for the period ended 31 August 2017

(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 the 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'.

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.

Expenditure

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Exceptions to this are periodic payments in respect of insurance, water and telephone charges and other annual premiums where amounts have not been accrued. However the financial statements do include the equivalent of a full years expenditure in respect of these items. 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 assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The GORSE Academies Trust

Notes to the Financial Statements for the period ended 31 August 2017

(continued)

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:

• Freehold buildings	2 - 10% straight line
• Long leasehold buildings	2 - 10% straight line
• Fixtures, fittings and equipment	10 - 25% straight line
• ICT hardware	25% straight line
• Motor Vehicles	12.5% straight line

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.

Donated or Assets transferred at nil value are accounted for at the fair (open market) value. That is the price that the academy trust estimates it would pay in the open market for them.

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 it 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.

The GORSE Academies Trust

Notes to the Financial Statements for the period ended 31 August 2017

(continued)

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 15. 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. None are included in this model but if relevant the suggested disclosure could be as follows, with valuation in line with the SORP [paragraphs 10.44 to 10.49] 42 Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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.

Pensions 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

The GORSE Academies Trust

Notes to the Financial Statements for the period ended 31 August 2017

(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 and Department for Education.

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 assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

2 Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016 restated
	£000	£000	£000	£000
Capital Grants	-	15,195	15,195	32,237
	-	15,195	15,195	32,237

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£000	£000	£000	£000
DfE / EFA grants				
. General Annual Grant (GAG)	-	27,481	27,481	25,613
. Start Up Grants	-	736	736	673
. Other DfE/EFA grants	-	2,646	2,646	2,328
	-	30,863	30,863	28,614
Other Government grants				
. Local authority grants	-	896	896	337
	-	896	896	337
Other income from the academy trust's educational operations	2,063	20	2,083	1,349
	2,063	31,779	33,842	30,300

4 Other Trading activities

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£000	£000	£000	£000
Lettings	167	-	167	29
Catering	936	-	936	810
Uniform	30	-	30	70
Music	10	-	10	10
	1,143	-	1,143	919

5 Investment income

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016 restated
	£000	£000	£000	£000
Short term deposits	15	-	15	18
	15	-	15	18

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

6 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other	2017	2016
	£000	£000	£000	£000	£000
Academy's educational operations:					
. Direct costs	22,548	2,777	3,003	28,328	24,045
. Allocated support costs	5,466	3,660	3,004	12,130	9,209
	<u>28,014</u>	<u>6,437</u>	<u>6,007</u>	<u>40,458</u>	<u>33,254</u>

Net income/(expenditure) for the period includes:

	Total	Total
	2017	2016
	£000	£000
Operating lease rentals	239	272
Depreciation	2,937	1,731
Fees payable to auditor for:		
- audit	23	23
- other services	12	28

7 Charitable Activities

	Total	Total
	2017	2016
	£000	£000
Direct costs – educational operations	28,328	24,045
Support costs – educational operations	12,130	9,209
	<u>40,458</u>	<u>33,254</u>

Analysis of support costs

	Educational	Total	Total
	operations	2017	2016
	£000	£000	£000
7a Support staff costs	5,466	5,466	4,194
Depreciation	147	147	86
Premises costs	3,513	3,513	2,229
Other support costs	2,957	2,957	2,628
Governance costs	47	47	72
Total support costs	<u>12,130</u>	<u>12,130</u>	<u>9,209</u>

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

8 Staff

a. Staff costs

Staff costs during the period were:	Total 2017	Total 2016
	£000	£000
Wages and salaries	21,507	19,259
Social security costs	1,993	1,982
Operating costs of defined benefit pension schemes	4,264	2,729
	<u>27,764</u>	<u>23,970</u>
Supply staff costs	195	207
Staff restructuring costs	55	97
	<u>28,014</u>	<u>24,274</u>
Staff restructuring costs comprise:		
Redundancy/Severance payments	55	97
	<u>55</u>	<u>97</u>

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £55,000 (2016: £97,000). Individually, the payments were: £4,600, £20,000, £12,000 and £18,000.

c. Staff numbers

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

	2017 FTE	2017 No.	2016 No.
Teachers	352	394	411
Administration and support	314	561	571
Management	14	15	15
	<u>680</u>	<u>970</u>	<u>997</u>

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

d Higher paid staff

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

	2017	2016
	No.	No.
£60,001 - £70,000	7	9
£70,001 - £80,000	1	1
£80,001 - £90,000	3	1
£90,001 - £100,000	3	4
£100,001 - £110,000	2	1
£110,001 - £120,000	1	0
£200,001 - £210,000	1	1
	18	17

e 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 pension contributions) received by key management personnel for their services to the academy trust was £1,563,961 (2016: £1,660,180).

The GORSE Academies Trust

Notes to the Financial Statements for the year ended 31 August 2017

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9 Central Services

The GORSE Academies Trust provided the following services to its academies during the period

- Budgeting support and advice
- HR support and advice
- Educational support services
- Financial management
- Operation management
- Admissions and governance
- ICT services

The Trust policy is to charge the constituent academies up to 5% of their forecast funding from the Education and Skills Funding Agency (ESFA) and the Local Authority, subject to Academies specific additional contributions. In some circumstances such as the closure of a sixth form or where repayments to the ESFA are required, the Board can determine a lower level or nil contribution.

The actual amounts charged during the year were as follows:

	Total 2017 £000	Total 2016 £000
The Morley Academy	-	28
The Farnley Academy	293	331
Hillcrest Academy	153	194
Ryecroft Academy	119	85
The Ruth Gorse Academy	215	110
Morley Newlands Academy	148	114
The Bruntcliffe Academy	269	332
Elliott Hudson College	201	149
	1,398	1,343

10 Related Party Transactions - Trustees' Remuneration and Expenses

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

The value of trustees' remuneration and other benefits was as follows:

Executive Principal

- . Remuneration £200,000 - £210,000 (2016: £210,000 - £220,000)
- . Employer's pension contributions paid £30,000 - £35,000 (2016: £25,000 - £30,000)

11 Directors' and Governors' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2017 was £1,431 (2016: £1,431). The cost of this insurance is included in the total insurance cost.

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

12 Tangible Fixed Assets

	Freehold Land and Buildings	Assets under Construction	Leasehold Land and Buildings	Furniture and Equipment	Computer Hardware	Motor Vehicles	Total 2017
	£000	£000	£000	£000	£000	£000	£000
Cost							
At 1 September 2016	9,250	20,207	43,381	1,273	2,476	32	76,619
Prior year adjustments	12,600	1,547	-	-	-	-	14,147
Additions	257	12,197	1,184	213	976	14	14,841
Transfer from AUC to Freehold	23,587	(23,587)	-	-	-	-	-
Transfer on Conversion	-	-	-	-	-	-	-
At 31 August 2017	45,694	10,364	44,565	1,486	3,452	46	105,607
Depreciation							
At 1 September 2016	227	-	3,951	321	1,452	23	5,974
Charged in year	780	-	1,385	223	533	2	2,923
At 31 August 2017	1,007	-	5,336	544	1,985	25	8,897
Net book values							
At 31 August 2016	21,624	20,207	39,430	952	1,024	9	83,246
At 31 August 2017	44,687	10,364	39,229	942	1,467	21	96,710

Assets under construction £10,364k relate to The Elliott Hudson College (MC2 building). The £21,754k Assets under construction have been moved to Freehold land and buildings in respect of Elliott Hudson College and The Ruth Gorse Academy.

The freehold land and building as at 1st September 2016 has been increased from the published accounts in 2015-2016 of £9,250k to £21,850k to reflect the purchase of land by the ESFA on behalf of The Ruth Gorse Academy in December 2014 of (£4,800K) and the purchase of MC2 for The Elliott Hudson College in December 2015 of (£7,800k). The Assets under construction has been increased from the published figure in the published accounts in 2015-2016 of £20,207k to £21,754K to reflect the EFA grant for The Ruth Gorse Academy (£1,547k) received in August 2016 which should have been included in 2015-2016.

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

13 Stock	2017	2016
	£000	£000
Clothing	-	18
	<u>-</u>	<u>18</u>
14 Debtors	2017	2016
	£000	£000
Trade debtors	766	8
VAT recoverable	409	170
Prepayments and accrued income	442	1,461
	<u>1,617</u>	<u>1,639</u>
	2017	2016
	£000	£000
Debtors: Amounts falling due in greater than one year	-	554
Prepayments and accrued income	<u>-</u>	<u>554</u>
15 Creditors: Amounts falling due within one year	2017	2016
	£000	£000
Trade creditors	1,638	119
Other creditors	705	169
Accruals and deferred income	3,629	4,780
	<u>5,972</u>	<u>5,068</u>
Creditors: Amounts falling due in greater than one year	2017	2016
	£000	£000
Accruals and deferred income	163	326
Deferred Income	2017	2016
	£000	£000
Deferred Income as at 31st August 2016	489	489
Resources released in year	(163)	-
Deferred Income as at 31st August 2017	<u>326</u>	<u>489</u>

The deferred income relates to the overfunding of the Elliott Hudson College in 2015-2016 of £489k which is to be recovered over a three year period from 2016-2017 to 2018-2019.

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

16 Funds

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant (GAG)	-	27,481	(30,850)	3,369	-
Start Up Grant	-	736	(736)	-	-
Other ESFA/DfE grants	-	2,646	(2,646)	-	-
Other LEA Grants	-	896	(896)	-	-
Other restricted income 3G pitch	73	19	-	-	92
Transfer on Conversion	-	-	-	-	-
Pension reserve	(7,424)	-	(1,307)	3,180	(5,551)
	<u>(7,351)</u>	<u>31,778</u>	<u>(36,435)</u>	<u>6,549</u>	<u>(5,459)</u>
Restricted fixed asset funds					
Transfer on conversion	64,187	-	-	-	64,187
ESFA/DfE capital grants	22,194	15,195	(2,922)	(1,348)	33,119
	<u>86,381</u>	<u>15,195</u>	<u>(2,922)</u>	<u>(1,348)</u>	<u>97,306</u>
Total restricted funds	<u>79,030</u>	<u>46,973</u>	<u>(39,357)</u>	<u>5,201</u>	<u>91,847</u>
Total unrestricted funds	<u>1,856</u>	<u>3,221</u>	<u>(1,099)</u>	<u>(2,021)</u>	<u>1,957</u>
Total funds	<u>80,886</u>	<u>50,194</u>	<u>(40,456)</u>	<u>3,180</u>	<u>93,804</u>

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

Restricted general funds have been spent in line with the terms of the Master Funding Agreement.

Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of The GORSE Academies Trust.

A total of £2,021k of unrestricted funds and £1,348k of restricted fixed assets funds have been transferred to restricted funds £3,369k. The transfer from restricted fixed assets is to cover rent for both Elliott Hudson College and The Ruth Gorse Academy funded by the ESFA.

The restricted pension fund is in deficit to the value of £5,551k (2016: £7,424k). The decrease is due to the increase in the actuarial costs. Directors will continue to monitor the situation.

The GORSE Academies Trust

Notes to the Financial Statements for the year ended 31 August 2017

(continued)

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £000	Total 2016 £000
The Morley Academy	455	524
The Farnley Academy	245	397
Hillcrest Academy	26	66
Ryecroft Academy	-	(78)
The Ruth Gorse Academy	89	125
Morley Newlands Academy	15	46
The Bruntcliffe Academy	812	926
Bruntcliffe 3G Pitch	92	72
Elliott Hudson College	(295)	(294)
Leeds Teaching Schools Alliance	32	32
The GORSE Academies Trust	578	112
Included in The GORSE Academies Trust Balance is £351k of retained balances		
Total before fixed assets and pension reserve	2,049	1,928
Restricted fixed asset fund	97,306	72,236
Pension reserve	(5,551)	(7,424)
Total	93,804	66,740

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2017 £000	Total 2016 £000
The Morley Academy	5,197	1,063	480	1,023	7,763	7,586
The Farnley Academy	4,166	939	406	993	6,504	5,815
Hillcrest Academy	1,712	298	105	384	2,499	2,335
Ryecroft Academy	1,082	250	107	371	1,810	1,723
The Ruth Gorse Academy	2,244	659	304	771	3,978	2,198
Morley Newlands Academy	1,596	313	156	363	2,428	2,105
The Bruntcliffe Academy	2,830	693	246	973	4,742	4,730
Elliott Hudson College	2,615	508	189	1,954	5,266	2,903
Leeds Teaching Schools Alliance	119	61	7	227	414	480
The GORSE Academies Trust	986	686	195	264	2,131	1,648
	22,547	5,470	2,195	7,323	37,535	31,523

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

17 Analysis of Net Assets between Funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds 2017 £000
Tangible fixed assets	-	-	96,710	96,710
Current assets	1,957	6,226	597	8,780
Current liabilities		(6,135)		(6,135)
Pension scheme liability		(5,551)		(5,551)
Total net assets	1,957	(5,459)	97,306	93,804

18 Commitments under operating leases

Operating Leases

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

	2017 £000	2016 £000
Amounts due within one year	198	132
Amounts due between one and five years	121	103
	319	235

The GORSE Academies Trust
Notes to the Financial Statements for the year ended 31 August 2017
(continued)

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2017	2016
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	9,737	30,293
Depreciation charges (note 12)	2,923	1,731
Capital grants from DfE and other capital income	(18,402)	(22,890)
Interest receivable (note 5)	(15)	(18)
Defined benefit pension scheme obligation inherited	-	313
Defined benefit pension scheme cost less contributions payable (note 23)	1,166	447
Defined benefit pension scheme finance cost (note 23)	141	80
Decrease in stocks	18	32
Decrease in debtors	576	(476)
Increase in creditors	742	3,448
Cash Impact of transfer on conversion	-	(483)
Transfer on conversion	-	(9,250)
Net cash provided by / (used in) operating activities	(3,114)	3,227

20 Cash Flows from Investing Activities

	2017	2016
	£000	£000
Dividends, interest and rents from investments	15	18
Purchase of tangible fixed assets	(14,841)	(21,269)
Capital grants from ESFA/DfE	18,402	22,890
Transfers on conversion	-	483
Net cash provided by / (used in) investing activities	3,576	2,122

21 Analysis cash and cash equivalents

	At 31 August	At 31 August
	2017	2016
	£000	£000
Cash in hand and at bank	7,163	6,701
Total cash and cash equivalents	7,163	6,701

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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

The GORSE Academies Trust

Notes to the Financial Statements for the year ended 31 August 2017

(continued)

23 Pension and Similar Obligations

The GORSE Academies Trust employees belong to two principal pension schemes: the Teachers' Pension Scheme (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the West Yorkshire Pension Fund. Both are multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations (2014). Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £2,279,988.

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 academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

The GORSE Academies Trust

Notes to the Financial Statements for the year ended 31 August 2017

(continued)

23 Pension and Similar Obligations (continued)

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 as £1,181,000 (2016: £1,008,000), of which employer's contributions totalled £813,000 (2016: £689,000) and employees' contributions totalled £368,000 (2016: £319,000). The agreed contribution rates for future years are 12.9% per cent for employers and 5.5% to 7.5% per cent for employees depending on salary level.

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	3.25%	3.40%
Rate of increase for pensions in payment/inflation	2.00%	1.90%
Discount rate for scheme liabilities	2.50%	2.00%
Inflation assumption (CPI)	2.00%	1.90%

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	23
Females	25	26
<i>Retiring in 20 years</i>		
Males	23	25
Females	27	28

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

	Fair value at 31 August 2017	Fair value at 31 August 2016
	£000	£000
Equities	9,055	7,198
Government Bonds	1,128	1,074
Corporate Bonds	458	403
Property	529	460
Cash	176	134
Other	399	316
Total market value of assets	11,745	9,585

The GORSE Academies Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

Amounts recognised in the statement of financial activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	1,166	1,136
Net interest cost	141	80
Total operating charge	<u>1,307</u>	<u>1,216</u>

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

	2017 £'000	2016 £'000
At 1 September	17,009	8,521
Upon conversion	-	1,186
Current service cost	1,979	1,136
Interest cost	343	373
Employee contributions	368	319
Actuarial loss/(gain)	(2,277)	5,609
Benefits paid	(126)	(135)
At 31 August	<u>17,296</u>	<u>17,009</u>

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

	2017 £'000	2016 £'000
At 1 September	9,585	6,388
Upon conversion	-	873
Interest income	202	293
Actuarial gain/(loss)	903	1,158
Employer contributions	813	689
Employee contributions	368	319
Benefits paid	(126)	(135)
At 31 August	<u>11,745</u>	<u>9,585</u>

The GORSE Academies Trust

Notes to the Financial Statements for the year ended 31 August 2017

(continued)

24 Related Party Transactions

There are no related party transaction in 2016-2017

25 Agency arrangements

The GORSE Academies Trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the Education and Skills Funding Agency (ESFA). In the year it received and distributed £77,306.

In addition the Trust is a School Centred Initial Teacher Training (SCITT) centre and administers the disbursements of bursary funding, on behalf of the National College of Teaching and Learning (NCTL). In the year it received £989,500 with £17,000 unallocated and shown within other creditors at the year end.

26 Post Balance Sheet Events

The Stephen Longfellow Academy an Alternative Provision free school became part of The GORSE Academies Trust on 1st September 2017. Richmond Hill Academy previously an LA school became part of The GORSE Academies Trust on 1st November 2017.

27 Prior Year Adjustments

The restricted fixed assets fund has been increased from the published figure in the 2015-2016 accounts of £72,236k to £86,383k to reflect the purchase of land by the EFA on behalf of The Ruth Gorse Academy in December 2014 of (£4,800k) and EFA grant for The Ruth Gorse Academy of (£1,547k) received in August 2016 which should have been included in 2015-2016 and the purchase of MC2 for The Elliott Hudson College for (£7,800) in December 2015.