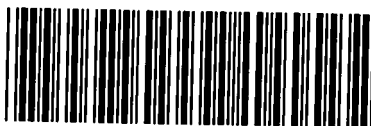


**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>Members</b>	A Bond G Chilcott P Dimech I Fewtrell E Griffiths
<b>Trustees</b>	F Allen, Chief Executive Officer R Hayday, Chair G Clark (appointed 12 June 2018) A Hall P Vincent D Powell R Ward, Vice Chair from 5 December 2017 S Copeman R Stuchbury, Vice Chair until 5 December 2017 (resigned 5 December 2017) D Willis
<b>Company registered number</b>	07557894
<b>Company name</b>	Pickwick Academies Trust
<b>Principal and Registered office</b>	Corsham Primary School Pound Pill Corsham Wiltshire SN13 9YW
<b>Accounting Officer</b>	F Allen
<b>MAT Senior Management Team</b>	F Allen, Chief Executive Officer K Hillman, Finance Director
<b>Senior Leadership Team</b>	K Hillman, Finance Director G Cooke, Senior Headteacher J Passmore, Teaching School M Nightingale, Headteacher (Aloeric Primary School) J Hawkins, Headteacher (Queen's Crescent School) C Cannings, Headteacher (Ivy Lane School)
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
<b>Bankers</b>	Lloyds Bank plc 29 High Street Chippenham Wiltshire SN15 3HA
<b>Solicitors</b>	Browne Jacobson 3 Piccadilly Place Manchester M1 3BN

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CHAIRMAN'S STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The Chair presents his statement for the year from September 2017 to August 2018.

The 2017/18 Academic year is the first full year of operation for Pickwick Academy Trust – a Multi Academy Trust (MAT) comprised of the four founding schools. These are Aloeric Primary School, Corsham Primary School, Queen's Crescent Primary School and Ivy Lane Primary School whose staff, with support from their Local Governing Bodies, provide education, development and enrichment opportunities to our many pupils. The Pickwick Teaching and Learning School Alliance (PLTSA) is another arm of the Trust and supports school and professional development for our four founding schools as well as for its wider network of member schools

This period has naturally been a time of organisational development as the four founding schools have come together to establish Trust-wide ways of working in line with the direction set by the Board and led by the experienced Chief Executive Officer, Fiona Allen. To enhance the benefits of being a MAT, attention has been focused on the establishment of systems including the implementation of systems to support the co-ordinated management of finances and information. Such activities require considerable leadership team capacity to understand individual establishment's cultures and operations and blend these to create new ways of working. Credit must be paid to the staff in all areas of the Trust who have continued to deliver their core business whilst changes have been designed and implemented. Adjusting to any change requires good engagement with stakeholders to ensure effective implementation and delivery of desired outcomes in the future. The Trust must continue and do more of this in the future including maintaining the contact with the Chairs of Local Governing Bodies.

Our Executive team which involves the Headteacher from each school have spent time developing as a unit and have drawn on the experience from other organisations to shape the way forward for the MAT. During this formation year the Board have approved a new leadership model which introduces the role of two Executive Heads (originally Head Teachers from two of the four schools). Julia Hawkins and Gina Cooke will oversee the Heads of School and have a corporate portfolio to deliver the School Improvement Agenda. The achievement of this new structure was enabled by the departure at the end of the academic year of two of the original Headteachers whose contributions have been recognised by the Board. This new staff structure is intended to allow Heads of School to focus attention on teaching and learning in their schools. The Board has also appointed James Passmore, Director of the PTLTA to also be the Deputy CEO of the Trust.

Our endeavours have been recognised by the Regional Schools Commissioner (RSC) whose agents visited the Trust in July. Our leadership team provided the authorities with a comprehensive appraisal of our activities to date which were well received and provided the necessary assurance of our development, performance and governance. Whilst working to form out Trust and build firm foundations for our future, we have also been planning our future and exploring growth opportunities in response to the national picture for MAT sustainability. Considerable work has been undertaken to market the benefits of the Trust and already there has been interest in our collaborative from other schools. Meeting with the RSC provided us with the opportunity to seek support to realise our ambitions. The Trust has secured a DfE Development and Improvement Grant to the sum of £95,644 which is ring-fenced until such time as a school joins our organisation; once this happens it will trigger the release of this funding. To support the strategic direction the Board has begun to explore changes that may be needed to accommodate other organisations.

We have drawn on the governance arrangements that were designed in the initiation phase of the Trust before it was established on 1 August 2017 and we have developed these and many policies including those that address the welfare and safety of our children and staff, performance and financial management, and our sustainability including the requirement for each school to generate reserves.

PLTSA has continued its valuable work and supported the Trust development as part of its aim to improve standards and life experiences for all pupils and adults within the alliance by working together and learning from each other. To deliver outcomes School Improvement Groups – involving clustering arrangements to form partnerships with a direct focus on school improvement – are being established. Through the networks that the alliance creates, the Trust explores opportunities for development.

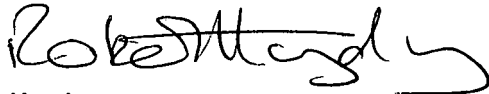
The members of the Trust have remained closely associated with the Trust Board and as a result of observing Board meetings have been able to reappoint individuals to serve. Our membership have also successfully recruited a new Trustee who brings professional experience of education to enhance the work of the Board. I have served as Chair during this reporting period and am ably supported by Rob Ward as Vice Chair.

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CHAIRMAN'S STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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During the year, children associated with the five school sites worked together to explore the different ways of learning on offer in the unique schools and through visits to the different sites were able to experience and observe the different school identities. A highlight for the Board was the culmination of the project where confident and articulate young individuals presented their findings to the Board and demonstrated how the organisation had started to work across original school boundaries.



**R Hayday**

Chair of the Board of Trustees

Date

15/12/18

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the 1 September 2017 ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Corsham, Chippenham and Melksham based in Wiltshire. It has a pupil capacity of 1890 and had a roll of 1770 in the school census in October 2018.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust was incorporated on 1 August 2017 and opened to parents across its four academies on the 1 September 2017. The 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 Pickwick Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Pickwick Academy Trust.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

**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 they cease to be a member.

**Trade union facility time**

At present there are no employees within any of the Trust's schools that undertake paid union activity.

**Trustees' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

On 1 August 2017 the Members appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy Trust shall have the following Trustees as set out in its Articles of Association, funding agreement and scheme of delegation:

- 9 Trustees one being the Chief Executive Officer, being an ex officio Governor.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

There are job descriptions written and agreed for a Trustee, Chair of the Board, Chief Executive Officer and Finance Director which ensures all persons who participate in Board meetings are aware of their roles and responsibilities. The Scheme of Delegation and Trust Constitution outlines the method for recruiting, inducing and training new Trustees.

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academies and a chance to meet Headteachers, staff and pupils. 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. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

There is a Trustees' Strategic Training event at the beginning of every academic year keeps the Trustees updated on relevant developments impacting on their roles and responsibilities whilst also giving time to consider the future develops for the Trust.

**Organisational Structure**

The Board of Trustees meets at least once each term particularly around the audit period. The Board establishes an overall framework for the governance of the Academies and determines membership, terms of reference for Governors. Additionally the Board has written a Code of Practice and a Governor Handbook which gives Local Governing Bodies detailed information regarding working practices. The Academy Trust comprises four primary schools; Trustees receive reports and minutes from its Local Governing Bodies and a detailed Headteacher Report which outlines important information appertaining to the performance of each Academy. The Board may from time to time establish Working Groups/Panels to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Board of Trustees have devolved responsibility for day to day management of the Trust's Academies to the Local Governing Body, Headteacher and Senior Leadership Team (SLT). The SLT comprises the Chief Executive Officer, Finance Director, Teaching School Director and Headteachers of each school in the Trust.

The Academy has a leadership structure which consists of the Local Governing Body, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher is the Accounting Officer in each Academy.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

**Connected Organisations, including Related Party Relationships**

The Trust has strong collaborative links with Pickwick Teaching School Alliance (PLTSA) which is part of Corsham Primary School. The Board is responsible to ensure PLTSA operates successfully within DfE guidelines, policies and procedures. The Board has delegated the day to day running of the organisation to the Director and Deputy Director; their work is overseen by the CEO.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

Pickwick Academy Trust aims to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

Our vision - "Working together to provide the best for our children"

It is our collective vision to:

- Harness our collective expertise to drive school improvement and realise the best for all;
- Provide support and challenge for each school on its own individual journey of improvement;
- Promote and celebrate the uniqueness of our schools to encourage aspirations and innovation;
- Ensure every child is learning and supported to meet their full potential

Our founding principles for the Trust are:

- We join as equal partners, and recognise the expertise & skills that each school brings to the MAT;
- We find common-sense solutions to the issues that we all face, while keeping what is best for the children at the heart of our decision-making processes;
- We work openly with each other and are 'outward-facing' in our approach, offering support to other schools in challenging circumstances;
- We all share the responsibility to ensure all pupils within the MAT realise their potential;
- We openly support each other in all aspects of school improvement – sharing expertise & best practice;
- We ensure that conditions of work for our staff are in the best interests of the school and well-being;
- We believe that each school should retain its unique identity and reflect the needs and aspirations of its local community;
- We are committed to expanding our MAT enabling other schools to share their expertise and gain from ours;
- We encourage diversity of approach and recognise that Local Governing Bodies need the freedom to manage in the best interest of their own school;
- Making efficiency savings to ensure investment remains in quality teaching and learning.

**Objectives, Strategies and Activities**

The Trust Board has a detailed Strategic Business Plan which drives the focus of our work. Is broken down into key areas:

- Standards - School Improvement  
 People - Staff Development and being a good employer  
 Structures - Governance  
 Finance

In order to demonstrate the work undertaken by the Board and Executive Leadership Team over the last year examples from each section can be seen below:

People					
Strategic Focus Area	Activities	Outcomes – Year 1	Outcomes - Year 5	Lead	Timeframe
– Staff Development and Being a Good Employer					
Ensure that each LGB has a Performance Management Framework in place and they complete the appraisal cycle within agreed timelines.	Ensure that each LGB has a Performance Management Framework in place and they complete the appraisal cycle within agreed timelines	All staff across the Trust have been involved in appraisal  All Headteacher's have achieved their appraisal targets	The Trust has harmonised each school's Appraisal Policy formulating one document that all schools then follow  Headteacher Appraisal is led by the CEO and a different way of managing the appraisal process is in place to ensure harmonisation of improvement targets	CEO	September 2018  <b>COMPLETED AHEAD OF TIME</b>



**PICKWICK ACADEMY TRUST**  
(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

<b>B) Structures</b>					
Strategic Focus Area – Governance	Activities – Year 1	Outcomes – Year 1	Outcomes – Year 5	Lead	Timeframe
Develop and implement the PAT governance framework; ensuring that responsibilities at Trust Board and Local Governing Body (LGB) level are explicit; that roles and responsibilities of senior leaders in our new organisation are clear; and that the strategic plan is well communicated and moves seamlessly from implementation into impact	a) Clearly communicate the strategic vision to trustees, governors, and staff teams in PAT academies	Each academy in the PAT has links in their improvement plan to the PAT strategic plan showing the contribution they make to PAT	The PAT Strategic Plan sits within academy plans, and there is clear evidence that PAT priorities are being delivered by academies	CEO and Heads	April 2017 onwards

<b>C) Standards</b>					
Strategic Focus Area	Activities – Year 1	Outcomes – Year 1 and Year 2	Outcomes – Year 5	Lead	Timeframe
School Improvement					
Deliver a PAT wide school improvement strategy that covers:  Outcomes	<p><b>Assessment</b> Create a common assessment framework across the schools by:</p> <ul style="list-style-type: none"> <li>Talking to school assessment leads and key governors to determine areas of commonality to assessment and reporting in each school asking what works well? Include reporting on assessment of vulnerable groups e.g. Disadvantaged learners, SEND and reporting on specific cohort data including EYFS attainment and progress.</li> <li>Summarise findings and present to Headteachers.</li> <li>Agree common use of language to report to board and a common reporting format.</li> <li>Share with all parties.</li> <li>Look at assessment policies in each school to agree a common approach to reporting data.</li> </ul> <p>Investigate the use of Perspective <u>Lite</u> to publish data across the 4 schools within the PAT so that a starting point can be determined for 2017 data.</p>	<p>A common format for reporting data to the board that provides an overview of each schools strengths and areas for development will be agreed.</p> <p>Collective PAT data is available and can be published.</p>	<p>An agreed common approach to assessment within our schools e.g. tracking system for pupils, is in place and working effectively.</p> <p>A Pickwick Academy Trust assessment policy is in place.</p>	All Heads	November 2019

<b>D) Finance</b>					
Strategic Focus Area – Finance	Activities – Year 1	Outcomes – Year 1	Outcomes – Year 5	Lead	Timeframe
Formulate a common understanding of PAT Financial Procedures and Policies	<p>A Financial Procedure Manual will be agreed and implemented across all four schools</p> <p>A Financial Scheme of Delegation is agreed and put in place again across all four schools</p> <p>Implemented the new HCSS Accounting and Budgeting System is implemented in all four schools and the necessary information to inform the Board of the Trust's financial position</p>	<p>All four schools understand and are using agreed procedures and policies</p> <p>All four schools are using the HSCC system correctly</p>	<p>The Trust is contributing to the development of the HCSS System in order to meet changes in future financial requirements</p> <p>The financial procedures and policies are accepted by the norm across all schools and being used seamlessly</p>	KH	April 2018

**PICKWICK ACADEMY TRUST**  
(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Trust supports its Academies to provide facilities for recreational and other leisure time occupation for the communities it serves at large in the interests of social welfare and with the interest of improving the life of the said community.

**STRATEGIC REPORT**

**Achievements and Performance**

The Academy is in its first full year of operation and has continued to grow from strength to strength.

The following Academic KPI's were set at the start of the academic year and are regularly monitored and reviewed by the Board.

**Trust Pupil Performance Indicators 2017-2018**

	National 17	Aloerick	Actual	CPS	Actual	ILS	Actual	QCS	Actual	Combined	Actual Combined
<b>EYFS</b>											
% GLD	<b>71%</b>	87%	87%	80%	79%	73%	70%	78%	76%	<b>80%</b>	<b>78%</b>
Disadvantaged	<b>55%</b>	100%	50%	33%	60%	50%	60%	0%	33%	<b>50%</b>	<b>55%</b>
<b>Year 1</b>											
% Phonics	<b>81%</b>	82%	86%	81%	86%	82%	87%	84%	83%	<b>82%</b>	<b>85%</b>
Disadvantaged	<b>61%</b>	66%	100%	23%	45%	80%	100%	67%	33%	<b>53%</b>	<b>71%</b>
<b>KS1</b>											
Reading											
% ARE	<b>76%</b>	83%	72%	80%	76%	77%	72%	70%	76%	<b>78%</b>	<b>75%</b>
% GD	<b>25%</b>	27%	14%	34%	19%	26%	26%	20%	29%	<b>14%</b>	<b>22%</b>
Disadvantaged											
% ARE	<b>76%</b>	38%	33%	47%	47%	44%	50%	80%	80%	<b>49%</b>	<b>49%</b>
%GD	<b>25%</b>	13%	0%	13%	0%	00%	10%	40%	40%	<b>16%</b>	<b>8%</b>
<b>KS1</b>											
Writing											
% ARE	<b>68%</b>	75%	59%	72%	64%	70%	69%	65%	65%	<b>71%</b>	<b>64%</b>
% GD	<b>16%</b>	20%	3%	18%	8%	14%	10%	10%	10%	<b>16%</b>	<b>8%</b>
Disadvantaged											
%ARE	<b>68%</b>	38%	33%	33%	47%	44%	50%	60%	80%	<b>41%</b>	<b>49%</b>
%GD	<b>16%</b>	13%	0%	13%	0%	00%	0%	0%	0%	<b>8%</b>	<b>0%</b>
<b>KS1</b>											
Maths											
% ARE	<b>75%</b>	75%	71%	75%	81%	74%	71%	68%	71%	<b>73%</b>	<b>75%</b>
% GD	<b>21%</b>	22%	10%	28%	19%	21%	9%	22%	29%	<b>24%</b>	<b>16%</b>
Disadvantaged											
% ARE	<b>75%</b>	50%	44%	40%	67%	66%	50%	80%	100%	<b>54%</b>	<b>62%</b>
% GD	<b>21%</b>	13%	11%	20%	0%	00%	0%	40%	40%	<b>16%</b>	<b>8%</b>
<b>KS1</b>											
RWM											
% ARE	<b>65%</b>	70%	41%	67%	56%	65%	66%	61%	65%	<b>66%</b>	<b>57%</b>
% GD	<b>11%</b>	12%	2%	18%	5%	10%	5%	10%	10%	<b>13%</b>	<b>5%</b>
Disadvantaged											
% ARE	<b>65%</b>	38%	5%	33%	33%	44%	40%	80%	80%	<b>43%</b>	<b>41%</b>
% GD	<b>11%</b>	13%	0%	13%	0%	00%	0%	0%	0%	<b>8%</b>	<b>0%</b>
<b>KS2</b>											
Reading											
% ARE	<b>71%</b>	77%	73%	71%	81%	79%	86%	80%	74%	<b>76%</b>	<b>78%</b>
% GD	<b>25%</b>	25%	33%	11%	40%	33%	43%	34%	29%	<b>23%</b>	<b>36%</b>
Disadvantaged											
% ARE	<b>71%</b>	70%	58%	44%	60%	79%	69%	57%	57%	<b>62%</b>	<b>62%</b>
% GD	<b>25%</b>	0%	33%	0%	20%	29%	46%	0%	14%	<b>9%</b>	<b>30%</b>

**PICKWICK ACADEMY TRUST**  
(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

KS2 Writing											
% ARE	<b>76%</b>	78%	79%	70%	81%	81%	81%	81%	81%	<b>77%</b>	<b>81%</b>
% GD	<b>18%</b>	19%	6%	10%	12%	21%	20%	19%	12%	<b>16%</b>	<b>12%</b>
Disadvantaged											
% ARE	<b>76%</b>	50%	67%	38%	67%	79%	77%	57%	71%	<b>55%</b>	<b>72%</b>
% GD	<b>18%</b>	0%	0%	13%	7%	21%	8%	0%	0%	<b>11%</b>	<b>4%</b>
KS2 GPS											
% ARE	<b>77%</b>	81%	63%	73%	79%	86%	88%	85%	82%	<b>80%</b>	<b>78%</b>
% GD	<b>31%</b>	31%	27%	12%	35%	36%	48%	37%	39%	<b>26%</b>	<b>36%</b>
Disadvantaged											
% ARE	<b>77%</b>	60%	50%	44%	60%	86%	85%	57%	71%	<b>62%</b>	<b>79%</b>
% GD	<b>31%</b>	0%	8%	0%	6%	36%	46%	0%	43%	<b>11%</b>	<b>23%</b>
KS2 Maths											
% ARE	<b>75%</b>	77%	75%	75%	79%	83%	79%	82%	76%	<b>78%</b>	<b>77%</b>
% GD	<b>23%</b>	23%	15%	11%	19%	33%	36%	24%	24%	<b>21%</b>	<b>22%</b>
Disadvantaged											
% ARE	<b>75%</b>	40%	67%	44%	60%	86%	69%	57%	43%	<b>57%</b>	<b>62%</b>
% GD	<b>23%</b>	0%	8%	13%	20%	43%	23%	0%	0%	<b>17%</b>	<b>15%</b>
KS2 RWM	<b>Floor: 65%</b>										
% ARE	<b>Actual: 61%</b>	65%	58%	70%	71%	71%	79%	67%	63%	<b>69%</b>	<b>68%</b>
% GD		17%	2%	10%	3%	14%	14%	12%	6%	<b>13%</b>	<b>5%</b>
Disadvantaged											
% ARE		40%	42%	38%	53%	79%	69%	28%	43%	<b>49%</b>	<b>53%</b>
% GD		0%	0%	0%	0%	29%	8%	0%	0%	<b>9%</b>	<b>2%</b>
Attendance-All	<b>96%</b>										
		96.2%	95.7%	96.5%	95.8%	97%	96.9%	97%	96.6%	<b>96.7%</b>	<b>96.25%</b>
Attendance - Disadvantaged	<b>94.8%</b>	95.0%	94.7%	94%	92.0%	96.7%	95.5%	97%	95.0%	<b>95.7%</b>	<b>94.3%</b>
Attendance - SEND	<b>94.8%</b>	95.0%	94.8%	94%	92.7%	96.85%	96.3%	95%	96.3%	<b>95.2%</b>	<b>95.0%</b>

The data above demonstrates a number of strengths for Pickwick Academy Trust including:

- EYFS GLD are above national
- Year 1 phonics is above national
- KS1 reading and maths are in line with national at ARE
- KS2 Reading, writing and maths are above national at ARE
- KS2 GPS is in line with national at ARE
- RWM combined at KS2 is above national at ARE
- Attendance for all, disadvantaged and SEND pupils are in line with or above national

The data above demonstrates a few areas of development for Pickwick Academy Trust, which will be a key focus for 2018-19 academic year. These include

- Improving outcomes for disadvantaged learners at KS1 and KS2 in all subjects.
- Improving the percentage of pupils attaining Greater Depth in all subjects in KS1 and in writing and maths in KS2.

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Overall Trust Key Performance Indicators**

All Trust Schools remain good or better in Ofsted inspections	Achieved
Aloeric has implemented its Financial Recovery Plan and is actively working towards an in year surplus	Not achieved due to leadership and finance administration changes within the school.
Queens Crescent has moved to a two form entry primary school and opens its new classroom in September 2018	Achieved
Ivy Lane has submitted a CIF bid to replace its old "Pratton" huts	Achieved the CIF Bid will be submitted to the ESFA in December 2018
The land access dispute at Ivy Lane has been concluded successfully	Achieved
An interactive Trust web-site is in place	Achieved
The Trust's School Improvement strategy has been completed	Achieved
The first stage of the expansion of Corsham Primary's Broadwood site has been started	Achieved

The Trust has had a busy, successful year and has undertaken some key work with all its schools. Particularly pleasing is the work undertaken to develop the Trust's building stock with CIF Bids being submitted to the ESFA in all four schools. The expansion of both Corsham Primary, Broadwood site and Queen's Crescent into a two form entry school have added the capacity of the Trust to grow internally.

Financial concerns at Aloeric continue to occupy the Executive Leadership Team with robust discussions taking place with the Chair of Governors and Local Governing Body. Next year will be challenging for the school as its plans to implement its Recovery Plan impact on staffing levels and resources available to deliver the curriculum.

**Teaching School Key Performance Indicator**

Empower the Salisbury Pickwick Learning Hub to deliver on School Improvement, ITT and CPD, achieving all the eligibility criteria required to apply for teaching school status	Achieved
Hub organisation model established for all schools in Pickwick TSA, deliver core offer through appointed hub leaders for each hub - measurable impact articulated in each participating school	Achieved
Activities provided by Pickwick generate a surplus of £40,000	Achieved

The Teaching School continues to grow and extend its reach to include 66 schools across 5 local authorities. We have an embedded professional development package, and continue to deliver high quality teacher training with exceptional results: 100% pass rate, and 75% of trainees employed within the alliance. This year we have launched School Improvement Groups (SIGs) to increase engagement levels with our members and to have even greater impact with the schools we work with. We have access over £200k of DfE funding to support three OfSTED inadequate rated schools.

**PICKWICK ACADEMY TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Salisbury hub has grown well and is now offering CPD, ITT and school improvement work. We have delivered our outstanding teacher programme, as well as training up facilitators for this, targeted leadership programme and a range of high quality, well-attended CPD. We have worked with the exceptional Deputy Directors to run a conference for over 170 people, including the whole staff teams of over half the schools in Salisbury. Activities have generated a surplus of over £73k which is enabling us to plough money back into the system and support schools with their school improvement priorities.

**Financial Key Performance Indicators**

**Financial KPIs**

The budgets and targets for 2017-18 were inherited from the four schools which formed the multi academy trust on 1 August 2017. During the year the Board set the following KPIs for Local Governing Bodies to work towards achieving by August 2019. KPIs were set as follows:

1. Staffing costs to be 75% or less of total costs.
2. A minimum of £85 per pupil is spent on building maintenance.
3. A minimum of 2% of total costs is spent on technology (IT).
4. Each academy to work towards reaching 5% reserve plus a contribution of 2% to central reserve based on the total GAG income.

The table below show the KPIs which were set and the position for each school at 31 August 2018.

<b>KPI</b>	<b>Aloeric</b>	<b>CPS</b>	<b>Ivy Lane</b>	<b>QC</b>	<b>PAT</b>
Staffing Costs as % total costs	76.2	71.4	72.4	76.9	74.2
Spend per pupil on Building Maintenance	12.1	59.7	31.1	31.5	37.1
IT spend as % of total cost	2.7	2.5	1.0	1.5	2.0
Reserves as a % of GAG	-3.7	13.2	6.7	9.4	7.4

In order to have a like for like comparison across schools staffing costs exclude premises, cleaning and catering staff. The Trust is reviewing arrangements for schools that have these services in house.

**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.

**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 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 DfE which 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 useful life of the assets concerned, as defined in the Academy's accounting policies.

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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During the year ended 31 August 2018, total expenditure (excluding restricted fixed asset funds) was £7,971,611 and recurrent grant funding from the DfE and other incoming resources (excluding restricted fixed asset funds) was £7,751,701. The excess of expenditure over income for the year was £219,910.

At 31 August 2018 the net book value of fixed assets was £13,672,321 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

**Reserves Policy**

The Trust review the reserve levels of the Academies 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 take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Reserves Policy requires schools to work towards achieving a reserve equivalent to 5% of GAG income and for the Trust to have a central reserve of 2%. The position for each school is shown on page 12 within Financial KPIs.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Investment Policy**

The Trust regularly placed all funds surplus to immediate requirements are invested to optimal effect. On a regular basis this is achieved by automatic transfer of surplus funds to overnight deposit.

Trustees continue to be committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Finance Director within strict guidelines approved by the Board of Trustees.

**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

**Financial** - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 95% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Failures in governance and/or management** - the risk in this area arises from development of a new Multi Academy Trust and its potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks particularly in light of the development of Pickwick Academy Trust.

**Reputational** - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil's success and achievements are closely monitored and reviewed.

**Safeguarding and Child Protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline across Trust schools.

**Staffing** - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - The Trust has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. The Board intend to review the Trust's approach to risk management and it's supporting policies in light of the development of the Multi Academy Trust.

The Academy has agreed a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed three times a year.

**PLANS FOR FUTURE PERIODS**

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels across its Academies. Each Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Each Trust Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Following the notification of a successful extensive housing development around Corsham Primary's Broadwood site Wiltshire County Council has commenced building a six classroom extension to accommodate increased pupil numbers. The Board of Trustees plans to utilise Corsham Primary's existing reserves in 2017/18 to support additional resources in the expansion. The project is due for completion in July 2019.

The Trust is committed to a growth programme with its strategic ambition of expanding to 12 schools over a five year period. Discussions have taken place with various schools over the course of the year which has lead Trustees to feel confident that growth targets will be achieved over the coming years.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

**EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED**

**For Disabled Employees**

The Trust is an Equal Opportunities Employer and works in conjunction with the Equality Act 2010 and supports disabled people including those with long term health conditions, learning disabilities and so called "hidden" disabilities such as dyslexia. If the employee confirms that they have a disability we can make reasonable adjustments to ensure that any selection processes, including the interview, are fair and equitable.

**PICKWICK ACADEMY TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trust also supports disabled employees by following policies such as Managing Absence and Ill Health, Staff Wellbeing and providing staff access to an Employees Assistance Programme (Corsham Primary). Trust Academies work with Occupational Health providers in order to support all disabilities and provides an internal training programme is required.

**For Employee Consultation**

The CEO alongside the Trust's HR Provider pre-plans all potential development changes for the Trust and works in partnership with all stakeholders who include employees, trade unions, Trustees, governors and senior members of staff to communicate and support the Trust with workforce changes. Communication at all levels of the organisation is seen as vital to ensure collaboration and understanding across the Trust.

**Trustees' Indemnities**

As the Trustees are directors, disclosure is required of whether there were any third party indemnity provisions during the year or at the date of approval of the Trustees' report.

**AUDITORS**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on ....10/12/18..... and signed on the board's behalf by:



**R Hayday  
Chair of Trustees**



**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Pickwick Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 10 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
F Allen	10	10
R Hayday	9	10
D Stuchbury	1	2
S Copeman	8	10
A Hall	9	10
D Powell	7	10
P Vincent	7	10
R Ward, Vice Chair until 5 December 2017	4	10
D Willis	9	10
G Clark	2	3

Pickwick Academy Trust is designated by the DfE as an Academy sponsor and it is the Board's ambition to grow the Trust to an organisation of twelve schools over the next five years. Following discussions an appropriate governance structure has been put into place in readiness for the growth, this includes the involvement of Local Governing Bodies and a possible Hub model where schools in different areas can work together; the Teaching School will as broker ensure school improvement can be delivered effectively. The Trustees have overall responsibility and ultimate decision making authority for all the work of the Academy, Teaching School and Trust (as and when it is established).

The day to day management and responsibility for the running of the Trust and Teaching School has been delegated to the Chief Executive Officer (CEO), who is supported by a Finance Director, Business Director and the Director of the Teaching School. Two Executive Headteachers led on school improvement and are directly accountable to the CEO. The CEO holds fortnightly Executive Team meetings with senior staff to ensure communication lines are strengthened across the Trust.

The Board is further supported by Local Governing Body made up of governors who are appointed at local level. The Local Governing Bodies focus on the day to day life of the school and are there to ensure the staff working in the Academy are supported and challenged when necessary, and the needs of the pupils are met ensuring every pupil receives the best possible education. The Local Governing Body represents the community and is responsible for all engagement with parents and the wider community. Whilst the Trustees have overall responsibility and ultimate decision making authority for all the work of the school, and the standards achieved by the pupils, Local Governing Bodies ensure the vision of the Academy and future Trust is realised.

The Trustees fulfil their responsibilities through strategic planning and by the setting of policies and standards as well as taking responsibility for the oversight and management of risk. The Trustees have the power to direct change where required. The Trustees act independently and in the best interests of the Trust; they are accountable to the Secretary of State for Education and to the community that they serve. Irrespective of a person's role or method of appointment, Trustees are responsible individually and collectively for the Academies and use their skills and experience in undertaking a role on the Board.

**GOVERNANCE STATEMENT (continued)**

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The Pickwick Academy Trust Board did not meet during the month of August due to the school summer closure period.

**Governance reviews**

During this first year of operation the Board has been constantly reviewing governance arrangements, this has resulted in:

1. A full review of financial management across Trust Academies.
2. A full review of school improvement support for Trust Academies

Consequently fundamental organisational changes have been implemented which has enabled the Trust to deliver key areas of work more effectively.

The resignation of a Trustee part way through the academic year enabled the Board to reflect on its skill base. School Improvement was identified as an area needing additional strength and knowledge and following a successful recruitment campaign a new Trustee joined the Board. Her skills and knowledge have had an immediate impact on the level of support and challenge the Board is able to offer the Executive Leadership Team.

Academy undertakes an annual audit of its Trustees skills in order to ascertain any areas that need further development. Trustees have identified the need to recruit a Trustee with more financial business knowledge and experience should any more Trustees resign from the Board.

**The Trustees/Governors' Approach**

The Trustees/Governors and school managers will apply the principles of best value when making decisions about:

- The allocations of resources to best promote the aims and value of the school.
- The targeting of resources to best improve standards and the quality of provision.
- The use of resources to best support the various educational needs of all pupils.
- Trustees/Governors and the school managers will:
  - Make comparisons with other/similar schools using data provided by the LA and the Government e.g. benchmarking tools, quality of teaching & learning, levels of expenditure.
  - Challenge proposals, examining them for effectiveness, efficiency, and cost e.g. setting of annual pupil achievement targets.
  - Require suppliers to compete on grounds of cost, and quality/suitability/sustainability of services/products/backup.
  - Consult individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers e.g. Sex and Relationships Education, Pupil Reports, OFSTED, Finance Support.

This will apply in particular to:

- Staffing
- Use of resources
- Quality of teaching
- Quality of learning
- Purchasing
- Pupils' welfare
- Health and safety
- Facilities Management

Trustees/Governors and school managers:

- Will not waste time and resources on investigating minor areas where few improvements can be achieved.
- Will not waste time and resources to make minor savings in costs.
- Will not waste time and resources by seeking tenders for minor supplies and services.

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important valuable areas.

**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the CEO 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 Academy 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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Challenge – Is the school performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?

Compare – How does the school's pupil performance and financial performance compare with all schools? How does it compare with similar schools?

Consult – How does the school seek the views of stakeholders about the services the school provides?

Compete – How does the school secure efficient and effective services? Are services of appropriate quality, economic?

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

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

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Board of Trustees 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 an internal auditor. Trustees have also appointed Bishop Fleming LLP to perform a programme of internal checks.

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal assurance function has been fully delivered in line with the ESFA's requirements. No material control issues arising as a result of the work have been identified.

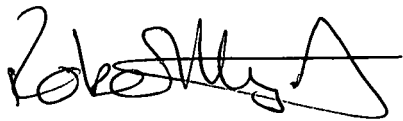
**REVIEW OF EFFECTIVENESS**

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

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on **10/12/18** and signed on their behalf, by:



**R Hayday  
Chair of Trustees**



**F Allen  
Accounting Officer**

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Pickwick Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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

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



**F Allen  
Accounting Officer**

10/12/18

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trustees (who act as governors of Pickwick Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the Financial Statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

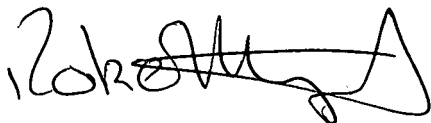
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



**R Hayday**  
**Chair of Trustees**

Date: 10/12/18

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PICKWICK ACADEMY TRUST**

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**OPINION**

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

In our opinion the Financial Statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the Academy 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.

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PICKWICK ACADEMY TRUST**

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**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our Auditors' Report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report incorporating the Strategic Report and the Directors Report for which the Financial Statements are prepared is consistent with the Financial Statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of 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 Trustees' Report.

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

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

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Statement of Trustees' Responsibilities, 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.



**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PICKWICK ACADEMY TRUST**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**USE OF OUR REPORT**

This report is made solely to the Academy 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA (Senior Statutory Auditor)  
for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: *20 March 2018*

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PICKWICK ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 25 October 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pickwick Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Pickwick Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Pickwick Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Pickwick Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF PICKWICK ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Pickwick Academy Trust's funding agreement with the Secretary of State for Education dated 30 March 2011, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the Financial Statements where appropriate and included analytical review and detailed substantive testing of transactions.

**PICKWICK ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PICKWICK  
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David Butler FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

Date: *16 December 2018*

**PICKWICK ACADEMY TRUST**  
(A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	-	-	-	-	3,406,005
Transfer of existing academies in to the Trust	2	-	-	-	-	3,041,955
Other donations and capital grants	2	8,916	44,577	145,047	198,540	118,659
Charitable activities:	3					
Funding the Academy Trust's educational activities		205,984	7,041,958	-	7,247,942	3,048,224
Teaching schools	28	-	375,096	-	375,096	138,013
Other trading activities	4	74,485	-	-	74,485	52,048
Investments	5	685	-	-	685	28
<b>TOTAL INCOME</b>		<b>290,070</b>	<b>7,461,631</b>	<b>145,047</b>	<b>7,896,748</b>	<b>9,804,932</b>
<b>EXPENDITURE ON:</b>						
Charitable activities:						
Academy Trust educational activities		356,324	7,281,310	334,940	7,972,574	3,405,729
Teaching schools	28	-	333,977	-	333,977	116,674
<b>TOTAL EXPENDITURE</b>	6	<b>356,324</b>	<b>7,615,287</b>	<b>334,940</b>	<b>8,306,551</b>	<b>3,522,403</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>(66,254)</b>	<b>(153,656)</b>	<b>(189,893)</b>	<b>(409,803)</b>	<b>6,282,529</b>
Transfers between Funds	19	-	(95,421)	95,421	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(66,254)</b>	<b>(249,077)</b>	<b>(94,472)</b>	<b>(409,803)</b>	<b>6,282,529</b>
Actuarial gains on defined benefit pension schemes	25	-	775,000	-	775,000	718,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(66,254)</b>	<b>525,923</b>	<b>(94,472)</b>	<b>365,197</b>	<b>7,000,529</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		451,457	(1,605,342)	13,770,641	12,616,756	5,616,227
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>385,203</b>	<b>(1,079,419)</b>	<b>13,676,169</b>	<b>12,981,953</b>	<b>12,616,756</b>

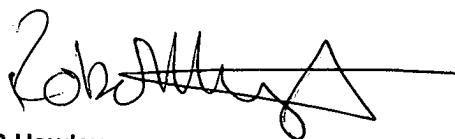
The notes on pages 29 to 54 form part of these financial statements.

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07557894**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	14		13,672,321		13,764,769
Investments	15		1		1
			<u>13,672,322</u>		<u>13,764,770</u>
<b>CURRENT ASSETS</b>					
Debtors	16	400,974		237,732	
Cash at bank and in hand		786,462		738,007	
		<u>1,187,436</u>		<u>975,739</u>	
<b>CREDITORS:</b> amounts falling due within one year	17	(661,805)		(428,753)	
<b>NET CURRENT ASSETS</b>			<u>525,631</u>		<u>546,986</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>14,197,953</u>		<u>14,311,756</u>
Defined benefit pension scheme liability	25		(1,216,000)		(1,695,000)
<b>NET ASSETS</b>			<u><u>12,981,953</u></u>		<u><u>12,616,756</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
General funds	19	136,581		89,658	
Fixed asset funds	19	13,676,169		13,770,641	
Restricted funds excluding pension liability		<u>13,812,750</u>		<u>13,860,299</u>	
Pension reserve		<u>(1,216,000)</u>		<u>(1,695,000)</u>	
Total restricted funds			<u>12,596,750</u>		<u>12,165,299</u>
Unrestricted funds	19		<u>385,203</u>		<u>451,457</u>
<b>TOTAL FUNDS</b>			<u><u>12,981,953</u></u>		<u><u>12,616,756</u></u>

The financial statements on pages 26 to 54 were approved by the Trustees, and authorised for issue, on 10/12/18 and are signed on their behalf, by:



**R Hayday**  
Chair of Trustees

The notes on pages 29 to 54 form part of these financial statements.

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	<u>145,215</u>	<u>4,910</u>
<b>Cash flows from investing activities:</b>			
Interest received		685	28
Purchase of tangible fixed assets		(242,492)	(48,201)
Capital grants from DfE/ESFA		145,047	16,086
Cash transferred in to the Trust		-	443,187
<b>Net cash (used in)/provided by investing activities</b>		<u>(96,760)</u>	<u>411,100</u>
<b>Change in cash and cash equivalents in the year</b>		<b>48,455</b>	<b>416,010</b>
Cash and cash equivalents brought forward		<u>738,007</u>	<u>321,997</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>786,462</u></u>	<u><u>738,007</u></u>

The notes on pages 29 to 54 form part of these financial statements.

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

**1.2 GOING CONCERN**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust 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.

**1.3 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 Department for Education Group.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 INCOME**

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**1.5 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 on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority schools. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

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

Long term leasehold land	-	Straight line over 125 years
Long term leasehold buildings	-	Straight line over 50 years
Furniture and fixtures	-	10% Straight line
Computer equipment	-	20% 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.

**1.7 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

**1.8 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.10 FINANCIAL INSTRUMENTS**

The Academy Trust Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust 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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

**1.11 OPERATING LEASES**

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

**1.12 TAXATION**

The Academy Trust 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.13 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.13 PENSIONS (continued)**

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income/expenditure 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.

**1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

**Critical accounting estimates and assumptions:**

The Academy Trust 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgment:**

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer from Local Authority on conversion	-	-	-	-	3,406,005
Transfer of existing academies in to the Trust	-	-	-	-	3,041,955
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,447,960</u>
Educational visits	-	30,000	-	30,000	11,868
Capital grants	-	-	137,894	137,894	16,086
Other donations	8,916	14,577	7,153	30,646	90,705
	<u>8,916</u>	<u>44,577</u>	<u>145,047</u>	<u>198,540</u>	<u>118,659</u>
	<u>8,916</u>	<u>44,577</u>	<u>145,047</u>	<u>198,540</u>	<u>6,566,619</u>
Total 2017	<u>182,442</u>	<u>(1,209,433)</u>	<u>7,593,610</u>	<u>6,566,619</u>	

**PICKWICK ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	6,015,313	6,015,313	2,624,613
Start up Grants	-	-	-	50,000
Other DfE/EFA grants	-	786,438	786,438	303,667
	-	6,801,751	6,801,751	2,978,280
<b>Other Government grants</b>				
High Needs	-	208,419	208,419	51,257
Other government grants: non capital	-	31,788	31,788	-
	-	240,207	240,207	51,257
<b>Other funding</b>				
Internal catering income	62,299	-	62,299	-
Educational visits	85,027	-	85,027	17,632
Sales to students	50	-	50	-
Other income	58,608	-	58,608	-
Income for hosting trainee teachers	-	-	-	1,055
	205,984	-	205,984	18,687
	205,984	7,041,958	7,247,942	3,048,224
Total 2017	18,687	3,029,537	3,048,224	

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	68,187	-	68,187	33,965
Consultancy	1,977	-	1,977	-
Other	4,321	-	4,321	18,083
	74,485	-	74,485	52,048
Total 2017	52,048	-	52,048	

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**5. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	685	-	685	28
	<u>685</u>	<u>-</u>	<u>685</u>	<u>28</u>
Total 2017	<u>28</u>	<u>-</u>	<u>28</u>	

**6. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Educational - Direct costs	5,045,809	278,138	297,696	5,621,643	2,443,703
Educational - Support costs	974,245	566,788	809,898	2,350,931	962,026
Teaching schools	114,952	-	219,025	333,977	116,674
	<u>6,135,006</u>	<u>844,926</u>	<u>1,326,619</u>	<u>8,306,551</u>	<u>3,522,403</u>
Total 2017	<u>2,504,843</u>	<u>407,367</u>	<u>605,193</u>	<u>3,517,403</u>	

**7. EDUCATIONAL DIRECT COSTS**

	2018 £	2017 £
Pension finance costs	18,000	16,000
Educational supplies	139,014	103,746
Examination fees	2,565	315
Staff development	19,770	13,124
Educational visits and other costs	187,522	16,892
Supply teachers	26,226	10,680
Recruitment and support	-	2,323
Technology costs	84,825	-
Wages and salaries	3,735,606	1,640,396
National insurance	332,579	138,403
Pension cost	797,398	345,621
Depreciation	278,138	156,203
	<u>5,621,643</u>	<u>2,443,703</u>
Total 2017	<u>2,443,703</u>	

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**8. EDUCATIONAL SUPPORT COSTS**

	2018 £	2017 £
Pension finance costs	27,000	8,000
Other costs	12,461	-
Recruitment and support	10,063	481
Maintenance of premises and equipment	114,881	97,529
Cleaning	114,160	82,424
Rent and rates	78,380	31,853
Energy costs	83,051	28,741
Insurance	36,858	45,297
Security and transport	17,948	28,519
Catering	286,990	77,127
Technology costs	49,269	60,092
Office overheads	154,575	46,728
Legal and professional	139,549	89,173
Bank interest and charges	1,573	1,370
Governance	39,126	20,955
Wages and salaries	726,780	238,736
National insurance	56,089	10,303
Pension cost	345,376	73,135
Depreciation	56,802	21,563
	<u>2,350,931</u>	<u>962,026</u>
Total 2017	<u>962,026</u>	

**9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	334,940	177,766
Auditors' remuneration: audit	11,225	11,000
Auditors' remuneration: non-audit	3,932	8,450
Operating lease rentals	<u>35,029</u>	<u>10,053</u>

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**10. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	4,532,256	1,879,132
Social security costs	388,668	148,706
Operating costs of defined benefit pension schemes	1,187,856	466,325
	<u>6,108,780</u>	<u>2,494,163</u>
Supply teacher costs	26,226	10,680
	<u>6,135,006</u>	<u>2,504,843</u>

**b. Staff numbers**

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

	2018 No.	2017 No.
Teachers	85	33
Administration and Support	178	48
Management	13	6
	<u>276</u>	<u>87</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	68	32
Administration and Support	84	30
Management	12	6
	<u>164</u>	<u>68</u>

**c. Higher paid staff**

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	2	0
In the band £70,001 - £80,000	1	0



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**10. STAFF COSTS (continued)**

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership 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 £515,713 (2017: £324,263).

As Staff Trustees are not remunerated in respect of their role as a Trustee, where Staff Trustees do not form part of the Senior Leadership Team other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

**11. TRUSTEES' REMUNERATION AND EXPENSES**

The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: F Allen: Remuneration £50,000 - £55,000 (2017: £35,000 - £40,000), Employer's Pension Contributions £Nil (2017: £Nil),

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

During the year ended 31 August 2018, expenses totalling £138 (2017: £711) were reimbursed to 1 Trustee (2017: 3).

**12. CENTRAL SERVICES**

The Academy Trust has provided the following central services to its academies during the year:

- Strategic support

The Academy Trust charges for these services on the following basis:

Fixed contributions were charged to each school.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Corsham Primary School	68,062	25,000
Aloeric Primary School	13,123	3,000
Ivy Lane Primary School	39,540	3,000
Queen's Crescent School	26,000	3,000
Total	<u>146,725</u>	<u>34,000</u>

**13. TRUSTEES' AND OFFICERS' INSURANCE**

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

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**14. TANGIBLE FIXED ASSETS**

	Long term leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Total £
<b>COST</b>				
At 1 September 2017	14,214,212	160,906	321,029	14,696,147
Additions	23,501	178,064	40,927	242,492
At 31 August 2018	14,237,713	338,970	361,956	14,938,639
<b>DEPRECIATION</b>				
At 1 September 2017	642,207	68,462	220,709	931,378
Charge for the year	251,816	33,436	49,688	334,940
At 31 August 2018	894,023	101,898	270,397	1,266,318
<b>NET BOOK VALUE</b>				
At 31 August 2018	13,343,690	237,072	91,559	13,672,321
At 31 August 2017	13,572,005	92,444	100,320	13,764,769

**15. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 September 2017 and 31 August 2018	1

**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the company:

Name	Holding
Pickwick Learning Limited (Share capital held by CEO on behalf of the Academy)	100%

The aggregate of the share capital and reserves as at 31 August 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Pickwick Learning Limited (Share capital held by CEO on behalf of the Academy)	1	-

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**16. DEBTORS**

	2018 £	2017 £
Trade debtors	68,422	3,959
Amounts owed by trading subsidiary	5,988	5,988
VAT Recoverable	80,599	46,734
Prepayments and accrued income	245,965	181,051
	<u>400,974</u>	<u>237,732</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade creditors	217,505	22,479
Other taxation and social security	84,186	99,571
Other creditors	-	1,599
Accruals and deferred income	360,114	305,104
	<u>661,805</u>	<u>428,753</u>

	2018 £	2017 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2017	187,280	62,998
Resources deferred during the year	205,291	187,280
Amounts released from previous years	(187,280)	(62,998)
Deferred income at 31 August 2018	<u>205,291</u>	<u>187,280</u>

At the Balance Sheet date the Academy was holding funds received in advance from the ESFA, rates, UIFSM and for educational visits in the 2018/19 academic year.

**18. FINANCIAL INSTRUMENTS**

	2018 £	2017 £
Financial assets measured at amortised cost	<u>980,419</u>	<u>790,420</u>
Financial liabilities measured at amortised cost	<u>(372,373)</u>	<u>(118,616)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income and amounts owed by subsidiaries.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General funds	451,457	290,070	(356,324)	-	-	385,203
<b>RESTRICTED FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
General Annual Grant (GAG)	25,873	6,045,556	(5,976,008)	(95,421)	-	-
PE and Sports Grant	-	78,150	(58,157)	-	-	19,993
Pupil Premium	-	397,527	(383,187)	-	-	14,340
Universal Infant Free School Meals (UIFSM)	-	280,118	(280,118)	-	-	-
Teaching Schools	50,581	375,096	(333,587)	-	-	92,090
Other DfE/ESFA Grants	6,020	6,000	(12,020)	-	-	-
High Needs	-	208,419	(208,419)	-	-	-
Other restricted funds	7,184	70,765	(67,791)	-	-	10,158
Pension reserve	(1,695,000)	-	(296,000)	-	775,000	(1,216,000)
	(1,605,342)	7,461,631	(7,615,287)	(95,421)	775,000	(1,079,419)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred in to the Trust	12,232,071	-	(262,450)	-	-	11,969,621
Fixed assets purchased from GAG and other restricted funds	-	-	-	95,421	-	95,421
DfE/ESFA Capital grants	1,275,208	127,665	(15,332)	-	-	1,387,541
Capital expenditure from GAG and other donations	263,362	17,382	(57,158)	-	-	223,586
	13,770,641	145,047	(334,940)	95,421	-	13,676,169
Total restricted funds	12,165,299	7,606,678	(7,950,227)	-	775,000	12,596,750
Total of funds	12,616,756	7,896,748	(8,306,551)	-	775,000	12,981,953

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS (continued)**

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

**RESTRICTED FUNDS**

The General Annual Grant (GAG) represents funding received from the ESFA during the period in order to fund the continuing activities of the Academy Trust. During the year £95,421 (2017: £33,580) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

PE and Sports Grant represents funding received from the ESFA to fund improvements to the provision of PE and sport.

Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Universal Infant Free School Meal (UIFSM) represents funding from the ESFA to cover the cost of providing free school meals to all pupils in reception, year 1 and year 2.

Teaching Schools grant received from the National College for Teaching and Leadership represents funding towards the training and development of other schools.

Other DfE/ESFA grants represents amounts received for rates relief provided by the ESFA to cover the cost of non-domestic rates for the period.

High Needs represents funding received by the Local Authority to fund further support for students with additional needs.

Other restricted funds represents donations, school trips and other income restricted in nature.

Pension reserve represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

**FIXED ASSET FUNDS**

Fixed assets transferred in represent the buildings and equipment donated to the school from the Local Authority on conversion to an Academy and amounts transferred in existing Academies in to the Trust.

DfE/ESFA Capital grants represents Academies Capital Maintenance Fund (ACMF) and Devolved Formula Capital funding from the ESFA to cover specific building projects, as well as the maintenance and purchase of the Academy Trust's assets.

Capital Expenditure from GAG and other donations represents capital purchases made from the General Annual Grant and other donations received for fixed assets.

**OTHER INFORMATION**

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 could carry forward at 31 August 2018.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Corsham Primary School	377,591	316,579
Queen's Crescent Primary School	121,454	188,593
Aloeric Primary School	(47,937)	(30,535)
Ivy Lane Primary School	85,653	66,457
Pickwick Academy Trust	(14,977)	21
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	521,784	541,115
Restricted fixed asset fund	13,676,169	13,770,641
Pension reserve	(1,216,000)	(1,695,000)
	<hr/>	<hr/>
Total	<u>12,981,953</u>	<u>12,616,756</u>

The following academy is carrying a net deficit on its portion of the funds as follows:

<b>Name of Academy</b>	<b>Amount of deficit £</b>
Aloeric Primary School	(47,937)
Pickwick Academy Trust	(14,977)

The accounts prepared by the local authority for the period ending 31 July 2017 for Aloeric Primary School identified a deficit reserve position which was transferred in the prior year. The deficit position has continued into the current year.

The Academy Trust is taking the following action to return the academy to surplus:

Aloeric Primary School continues to show a deficit position and the financial forecast for future years produced in July 2018 showed this continuing. The Aloeric Board have identified areas where savings can be made and are currently in the process of implementing a number of changes. However, there are also a number of one off costs associated with safety and safeguarding which must be implemented in 2018-19. Updated forecasts for Aloeric Primary School show a return to a surplus position in 2019-20.

Pickwick Academy Trust has a small deficit as a result of incurring some ongoing project management costs relating to the formation of the Trust.

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**19. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY COST**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
Corsham Primary School	1,700,383	363,619	310,932	618,592	2,993,526	2,820,093
Queen's Crescent Primary School	1,018,757	126,743	78,768	227,692	1,451,960	59,247
Aloeric Primary School	1,089,750	171,361	147,642	200,761	1,609,514	111,523
Ivy Lane Primary School	1,062,432	192,942	98,366	252,446	1,606,186	137,549
Pickwick Academy Trust	-	14,141	240	-	14,381	121,779
	<u>4,871,322</u>	<u>868,806</u>	<u>635,948</u>	<u>1,299,491</u>	<u>7,675,567</u>	<u>3,250,191</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds	186,954	293,893	(29,390)	-	-	451,457

**RESTRICTED FUNDS**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	45,489	2,596,507	(2,582,543)	(33,580)	-	25,873
PE and Sports Grant	-	11,501	(11,501)	-	-	-
Pupil Premium	-	180,659	(180,659)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	94,081	(94,081)	-	-	-
Teaching Schools	58,567	97,325	(105,311)	-	-	50,581
Other DfE/ESFA Grants	-	138,409	(132,389)	-	-	6,020
High Needs	-	51,257	(51,257)	-	-	-
Other restricted funds	-	55,690	(48,506)	-	-	7,184
Pension reserve	(996,000)	(1,308,000)	(109,000)	-	718,000	(1,695,000)
	(891,944)	1,917,429	(3,315,247)	(33,580)	718,000	(1,605,342)

**RESTRICTED FIXED ASSET FUNDS**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred in to the Trust	4,759,947	7,573,117	(100,993)	-	-	12,232,071
DfE/ESFA Capital grants	1,289,853	16,982	(31,627)	-	-	1,275,208
Capital expenditure from GAG and other donations	271,417	3,511	(45,146)	33,580	-	263,362
	6,321,217	7,593,610	(177,766)	33,580	-	13,770,641
Total restricted funds	5,429,273	9,511,039	(3,493,013)	-	718,000	12,165,299
Total of funds	5,616,227	9,804,932	(3,522,403)	-	718,000	12,616,756



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**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	13,672,321	13,672,321
Fixed asset investments	1	-	-	1
Current assets	385,202	798,386	3,848	1,187,436
Creditors due within one year	-	(661,805)	-	(661,805)
Pension scheme liability	-	(1,216,000)	-	(1,216,000)
	<u>385,203</u>	<u>(1,079,419)</u>	<u>13,676,169</u>	<u>12,981,953</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	13,764,769	13,764,769
Fixed asset investments	1	-	-	1
Current assets	464,881	504,986	5,872	975,739
Creditors due within one year	(13,425)	(415,328)	-	(428,753)
Pension scheme liability	-	(1,695,000)	-	(1,695,000)
	<u>451,457</u>	<u>(1,605,342)</u>	<u>13,770,641</u>	<u>12,616,756</u>

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

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(409,803)	6,282,529
<b>Adjustment for:</b>		
Depreciation charges	334,940	177,766
Interest received	(685)	(28)
(Increase)/decrease in debtors	(163,242)	1,162
Increase/(decrease) in creditors	233,052	(101,473)
Capital grants from DfE and other capital income	(145,047)	(16,086)
Defined benefit pension scheme cost less contributions payable	251,000	85,000
Defined benefit pension scheme finance cost	45,000	24,000
Net assets transferred in to the Trust	-	(6,447,960)
<b>Net cash provided by operating activities</b>	<u>145,215</u>	<u>4,910</u>

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**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £	2017 £
Cash at bank and in hand	786,462	738,007
	<u>786,462</u>	<u>738,007</u>

**23. MEMBERS' LIABILITY**

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

**24. GENERAL INFORMATION**

Pickwick Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Pound Pill, Corsham, Wiltshire, SN13 9YW.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**25. PENSION COMMITMENTS**

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire Council. Both are multi-employer Defined Benefit Pension Schemes.

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

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 of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £366,611 (2017: £201,770).

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

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

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**25. PENSION COMMITMENTS (continued)**

trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £440,000 (2017: £174,000), of which employer's contributions totalled £359,000 (2017: £140,000) and employees' contributions totalled £81,000 (2017: £34,000). The agreed contribution rates for future years are 23.5% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>2018</b>	<b>2017</b>
Discount rate for scheme liabilities	<b>2.80 %</b>	2.50 %
Rate of increase in salaries	<b>2.60 %</b>	2.70 %
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	2.40 %

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

	<b>2018</b>	<b>2017</b>
Retiring today		
Males	<b>22.5 years</b>	22.5 years
Females	<b>24.9 years</b>	24.9 years
Retiring in 20 years		
Males	<b>24.1 years</b>	24.1 years
Females	<b>26.7 years</b>	26.7 years

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**25. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	2,746,000	2,231,000
Bonds	542,000	440,000
Property	503,000	408,000
Cash	-	-
Cash and other liquid assets	77,000	63,000
	<u>3,868,000</u>	<u>3,142,000</u>
Total market value of assets	<u>3,868,000</u>	<u>3,142,000</u>

The actual return on scheme assets was £309,000 (2017: £166,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2018 £	2017 £
Current service cost	(610,000)	(225,000)
Past service cost	(3,315)	-
Interest income	84,000	25,000
Interest cost	(129,000)	(49,000)
	<u>(658,315)</u>	<u>(249,000)</u>
Total	<u>(658,315)</u>	<u>(249,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	4,837,000	2,025,000
Transferred in on conversion	-	2,095,000
Transferred in on existing academies joining the Trust	-	960,000
Current service cost	610,000	225,000
Interest cost	129,000	49,000
Employee contributions	81,000	34,000
Actuarial gains	(560,000)	(550,000)
Benefits paid	(13,000)	(1,000)
	<u>5,084,000</u>	<u>4,837,000</u>
Closing defined benefit obligation	<u>5,084,000</u>	<u>4,837,000</u>

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**25. PENSION COMMITMENTS (continued)**

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

	2018 £	2017 £
Opening fair value of scheme assets	3,142,000	1,029,000
Transferred in on conversion	-	1,115,000
Transferred in on existing academies joining the Trust	-	632,000
Expected return on assets	84,000	25,000
Actuarial gains	215,000	168,000
Employer contributions	359,000	140,000
Employee contributions	81,000	34,000
Benefits paid	(13,000)	(1,000)
	<u>3,868,000</u>	<u>3,142,000</u>
Closing fair value of scheme assets	<u>3,868,000</u>	<u>3,142,000</u>

**26. OPERATING LEASE COMMITMENTS**

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

	2018 £	2017 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	27,421	35,029
Between 1 and 5 years	31,992	54,189
	<u>59,413</u>	<u>89,218</u>
Total	<u>59,413</u>	<u>89,218</u>

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**27. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

Owing to the nature of the Academy Trust's operations and the composition of the Board being drawn from the local public and private sector organisation, it is likely that transactions will take place with organisations in which a member of the Board 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.

During the year the Academy Trust received income of £Nil (2017: £Nil) from Pickwick Learning Limited, a company which has 100% of its share capital held by the Chief Executive Officer on behalf of the Academy Trust. At the year end £5,988 (2017: £5,988) was unpaid and due to the Academy Trust, this is included in other debtors.

Ms Kerry Jane Parker-Booth, Head of Corsham School (Broadwood), is also a director of Bath Marquees Limited. During the year Bath Marquees Limited invoiced the Academy Trust £Nil (2017: £2,226). There was no balance outstanding at the year end (2017: £Nil).

There were no other significant transactions during the year.

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**28. TEACHING SCHOOL TRADING ACCOUNT**

	2018 £	2018 £	2017 £	2017 £
<b>INCOME</b>				
<b>DIRECT INCOME</b>				
Income	375,096		138,013	
<b>TOTAL INCOME</b>		375,096		138,013
<b>EXPENDITURE</b>				
<b>DIRECT EXPENDITURE</b>				
Wages and salaries	45,082		47,569	
Educational supplies	176,026		69,105	
<b>TOTAL DIRECT EXPENDITURE</b>	221,108		116,674	
<b>OTHER EXPENDITURE</b>				
Wages and salaries	69,870		-	
Maintenance of premises and equipment	648		-	
Security and transport	391		-	
Catering costs	1,340		-	
Office overheads	1,151		-	
Professional fees	39,407		-	
Bank charges	62		-	
<b>TOTAL OTHER EXPENDITURE</b>	112,869		-	
<b>TOTAL EXPENDITURE</b>		333,977		116,674
<b>SURPLUS FROM ALL SOURCES</b>		41,119		21,339
<b>TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017</b>		50,581		29,242
<b>TEACHING SCHOOL BALANCES AT 31 AUGUST 2018</b>		91,700		50,581