
WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

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WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members

Mr T Smith (Chair)
Mr C Penn
Mrs S Cronin

Trustees

Mr G Simpson (appointed 21 September 2017)
Mrs S Broderick
Mr M Brown
Mr S Burke
Mrs S Cronin
Mr D Cumberland
Dr M Gilbertson
Mrs V Jones (resigned 31 August 2017) (reappointed 21 September 2017)
Ms R Phillips, Accounting Officer and Head Teacher
Canon E Renshaw MBE
Mr A Smith
Mr T Smith
Dr T Baxter
Miss L Edwards
Mrs P Roberts

Company registered number

07775671

Company name

Woodchurch High School

Principal and registered office

Carr Bridge Road
Woodchurch
Wirral
Merseyside
CH49 7NG

Company secretary

Mrs S Rogers (School Business Manager)

Independent auditor

Crowe U.K. LLP
Statutory Auditor
3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2019**

Advisers (continued)

Bankers

Barclays Bank plc
2 Liscard Village
Wallasey
CH45 4JS

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GOVERNORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's report of Woodchurch High School (the academy and the group) for the year ended 31 August 2019. The Governors confirm that the Annual report and financial statements of the academy and the group comply with the current statutory requirements, the requirements of the academy and the group's governing document. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The Trust operates an academy for pupils aged 11 to 16 serving a catchment area in Wirral. It has a pupil capacity of 1,405 and had a roll of 1,415 in the school census in summer 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The academy and the group is a charitable company limited by guarantee and an exempt charity.

The Academy is a company limited by guarantee and was incorporated in England and Wales (registered number 07775671). The address of the registered office is Woodchurch High School, Carr Bridge Road, Woodchurch, Wirral, Merseyside, CH49 7NG.

The Academy was incorporated on 15th September 2011 and commenced trading on 1st October 2012. The company's memorandum and articles of association are the primary governing documents of the Academy.

The Academy has entered into a funding agreement with the Department for Education, which provides a framework within which the Academy must operate. The principal object of the Academy is to advance, for the public benefit, education in the United Kingdom by leading and developing a school offering a broad and varied curriculum.

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

The academy through its articles has indemnified its governors to the fullest extent permissible by law. During the year, the academy also purchased and maintained liability insurance for its governors.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the academy and the group is the responsibility of the Governors who are elected and co opted under the terms of the Articles of Association.

Induction and training of new governors

The academy is governed by the governor board which delegates functions as appropriate to governor committees. When the academy was formed it was decided that the governors were authorised to sign the main deeds, documents, reports and accounts on behalf of all directors. The trustees and governors exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the academy.

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GOVERNORS REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

The members and governors who were in office at 31 August 2019 and served throughout the period are listed on page 1. All governors are provided with copies of procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governor. Governors attend training courses as appropriate.

e. ORGANISATIONAL STRUCTURE

The management structure consists of four levels: the Members, the Governors, the Senior Leadership Team and the various faculty teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Governors are responsible for setting general policy, adopting an annual development plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction, vision of the Academy, capital expenditure and senior staff appointments. The Senior Leadership team is comprised of the Head Teacher, Assistant Head Teachers and Business Manager. The Leadership Team control the Academy at a day to day level, implementing the policies laid down by the Governors and the agreed Vision and School Development Plan.

f. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Senior Leadership Team are set strategic objectives and targets for the academic year, overseen by the School Improvement Partner, Head Teacher and key Personnel Governors. Reviews take place throughout the year and outcomes are shared with key Personnel Governors. Outcomes and impact inform the decisions regarding pay and remuneration for the Senior Leadership Team.

g. TRADE UNION FACILITY TIME

Relevant union officials

| | |
|---|---|
| Number of employees who were relevant union officials during the year | 1 |
| Full-time equivalent employee number | 1 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--|---------------------|
| 0% | - |
| 1%-50% | 1 |
| 51%-99% | - |
| 100% | - |
| Percentage of pay bill spent on facility time | £ |
| Total cost of facility time | 1,765 |
| Total pay bill | 7,837,805 |
| Percentage of total pay bill spent on facility time | - % |

Paid trade union activities

| | |
|---|-------|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | 100 % |
|---|-------|

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GOVERNORS REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

h. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The academy owns 100% of the ordinary share capital of Woodchurch High School Sports Complex Limited, a company registered in England and Wales under company number 08110622.

OBJECTIVES AND ACTIVITIES

a. OBJECTS AND AIMS

The principal object and activity of the company is the operation of Woodchurch High School, to provide education for pupils of different abilities between the ages of 11 and 16.

In accordance with the Funding Agreement made under section 482 of the Education Act 1996, as substituted by the Education Act 2002, between the Secretary of State for Education and the Academy Trust, the Academy is governed by the Governing Body which exercises its power and functions with a view to fulfilling a largely strategic role in the running of the school. The Funding Agreement specifies the admission arrangements, amongst other things, and that the curriculum, in substance, complies with statutory requirements.

The main objectives of the Academy during the period ended 31st August 2019 are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise aspirations and encourage ambition for all pupils;
- To raise the standard of educational achievement and progress of all pupils;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To maintain close links with the community and build successful partnerships with other institutions;
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Whole School Priorities for 2018 2019

1) Outcomes

For the cohort of 2019 to achieve a 75% pass (at grade 4+) in maths and English separately, with 70% of pupils achieving a pass in English & maths combined. For pupils to achieve a positive Progress 8 score of 0.2 and an Attainment 8 score of 4.6.

2) Disadvantaged Pupils

To continue to develop existing successful strategies and new initiatives to support disadvantaged pupils to reach the enhanced learning expectations. To continue to reduce attainment gaps for disadvantaged pupils whilst improving whole cohort attainment.

3) Teaching & Learning and BFL

To embed practice and policy as outlined in the T&L Handbook, ensuring that lesson outcomes show an increase in exemplary practice and a reduction in causes for concern. This is the key driver for improving progress and attainment across the whole school.

4) New Staff

For new staff and RQTs, to be effectively and consistently supported and monitored by Middle and Senior Leaders to ensure they perform to the highest standard. For them to successfully implement the school's T&L and BfL strategies and support the school's ethos and vision, in order to secure consistency and retention.

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GOVERNORS REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

5) **Christian Ethos**

For the school community to live out and experience our vision and values every day: 'let your light shine full 5:16 (measured by our shared experience and the outcome of SIAMS).

6) **Business & Operations Management**

To support teaching and learning through the effective management of the academy's operational and support functions. To ensure the school is maintained to the highest standard, that all compliance requirements are met and that the operations are managed with a balanced and sustainable budget. Key operational areas cover Finance, HR, Administration, Premises, Catering and Health and Safety Management.

7) **MAT**

To continue to pursue the establishment of a MAT.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's main strategy is to raise standards of achievement and progress through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Academy is teaching and learning; its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by its pupils.

Key activities which support the main strategic purpose of the organisation are:

- Robust quality assurance processes (Inspections) which are transparent and inform all subsequent actions;
- To improve teaching further so that all is good or better by continuing to share the good practice that exists, ensure that pupils are effectively involved in the learning in all lessons and ensuring teachers make frequent checks on the extent to which pupils understand their learning;
- Secure use of data and tracking to measure progress and inform actions and intervention and to use this to encourage even higher aspirations so that pupils achieve their full potential in all subjects;
- To improve and develop our Behaviour for Learning strategy and decrease the number of fixed term exclusions and decrease the percentage of persistent absenteeism and other absenteeism;
- A constant review of Continuous Professional Development and training opportunities for staff;
- To continue to develop the Christian Ethos;
- A core structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear;
- Structures to support the organisation and integration of all internal and external resources and support available for both pupils and staff.

Equal Opportunities Policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are valued.

Achievements and Performance

Examination results for 2018 -19 were as follows:

2018.19 – 55.4% of pupils achieved 5 standard passes, including English and Maths at GCSE (and equivalent).
29.2% of pupils achieved 5 Strong passes, including English and Maths at GCSE (and equivalent).

(2017.18 – 58.5% of pupils achieved 5 standard passes, including English and Maths at GCSE (and equivalent).
35.2% of pupils achieved 5 Strong passes, including English and Maths at GCSE (and equivalent).

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GOVERNORS REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

To ensure that standards are continually raised, the Academy, Governing Body and the Senior Leadership team:

- Operate a robust quality assurance calendar which monitors the quality of teaching and learning;
- Is scrutinised and supported by an independent School Improvement Partner
- Is scrutinised, challenged and inspected by outstanding partner schools;
- Undertakes a rigorous review of attainment using RAISEONLINE, SISRA, and FFT to measure the progress of pupils, paying particular regard to the achievement on entry and levels of progress secured, particular emphasis on Pupil Premium Pupils.

c. PUBLIC BENEFIT

Inextricably linked to the main objectives of the Academy is the aim of contributing to the public. Through the provision of a wide range of educational and other activities, the Academy aims to contribute considerable benefit to the local community and to the community of the Chester Diocese. Over the last year, a sample of such events has included the following:

- Wirral Music Service hosts its weekly tuition at the Academy during the weekend.
- A wide range of support, both curriculum and operational, for Church of England Primary Schools within the Chester Diocese.
- The school's farm welcomes the local community, specialist and primary schools to participate in horticultural and animal activities.
- The Academy manages the provision of a local community ICT project enabling members of the local community access to computers and the internet.
- Numerous community events are held including a Summer and Easter camp, Summer and Christmas fairs, affiliation with the Rotary Club.
- Local Primary and Special Schools are invited to participate in a variety of events being run by different faculties such as Art, Science, and Drama. Some local schools used the sports fields to host their sports days.
- The Sports Complex provides a high quality sports facility for community groups and larger clubs to provide a range of activities for local community participation.
- Our students have been involved with the community focused Archbishop of York Award.

The Academy has given a high priority to providing public benefit to a cross section of the community, but perhaps the greatest benefit that the Academy can offer is the provision of an education that maximises each student's potential to develop principled, informed, open minded and become confident citizens who respect the beliefs of others and who are determined to make a positive contribution to society.

The Governors have considered the impact of the public benefit requirement including the guidance issued by the Charity Commission. The academy provides educational services to all children in the local area. The trustees confirm that they have complied with their duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charities Commission.

Strategic report

a. KEY PERFORMANCE INDICATORS

| | | |
|-------------------------------------|----------------|---------------|
| Incoming Resources | 2019: £9.9m | 2018: £9.4m |
| Net income/expenditure for the year | 2019: (£0.93m) | 2018: (£0.8m) |
| Funds as at 31 August | 2019: £21.7m | 2018: £22.5m |
| Net current assets | 2019: £2.5m | 2018: £2.0m |
| Cash generated from operations | 2019: £0.269m | 2018: £0.272m |

The academy's balance sheet remains in a strong position. The net assets of the academy as at 31 August 2019 (as represented by the funds) amounts to £21.7m as opposed £22.5m in the previous year. There has been an

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GOVERNORS REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

excess of expenditure over income in the year to 31 August 2019 which was expected due to increased expenditure on academy resources as well as increased depreciation charges in the year.

Key non financial performance indicators

Attendance target = 2019 target 97%, actual 95.2% (2018 target 97%, actual 94.7%)

Exclusion target = 2019 target 4%, actual 3.91% (2018 target 4 %, actual = 3.7%)

Pupil numbers = 2019 target 1405, actual 1415 (2018 target 1405, actual 1411)

b. GOING CONCERN

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy 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 Accounting Policies.

FINANCIAL REVIEW

a. RESERVES POLICY

Capital reserves policy

The purpose of the policy is to consider that academies are expected to create reserves from their annual GAG funding. The ESFA provide some Devolved Capital Funding to academies, albeit at a reduced level during their first three years of occupation. The ESFA provided one-time additional funding of £71,421 in the current year, as well as their annual capital funding of approximately £27,000. As assets of new build academies are usually purchased simultaneously, they reach the need for replenishment simultaneously.

The governors of Woodchurch High School require a capital reserve to be created to fund future capital expenditure. These are normally met via transfers from GAG funding or funded via unrestricted reserves. The academy holds assets to fund planned capital expenditure over the next three years. As such, assets should be invested to minimise risk.

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GOVERNORS REPORT (continued)
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Revenue reserves policy

Academies are expected to hold contingency reserves from their annual GAG funding or other income. The governors of Woodchurch High School require a revenue reserve to be created to fund expenditure related to the School Development Plan, strategic long term aims and developments.

The procedure of the academy is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies, subject to any constraint on the level of permitted resources that the ESFA may impose.

The actual level of free reserves held as at 31 August 2019 £2.24m compared to the Reserves Policy value of £2mil.

b. INVESTMENTS POLICY

The academy's investment policy is as follows:

- To regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the current account has adequate balances to meet forthcoming commitments.
- To maintain a working balance of a minimum of £50,000 to respond to unexpected financial demands.
- The academy will normally seek to avoid its current account going overdrawn.
- The academy will identify funds surplus to immediate cash requirements and transfer to the Treasury Account bearing a higher interest rate.
- Periodically (at least annually) review interest rates and compare with other investment opportunities.
- The academy's current policy is to only invest funds in risk free and immediately assessable deposit accounts.
- Any change in policy requires the approval of the trustees via the Business & Operations Committee.

c. PRINCIPAL RISKS AND UNCERTAINTIES

Falling pupil numbers are a principal risk for the academy. Pupil numbers and the impact on budget, planning and outcomes continue to be carefully monitored by the academy. The senior leadership team meets to determine a strategy to maintain our healthy roll numbers. The academy continues its aggressive marketing campaigns including local paper advertising, primary magazines, bus advertisements and train station advertisements. The academy is currently over subscribed and the appeals are submitted each year.

Pupil premium funding has been identified as a principal risk faced by the academy. Pupil premium funding is forecasted for future years, based on information from the ESFA. A budget plan is allocated and funding is utilised for the purposes of provision. Staff are recruited within this budget to enable us to manage future requirements in line with funding received.

The budget monitoring process is ongoing throughout the year and known changes are addressed to reflect any future impact.

d. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Governors have assessed the major risks to which the academy and the group is exposed, relating to strategic, reputational, operational, compliance, financial and curriculum risks. The governors are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

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GOVERNORS REPORT (continued)
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e. DEFICIT

The pension fund was in deficit as at 31 August 2019 in the amount of £6,864,000 (2018: £4,134,000). This is due to the Local Government Pension Fund deficit increasing during the year to 31 August 2019. The academy inherited a deficit on this pension fund on conversion to academy status and the value of the deficit according to the actuarial valuation at the year end 31 August 2019 amounts to £6,864,000 (2018 : £4,134,000). The liability is not expected to crystallise immediately and more information relating to the pension fund is explained in Note 26 to the financial statements.

f. PRINCIPAL FUNDING

Most of the academy's income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year to 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Fundraising

The Academy had no fundraising activities requiring disclosure under the provisions of the Charities (Protection and Social Investment) Act 2016.

PLANS FOR FUTURE PERIODS

a. FUTURE DEVELOPMENTS

The main objectives of the Academy for the academic year 2019/2020 are summarised below:

1) Curriculum Planning, progress and attainment Outcomes

For all teaching staff to have a clear understanding of their curriculum intent and be consistent and effective in its implementation, as specified by the T&L Handbook. For impact to be in line with subject targets, leading to whole-school targets being met.

- Subject Reviews and appraisal to show progress through the year, with ELPs at least amber in all areas.

2) Teaching and Learning

For all staff to embed policy and practice as outlined in the T&L Handbook, focusing specifically on engagement and enquiry based learning, the development of vocabulary, oracy and responsive teaching.

- For teaching ELPs to demonstrate on-going improvement and all Subject Leader and Senior Leadership ELPs to be at least amber.

3) Behaviour and Attitudes

To maintain a calm, orderly environment in all areas of the school so that all staff and pupils feel safe and are focused and ready for learning. For all staff to implement and maintain the school's behaviour expectations, promoting the Code of Conduct and Successful Learning Criteria.

- The impact is a positive and respectful school culture, where behaviour, attendance, punctuality and attainment meet expectations.

4) Personal Development, Character and Christian Values

For the school community to live out and experience our vision every day: 'let your light so shine before others that they might see your good deeds and glorify our Father which is in heaven' (Matthew 5:16).

For all staff to model and promote our Christian Values, and develop a moral compass in our pupils that motivates and guides their conduct.

All leaders to effectively demonstrate how the impact of the school's vision holistically infuses and shapes the

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GOVERNORS REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

strategic and operational direction of the school.

- This leads to innovative and imaginative practice, which helps pupils transform their lives.
- To achieve an outstanding SIAMS inspection.

5) Provision for Disadvantaged Pupils

For all staff to respond to the data headlines and contextual information produced in weekly progress meetings, closing the gap for disadvantaged pupils and pupils with SEND, whilst increasing overall attainment in all subjects and cohorts.

6) Business and Operations Management

To effectively support teaching and learning through the management of the school's operational functions, covering the areas of Health and Safety Management, Finance, HR, Administration, Premises, Cleaning, Catering and Sports Complex. Key areas of focus are a balanced and sustainable budget, compliance and the ICT strategy.

7) MAT

To continue to pursue the establishment of a MAT.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Governors has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 28/11/19 and signed on its behalf by:

Mr T Smith
Chair of Governors



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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of governors has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Woodchurch High School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of governors has formally met 4 times during the year. Attendance during the year at meetings of the board of governors was as follows:

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mrs S Broderick | 0 | 4 |
| Mr M Brown | 4 | 4 |
| Mr S Burke | 1 | 4 |
| Mrs S Cronin | 4 | 4 |
| Mr D Cumberland | 4 | 4 |
| Dr M Gilbertson | 4 | 4 |
| Mrs V Jones (resigned 31 August 2017) (reappointed 21 September 2017) | 3 | 4 |
| Ms R Phillips, Accounting Officer and Head Teacher | 4 | 4 |
| Canon E Renshaw MBE | 2 | 4 |
| Mr A Smith | 4 | 4 |
| Mr T Smith | 4 | 4 |
| Dr T Baxter | 3 | 4 |
| Miss L Edwards | 3 | 4 |
| Mrs P Roberts | 2 | 4 |

The governing board has determined that it is able to convene on a termly basis and maintain effective oversight, particularly as the Chair of the Board meets regularly with the Head Teacher to monitor progress and is kept informed of any pertinent matters which may arise from time to time. Governors receive monthly reports relating to the financial position and, from time to time, are provided with other relevant reports relating to matters at the School. Email communications have continued to prove to be an effective way in which to keep Governors informed between meetings. Governors are also encouraged to visit the School at any time to meet with Head Teacher and other Senior employees or simply to observe aspects of the school day.

For 2019/20, in addition to sending Governors monthly reports, on 6 occasions throughout the year, Governors will receive at the Business & Operations Committee and the Audit & Risk Committee, the management accounts, cash flow and balance sheet.

The Business & Operations Committee is a sub committee of the main board of governors. Its purpose is to monitor Finance, Audit, Personnel, Operational Compliance and Health & Safety of the Academy and report to the Governors.

Attendance at meetings in the year was as follows:

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GOVERNANCE STATEMENT (continued)

| Trustee | Meetings attended | Out of a possible |
|---------------------|-------------------|-------------------|
| Mr T Smith | 3 | 3 |
| Ms R Phillips | 3 | 3 |
| Mrs S Broderick | 1 | 3 |
| Mr M Brown | 3 | 3 |
| Mrs S Cronin | 2 | 3 |
| Dr M Gilbertson | 3 | 3 |
| Mr A Smith | 3 | 3 |
| Canon E Renshaw MBE | 3 | 3 |
| Mrs P Roberts | 2 | 3 |

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the academy 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's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Improving educational results and outcomes
- Challenged recruitment/replacement of staff
- Led a robust and accountable appraisal system/policy including CPD
- Led a robust and accountable disciplinary system/policy

Improving outcomes for our pupils is our top priority. A measure of success is the proportion of Year 11 pupils achieving 9-4 including English, Maths and Science. The use of our Pupil Premium Funding is tracked to ensure pupils receive appropriate interventions.

Financial governance and oversight

The Academy is governed by a body of Governors drawn from staff, parents, the Local Authority and those appointed by our partner, the Church of England. The Governing Body meets at least four times a year. It approves the budget and reviews it throughout the year. It considers the Annual Report and Accounts, and monitors audit points raised by the independent auditors. The Governing Body takes an active interest in teaching and learning within the Academy, receiving updates on tracking data and holding the Senior Leadership Team accountable for performance. More detailed financial oversight is supplied by the Business & Operations Committee, which meets three times per year. This Committee reviews internal management accounts, and receives termly internal audit reports prepared by the Internal Auditor. The Business & Operations Committee is also responsible for the maintenance of the Academy's Risk Register, which it reviews at least annually, taking into account changes in the wider political and economic climate. This helps direct the Academy's strategic planning to avoid the waste of time, money and resources. The Governing Body is also supported by this committee in helping to ensure that proper consideration has been given to recruiting, retaining, and rewarding staff in order to offer the best possible opportunities to our pupils, while recognising the importance of staffing costs as a proportion of the overall budget. The Committees operate in accordance with their Terms of Reference.

Better purchasing - ensuring value for money

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The Academy takes advantage of consortia when appropriate, to obtain economies of scale. Individual budget

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GOVERNANCE STATEMENT (continued)

holders are held accountable for the use of their budgets, and are helped by an experienced Finance Officer in sourcing best value. Tight monitoring of budgets is carried out and where applicable, spend is challenged, eg, reprographics charges. The following examples within the year demonstrate value for money:

- 1) Considered food purchases v's quality provision and implemented a price increase
- 2) Reviewed the energy costs to secure an annual deal, including the £ per tonne for biomass pellets
- 3) Implemented a programme for LED conversion across the school buildings
- 4) Transferred from RPA insurance to Zurich
- 5) Secured an annual deal for Teacher Advertising
- 6) Reduced external purchases by performing tasks in-house ie. buildings' maintenance, painting, plumbing

Maximising income generation

Academy explores every opportunity to generate income through additional funding streams such as the hire of the Academy facilities, attracting available grants, in-house catering and providing a traded service for primary schools. Managing cash, the Academy Trust ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential. Investment institutions are selected carefully to provide the most acceptable balance of return and risk.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Woodchurch High School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of governors has considered the need for a specific internal audit function and has decided to appoint Dominic Ion as internal auditor.

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The internal auditor's role includes giving assurance on the Academy's financial position by performing a range of checks. In particular, the checks carried out in the current period included a full review and verification of the trial balance and testing of the:

- payroll systems
- purchase systems
- control accounts/bank reconciliation

On a termly basis, the auditor reports to the board of governors through the audit committee on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

The Internal Auditor presents his findings to the Business & Operations Committee in the Spring and Summer Terms (the Autumn Term being concerned with the annual external audit).

In addition, the IA provides independent assurance that:

- The financial responsibilities of the Governing Body are being properly discharged
- Resources are managed in an efficient, economical and effective manner
- Sound systems of internal financial control are being maintained and
- Financial considerations are fully taken into account in reaching decisions

The Business & Operations Committee will consider the Internal Auditors findings, as part of its review of the academy's internal control system. The work carried out by the Internal Auditor will be designed to mitigate risks and provide assurance to the external auditors.

REVIEW OF EFFECTIVENESS

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

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

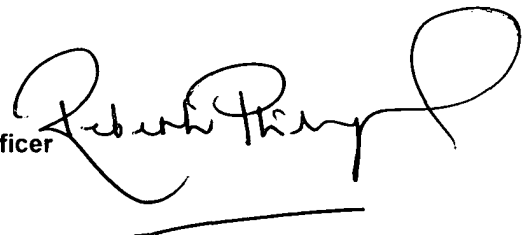
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Business & Operations Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of governors on 28/11/19 and signed on their behalf, by:

Mr T Smith
Chair of Trustees



Ms R Phillips
Accounting Officer



WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Woodchurch High School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2018.

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 2018.

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.


Ms Rebekah Phillips
Accounting Officer

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction 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 the group 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 2018 to 2019;
- 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group 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 group'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 governors on 28/11/19 and signed on its behalf by:

Mr Tony Smith
Chair of Trustees



WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WOODCHURCH HIGH SCHOOL**

OPINION

We have audited the financial statements of Woodchurch High School (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2019 which comprise the group Statement of Financial Activities, the group and academy Balance sheets, the group 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 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent academy's affairs as at 31 August 2019 and of the group's 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 2018 to 2019 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's or the parent academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report (which includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement), other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WOODCHURCH HIGH SCHOOL**

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 including the Group Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Group Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the group and the parent academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Group Strategic Report.

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

- the parent academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy 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 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 group's and the parent academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent academy or to cease operations, or have no realistic alternative but to do so.

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WOODCHURCH HIGH SCHOOL**

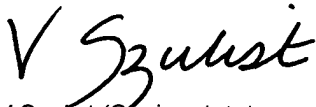
AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



V Szulist (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date:

17th December 2019

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
WOODCHURCH HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 10 March 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woodchurch High School during the year 1 September 2018 to 31 August 2019 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 Woodchurch High School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Woodchurch High School 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 Woodchurch High School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF WOODCHURCH HIGH SCHOOL'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Woodchurch High School's funding agreement with the Secretary of State for Education dated 8 August 2014, and the Academies Financial Handbook extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
WOODCHURCH HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


V Szulist

Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date:

17th December 2019

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee).

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2019**

| | Note | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | | |
| Donations and capital grants | 2 | 1,696 | - | 99,164 | 100,860 | 44,908 |
| Charitable activities | 3 | - | 9,112,332 | - | 9,112,332 | 8,919,429 |
| Other trading activities | 4,5 | 638,208 | - | - | 638,208 | 568,384 |
| Investments | 6 | 21,751 | - | - | 21,751 | 10,842 |
| TOTAL INCOME | | 661,655 | 9,112,332 | 99,164 | 9,873,151 | 9,543,563 |
| EXPENDITURE ON: | | | | | | |
| Charitable activities | | 570,997 | 9,573,248 | 658,872 | 10,803,117 | 10,460,515 |
| TOTAL EXPENDITURE | 7 | 570,997 | 9,573,248 | 658,872 | 10,803,117 | 10,460,515 |
| NET INCOME BEFORE TRANSFERS | | 90,658 | (460,916) | (559,708) | (929,966) | (916,952) |
| Transfers between Funds | 22 | (101,714) | 173,532 | (71,818) | - | - |
| NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES | | (11,056) | (287,384) | (631,526) | (929,966) | (916,952) |
| Actuarial gains/(losses) on defined benefit pension schemes | 27 | - | (2,122,000) | - | (2,122,000) | 959,000 |
| NET MOVEMENT IN FUNDS | | (11,056) | (2,409,384) | (631,526) | (3,051,966) | 42,048 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 3,393,127 | (3,370,696) | 24,715,116 | 24,737,547 | 24,695,499 |
| TOTAL FUNDS CARRIED FORWARD | | 3,382,071 | (5,780,080) | 24,083,590 | 21,685,581 | 24,737,547 |

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07775671

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2019

| | Note | £ | 2019 £ | £ | 2018 £ |
|--|------|-------------|--------------------------|------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 15 | | 26,301,912 | | 26,870,360 |
| CURRENT ASSETS | | | | | |
| Stocks | 17 | 4,990 | | 5,059 | |
| Debtors | 18 | 224,865 | | 220,742 | |
| Cash at bank and in hand | | 2,755,654 | | 2,526,537 | |
| | | | <u>2,985,509</u> | <u>2,752,338</u> | |
| CREDITORS: amounts falling due within one year | 19 | (489,883) | | (534,727) | |
| NET CURRENT ASSETS | | | <u>2,495,626</u> | | <u>2,217,611</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>28,797,538</u> | | <u>29,087,971</u> |
| CREDITORS: amounts falling due after more than one year | 20 | | <u>(247,957)</u> | | <u>(216,424)</u> |
| NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES | | | <u>28,549,581</u> | | <u>28,871,547</u> |
| Defined benefit pension scheme liability | 27 | | <u>(6,864,000)</u> | | <u>(4,134,000)</u> |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITIES | | | <u><u>21,685,581</u></u> | | <u><u>24,737,547</u></u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted income funds: | | | | | |
| Restricted income funds | 22 | 1,083,920 | | 763,304 | |
| Restricted fixed asset funds | 22 | 24,083,590 | | 24,715,116 | |
| | | | <u></u> | <u></u> | |
| Restricted income funds excluding pension liability | | 25,167,510 | | 25,478,420 | |
| Pension reserve | | (6,864,000) | | (4,134,000) | |
| | | | <u></u> | <u></u> | |
| Total restricted income funds | | | 18,303,510 | | 21,344,420 |
| Unrestricted income funds | 22 | | 3,382,071 | | 3,393,127 |
| TOTAL FUNDS | | | <u><u>21,685,581</u></u> | | <u><u>24,737,547</u></u> |

The financial statements on pages 23 to 52 were approved by the Trustees, and authorised for issue, on 28/11/19 and are signed on their behalf, by:

Mr T Smith
Chair of Governors



WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07775671

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2019

| | Note | £ | 2019 £ | £ | 2018 £ |
|--|------|---------------------------|---------------------------------|---------------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 15 | | 24,083,587 | | 24,604,882 |
| Investments | 16 | | 1 | | 1 |
| | | | <u>24,083,588</u> | | <u>24,604,883</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 17 | 4,990 | | 5,059 | |
| Debtors | 18 | 216,473 | | 214,852 | |
| Cash at bank and in hand | | 2,577,348 | | 2,381,013 | |
| | | <u>2,798,811</u> | | <u>2,600,924</u> | |
| CREDITORS: amounts falling due within one year | 19 | (524,932) | | (576,881) | |
| NET CURRENT ASSETS | | | <u>2,273,879</u> | | <u>2,024,043</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>26,357,467</u> | | <u>26,628,926</u> |
| Defined benefit pension scheme liability | 27 | | <u>(6,864,000)</u> | | <u>(4,134,000)</u> |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITIES | | | <u><u>19,493,467</u></u> | | <u><u>22,494,926</u></u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted funds: | | | | | |
| Restricted funds | 22 | 973,690 | | 569,871 | |
| Restricted fixed asset funds | 22 | 24,083,587 | | 24,715,113 | |
| Restricted funds excluding pension asset | | <u>25,057,277</u> | | <u>25,284,984</u> | |
| Pension reserve | | <u>(6,864,000)</u> | | <u>(4,134,000)</u> | |
| Total restricted funds | | | <u>18,193,277</u> | | <u>21,150,984</u> |
| Unrestricted funds | 22 | | <u>1,300,190</u> | | <u>1,343,942</u> |
| TOTAL FUNDS | | | <u><u>19,493,467</u></u> | | <u><u>22,494,926</u></u> |

The financial statements were approved by the Trustees, and authorised for issue, on **28/11/19** and are signed on their behalf, by:

Mr T Smith
Chair of Governors

Tony Smith

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

| | Note | 2019 £ | 2018 £ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 24 | <u>269,221</u> | <u>271,501</u> |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | 21,751 | 10,842 |
| Purchase of tangible fixed assets | | (161,019) | (132,855) |
| Capital grants from DfE | | 99,164 | 27,979 |
| Net cash used in investing activities | | <u>(40,104)</u> | <u>(94,034)</u> |
| Change in cash and cash equivalents in the year | | 229,117 | 177,467 |
| Cash and cash equivalents brought forward | | <u>2,526,537</u> | <u>2,349,070</u> |
| Cash and cash equivalents carried forward | | <u><u>2,755,654</u></u> | <u><u>2,526,537</u></u> |

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES

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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Woodchurch High School constitutes a public benefit entity as defined by FRS 102.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the academy alone as permitted by section 408 of the Companies Act 2006.

Company Information

The academy trust is a company limited by guarantee and was incorporated in England and Wales (registered number 07775671). The address of the registered office is Carr Bridge Road, Woodchurch, Wirral, Merseyside, CH49 7NG.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The 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.

After making appropriate enquiries, the Trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. They base their assumption on the consistency of the KPI's year on year, the cash at bank of £2.7m, the Net Current Assets of £2.49m and the Net Cash from Operating Activities of £269k. Trustees continue to monitor future budgets and plans, to ensure operations are managed effectively.

The Trustees therefore conclude 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.

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

Grants are included in the Statement of financial activities 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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.

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

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Basis of consolidation

The financial statements consolidate the accounts of Woodchurch High School and all of its subsidiary undertakings ('subsidiaries').

The academy has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the academy was, (£828,978) (2018 - (£844,623)).

1.6 Turnover

Turnover comprises revenue recognised by the academy in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 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.

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:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|--------------------------------------|---|------------------------|
| Freehold property | - | 2% straight line |
| Leasehold property | - | 40 years straight line |
| Furniture and fixtures | - | 25% straight line |
| Furniture and fixtures LED lighting- | - | 5% straight line |
| Motor vehicles | - | 25% reducing balance |
| Computer equipment | - | 33.3% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.8 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.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

WOODCHURCH HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for the Local Government Pension Scheme (LGPS) deficit, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Stock, prepayments and deferred income do not constitute basic financial instruments.

The LGPS pension deficit is recognised at its new present value at each balance sheet date and is based on an actuarial valuation. The key judgements in performing this valuation can be found in note 26.

WOODCHURCH HIGH SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.15 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.16 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.17 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Investment income, gains and losses are allocated to the appropriate fund.

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. ACCOUNTING POLICIES (continued)

1.18 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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 August 2017 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

In the view of the governors there are no further assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date that are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|-------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Donations | 1,696 | - | - | 1,696 | 16,929 |
| Capital Grants | - | - | 99,164 | 99,164 | 27,979 |
| | 1,696 | - | 99,164 | 100,860 | 44,908 |
| <i>Total 2018</i> | <i>16,929</i> | <i>-</i> | <i>27,979</i> | <i>44,908</i> | |

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA grants | | | | |
| GAG | - | 7,854,110 | 7,854,110 | 7,839,615 |
| Other DfE/ESFA Grants | - | 703,441 | 703,441 | 635,865 |
| Local Authority Grants | - | 554,781 | 554,781 | 443,949 |
| | - | 9,112,332 | 9,112,332 | 8,919,429 |
| <i>Total 2018</i> | - | 8,919,429 | 8,919,429 | |

4. OTHER TRADING ACTIVITIES

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|---------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Letting of premises | 3,391 | - | 3,391 | 3,076 |
| FSM income | 93,267 | - | 93,267 | 75,229 |
| Other activities for generating funds | 81,061 | - | 81,061 | 74,643 |
| Catering Sales | 299,701 | - | 299,701 | 267,713 |
| | 477,420 | - | 477,420 | 420,661 |
| <i>Total 2018</i> | 420,661 | - | 420,661 | |

5. TRADING ACTIVITIES

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Charity trading income | | | | |
| United Kingdom | 160,788 | - | 160,788 | 147,723 |
| Net income from trading activities | 160,788 | - | 160,788 | 147,723 |

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. INVESTMENT INCOME

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Investment income | 21,751 | - | 21,751 | 10,842 |
| <i>Total 2018</i> | 10,842 | - | 10,842 | |

7. EXPENDITURE

| | Staff costs 2019 £ | Premises 2019 £ | Other costs 2019 £ | Total 2019 £ | Total 2018 £ |
|------------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Funding for education: | | | | | |
| Direct costs | 6,624,327 | 729,468 | 780,723 | 8,134,518 | 8,117,215 |
| Support costs | 1,632,860 | 405,961 | 629,778 | 2,668,599 | 2,343,300 |
| | 8,257,187 | 1,135,429 | 1,410,501 | 10,803,117 | 10,460,515 |
| <i>Total 2018</i> | 7,837,805 | 1,276,167 | 1,346,543 | 10,460,515 | |

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2019 £ | Support costs 2019 £ | Total 2019 £ | Total 2018 £ |
|------------------------------------|---|-------------------------------|--------------------|--------------------|
| Funding for educational operations | 8,134,518 | 2,668,599 | 10,803,117 | 10,460,515 |
| <i>Total 2018</i> | 8,117,215 | 2,343,300 | 10,460,515 | |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of direct costs

| | Funding for educational operations £ | Total 2019 £ | Total 2018 £ |
|--------------------------|---|--------------------|--------------------|
| Technology costs | 66,420 | 66,420 | 77,546 |
| Educational supplies | 447,564 | 447,564 | 373,430 |
| Examination fees | 122,828 | 122,828 | 108,212 |
| Staff development | 31,453 | 31,453 | 31,639 |
| Other direct costs | 98,925 | 98,925 | 108,052 |
| Wages and salaries | 5,245,135 | 5,245,135 | 5,183,941 |
| National insurance | 491,602 | 491,602 | 487,611 |
| Pension cost | 901,123 | 901,123 | 905,118 |
| Depreciation | 729,468 | 729,468 | 841,666 |
| | <u>8,134,518</u> | <u>8,134,518</u> | <u>8,117,215</u> |
| <i>At 31 August 2018</i> | <u>8,117,215</u> | <u>8,117,215</u> | |

Analysis of support costs

| | Funding for educational operations £ | Total 2019 £ | Total 2018 £ |
|---------------------------------------|---|--------------------|--------------------|
| Staff costs | 1,619,327 | 1,619,327 | 1,261,135 |
| Maintenance of premises and equipment | 154,144 | 154,144 | 158,408 |
| Cleaning | 34,368 | 34,368 | 40,087 |
| Rent and rates | 23,559 | 23,559 | 37,508 |
| Energy costs | 154,347 | 154,347 | 162,972 |
| Insurance | 33,647 | 33,647 | 37,530 |
| Security and transport | 5,942 | 5,942 | 5,205 |
| Catering | 284,337 | 284,337 | 264,554 |
| Other support costs | 319,963 | 319,963 | 344,659 |
| Governance costs | 38,965 | 38,965 | 31,242 |
| | <u>2,668,599</u> | <u>2,668,599</u> | <u>2,343,300</u> |
| <i>At 31 August 2018</i> | <u>2,343,300</u> | <u>2,343,300</u> | |

9. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

In addition, during the year £13,533 (2018: £14,993) was paid to 4 (2018: 4) members of staff for statutory redundancy.

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. NET INCOME/(EXPENDITURE)

| | | |
|--|----------------|----------------|
| This is stated after charging: | 2019 | 2018 |
| | £ | £ |
| Depreciation of tangible fixed assets owned by the group | 729,467 | 841,666 |
| Auditor's remuneration | 10,100 | 10,100 |
| Non-audit fees | 3,165 | 3,165 |
| | <hr/> | <hr/> |
| Total | 742,732 | 854,931 |
| | <hr/> | <hr/> |

11. AUDITORS' REMUNERATION

| | | |
|---|---------------|---------------|
| | 2019 | 2018 |
| | £ | £ |
| Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts | 10,100 | 10,100 |
| Fees payable to the academy's auditor and its associates in respect of: | | |
| All other non-audit services not included above | 3,165 | 3,165 |
| | <hr/> | <hr/> |

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. STAFF COSTS

a. Staff costs

Staff costs were as follows:

| | 2019 £ | 2018 £ |
|--|-------------------------|-------------------------|
| Wages and salaries | 6,103,973 | 6,046,883 |
| Social security costs | 554,568 | 548,942 |
| Operating costs of defined benefit pension schemes | 1,577,330 | 1,226,987 |
| | <u>8,235,871</u> | <u>7,822,812</u> |
| Agency staff costs | 7,783 | - |
| Staff restructuring costs | 13,533 | 14,993 |
| | <u><u>8,257,187</u></u> | <u><u>7,837,805</u></u> |

b. Staff numbers

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

| | 2019 No. | 2018 No. |
|----------------------------|-------------|-------------|
| Leadership | 11 | 12 |
| Teachers | 97 | 103 |
| Administration and support | 137 | 137 |
| | <u>245</u> | <u>252</u> |

Average headcount expressed as a full time equivalent:

| | 2019 No. | 2018 No. |
|----------------------------|-------------|-------------|
| Leadership | 11 | 12 |
| Teachers | 89 | 93 |
| Administration and support | 104 | 104 |
| | <u>204</u> | <u>209</u> |

c. Higher paid staff

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

| | 2019 No. | 2018 No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 2 | 0 |
| In the band £70,001 - £80,000 | 4 | 4 |
| In the band £120,001 - £130,000 | 0 | 1 |
| In the band £130,001 - £140,000 | 1 | 0 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. STAFF COSTS (continued)

Six (2018: four) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019 employer's pension contributions for these staff amounted to £79,199 (2018: £57,051). One (2018: one) employee participated in the Local Government Pension Scheme, employer's pension contributions amounted to £12,688 (2018: £11,795).

d. Key management personnel

The key management personnel of the Academy comprise the Headteacher, 6 Assistant Headteachers, 2 Acting Senior Headteachers and the Business Manager. The total employee benefits (including employer pension contributions) of the key management personnel of the Academy were £905,944 (2018: £884,816).

13. GOVERNORS' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

| | | 2019 £ | 2018 £ |
|---------------------------------------|----------------------------|-----------------|-----------------|
| Ms R Phillips (principal and trustee) | Remuneration | 135,000-140,000 | 130,000-135,000 |
| | Pension contributions paid | 20,000-25,000 | 20,000-25,000 |
| Mr G Simpson (staff trustee) | Remuneration | 25,000-30,000 | 25,000-30,000 |
| | Pension contributions paid | 0-5,000 | 0-5,000 |
| Mr A Smith (staff trustee) | Remuneration | 60,000-65,000 | 55,000-60,000 |
| | Pension contributions paid | 10,000-15,000 | 5,000-10,000 |
| | Remuneration | | - |
| | Pension contributions paid | | - |

During the year ended 31 August 2019, no Trustees received any reimbursement of expenses (2018 - £Nil)

14. GOVERNORS' AND OFFICERS' INSURANCE

Insurance cover is held with Zurich. The school pays £23.55 per pupil and the total cost for all insurances for the year ended 31 August 2019 was £22,728 (2018: £32,194 RPA).

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

15. TANGIBLE FIXED ASSETS

| Group | Freehold property £ | Long-term leasehold property £ | Furniture and fixtures £ | Plant and equipment £ | Total £ |
|-----------------------|------------------------------------|---|---|--------------------------------------|--------------------|
| Cost | | | | | |
| At 1 September 2018 | 27,100,000 | 2,650,000 | 212,697 | 1,350,572 | 31,313,269 |
| Additions | - | - | 98,890 | 62,129 | 161,019 |
| At 31 August 2019 | 27,100,000 | 2,650,000 | 311,587 | 1,412,701 | 31,474,288 |
| Depreciation | | | | | |
| At 1 September 2018 | 2,666,000 | 388,333 | 171,580 | 1,216,996 | 4,442,909 |
| Charge for the year | 516,000 | 66,250 | 41,998 | 105,219 | 729,467 |
| At 31 August 2019 | 3,182,000 | 454,583 | 213,578 | 1,322,215 | 5,172,376 |
| Net book value | | | | | |
| At 31 August 2019 | 23,918,000 | 2,195,417 | 98,009 | 90,486 | 26,301,912 |
| At 31 August 2018 | 24,434,000 | 2,261,667 | 41,117 | 133,576 | 26,870,360 |

Included in land and buildings is freehold land at valuation cost of £1,300,000 (2018 - £1,300,000) which is not depreciated.

| Academy | Freehold property £ | Furniture and fixtures £ | Plant and equipment £ | Total £ |
|-----------------------|------------------------------------|---|--------------------------------------|--------------------|
| Cost | | | | |
| At 1 September 2018 | 27,100,000 | 192,061 | 1,350,572 | 28,642,633 |
| Additions | - | 75,447 | 62,129 | 137,576 |
| At 31 August 2019 | 27,100,000 | 267,508 | 1,412,701 | 28,780,209 |
| Depreciation | | | | |
| At 1 September 2018 | 2,666,000 | 154,755 | 1,216,996 | 4,037,751 |
| Charge for the year | 516,000 | 37,652 | 105,219 | 658,871 |
| At 31 August 2019 | 3,182,000 | 192,407 | 1,322,215 | 4,696,622 |
| Net book value | | | | |
| At 31 August 2019 | 23,918,000 | 75,101 | 90,486 | 24,083,587 |
| At 31 August 2018 | 24,434,000 | 37,306 | 133,576 | 24,604,882 |

WOODCHURCH HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

16. FIXED ASSET INVESTMENTS

| Academy Market value | Unlisted securities £ |
|--|-----------------------------|
| At 1 September 2018 and 31 August 2019 | 1 |

17. STOCKS

| | <u>Group</u> | | <u>Academy</u> | |
|-------------------------------------|--------------|-------|----------------|-------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Finished goods and goods for resale | 4,990 | 5,059 | 4,990 | 5,059 |

Unrestricted expenditure includes the amount of inventories recognised as expense as £182,793 (2018 £180,441).

18. DEBTORS

| | <u>Group</u> | | <u>Academy</u> | |
|--------------------------------|----------------|----------------|----------------|----------------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Trade debtors | 6,990 | 20,481 | 6,989 | 20,480 |
| VAT repayable | 2,085 | 5,384 | - | 759 |
| Other debtors | 4,617 | 183 | 4,617 | 183 |
| Prepayments and accrued income | 211,173 | 194,694 | 204,867 | 193,430 |
| | <u>224,865</u> | <u>220,742</u> | <u>216,473</u> | <u>214,852</u> |

19. CREDITORS: Amounts falling due within one year

| | <u>Group</u> | | <u>Academy</u> | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Amounts owed to group undertakings | - | - | 39,335 | 48,298 |
| Other taxation and social security | 141,884 | 143,677 | 141,884 | 143,677 |
| Other creditors | 179,241 | 174,070 | 179,241 | 174,070 |
| Accruals and deferred income | 168,758 | 216,980 | 164,472 | 210,836 |
| | <u>489,883</u> | <u>534,727</u> | <u>524,932</u> | <u>576,881</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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

| | <u>Group</u> | | <u>Academy</u> | |
|--------------------------------------|---------------|---------------|----------------|---------------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Deferred income | | | | |
| Deferred income at 1 September 2018 | 28,634 | 1,160 | 28,634 | 1,160 |
| Resources deferred during the year | 27,560 | 28,634 | 27,560 | 28,634 |
| Amounts released from previous years | (28,634) | (1,160) | (28,634) | (1,160) |
| Deferred income at 31 August 2019 | <u>27,560</u> | <u>28,634</u> | <u>27,560</u> | <u>28,634</u> |

Deferred income relates to business rates for 2019/20.

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

| | <u>Group</u> | | <u>Academy</u> | |
|-----------------|----------------|----------------|----------------|----------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Other creditors | <u>247,957</u> | <u>216,424</u> | <u>-</u> | <u>-</u> |

Other creditors relates to a sinking fund to maintain the Sports Complex facilities.

21. FINANCIAL INSTRUMENTS

| | 2019 | 2018 |
|--|------------------|------------------|
| | £ | £ |
| Financial assets measured at amortised cost | <u>2,769,346</u> | <u>2,547,020</u> |
| Financial liabilities measured at amortised cost | <u>595,956</u> | <u>607,473</u> |

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors and accrued income.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

22. GROUP STATEMENT OF FUNDS

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2019 £ |
|--|---|------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds | 1,131,460 | 661,655 | (504,747) | (101,714) | - | 1,186,654 |
| Sports Complex Land & Buildings Reserve | 2,261,667 | - | (66,250) | - | - | 2,195,417 |
| | <u>3,393,127</u> | <u>661,655</u> | <u>(570,997)</u> | <u>(101,714)</u> | <u>-</u> | <u>3,382,071</u> |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 365,722 | 7,854,110 | (7,716,067) | (200,000) | - | 303,765 |
| Pupil Premium & LAC | (9,041) | 592,441 | (583,400) | - | - | - |
| Year 7 catch up | - | 36,604 | (36,604) | - | - | - |
| SEN | - | 549,832 | (549,832) | - | - | - |
| Capital reserve | 284,893 | - | - | 371,818 | - | 656,711 |
| Other | 121,730 | 79,345 | (79,345) | 1,714 | - | 123,444 |
| Pension reserve | (4,134,000) | - | (608,000) | - | (2,122,000) | (6,864,000) |
| | <u>(3,370,696)</u> | <u>9,112,332</u> | <u>(9,573,248)</u> | <u>173,532</u> | <u>(2,122,000)</u> | <u>(5,780,080)</u> |
| Restricted fixed asset funds | | | | | | |
| Assets inherited on conversion | 24,715,116 | - | (658,872) | 27,346 | - | 24,083,590 |
| Devolved Formula Capital (DFC) | - | 99,164 | - | (99,164) | - | - |
| | <u>24,715,116</u> | <u>99,164</u> | <u>(658,872)</u> | <u>(71,818)</u> | <u>-</u> | <u>24,083,590</u> |
| Total restricted funds | <u>21,344,420</u> | <u>9,211,496</u> | <u>(10,232,120)</u> | <u>101,714</u> | <u>(2,122,000)</u> | <u>18,303,510</u> |
| Total of funds | <u>24,737,547</u> | <u>9,873,151</u> | <u>(10,803,117)</u> | <u>-</u> | <u>(2,122,000)</u> | <u>21,685,581</u> |

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

Restricted General Funds are used specifically to provide educational resources for the pupils of the Academy. To better represent the specific uses of the funds, other restricted funds from the prior year have been reclassified as farm grants, maternity and paternity, and redundancy funds in the year.

Restricted Fixed Asset Funds provide for the installation, maintenance and repair of the fixed assets of the Academy.

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22. GROUP STATEMENT OF FUNDS (continued)

Unrestricted Funds are those other resources which maybe used to further the objectives of the Academy. £247,957 (2018 - £216,424) of the Unrestricted Fund relates to a sinking fund to maintain the Sports Complex facilities.

The Governors require a capital reserve to be created to fund future capital expenditure. These are met via transfers from GAG funding or funded via unrestricted reserves. The academy holds assets to fund planned capital expenditure over the next three years.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

ACADEMY

Restricted fund and restricted fixed asset funds for the Academy are the same as for the Group disclosed above. Unrestricted funds for the Academy are £1,300,190 (2018 - £1,343,944). The unrestricted surplus for the Academy was £141,165 (2018 - £182,430).

STATEMENT OF FUNDS - PRIOR YEAR

| | Balance at 1 September 2017 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2018 £ |
|--|--|------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds | 1,026,522 | 596,155 | (358,362) | (132,855) | - | 1,131,460 |
| Sports Complex Land & Buildings Reserve | 2,327,917 | - | (66,250) | - | - | 2,261,667 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 379,663 | 7,839,615 | (7,671,897) | (181,659) | - | 365,722 |
| Pupil Premium & LAC | 45,395 | 599,133 | (653,569) | - | - | (9,041) |
| Year 7 catch up | - | 36,732 | (36,732) | - | - | - |
| SEN | - | 437,949 | (437,949) | - | - | - |
| Capital reserve | 317,749 | - | (132,856) | 100,000 | - | 284,893 |
| Other | 105,730 | 6,000 | (71,659) | 81,659 | - | 121,730 |
| Pension reserve | (4,834,000) | - | (259,000) | - | 959,000 | (4,134,000) |
| | (3,985,463) | 8,919,429 | (9,263,662) | - | 959,000 | (3,370,696) |
| Restricted fixed asset funds | | | | | | |
| Assets inherited on conversion | 25,326,524 | 27,979 | (772,242) | 132,855 | - | 24,715,116 |
| Total of funds | 24,695,500 | 9,543,563 | (10,460,516) | - | 959,000 | 24,737,547 |

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23. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | 2,218,322 | - | 24,083,590 | 26,301,912 |
| Current assets | 1,901,589 | 1,083,920 | - | 2,985,509 |
| Creditors due within one year | (489,883) | - | - | (489,883) |
| Creditors due in more than one year | (247,957) | - | - | (247,957) |
| Provisions for liabilities and charges | - | (6,864,000) | - | (6,864,000) |
| | <u>3,382,071</u> | <u>(5,780,080)</u> | <u>24,083,590</u> | <u>21,685,581</u> |

Of the unrestricted current assets of £2,985,509 an amount of £247,957 relates to the sinking fund creditor required to maintain the Sports Complex facilities. These funds are not held in a separate bank account.

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Restricted fixed asset funds 2018 £ | Total funds 2018 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | 2,155,244 | - | 24,715,116 | 26,870,360 |
| Current assets | 1,989,034 | 763,304 | - | 2,752,339 |
| Creditors due within one year | (534,727) | - | - | (534,727) |
| Creditors due in more than one year | (216,424) | - | - | (216,424) |
| Provisions for liabilities and charges | - | (4,134,000) | - | (4,134,000) |
| | <u>3,393,127</u> | <u>(3,370,696)</u> | <u>24,715,116</u> | <u>24,737,547</u> |

Of the unrestricted current assets of £1,989,034 an amount of £216,424 related to the sinking fund creditor required to maintain the Sports Complex facilities. These funds were not held in a separate bank account.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2019 | Group |
|---|----------------|----------------|
| | £ | 2018 |
| | | £ |
| Net expenditure for the year (as per Statement of Financial Activities) | (929,966) | (916,952) |
| Adjustment for: | | |
| Depreciation charges | 729,467 | 841,666 |
| Dividends, interest and rents from investments | (21,751) | (10,842) |
| Decrease/(increase) in stocks | 69 | (1,023) |
| (Increase)/decrease in debtors | (4,123) | 30,897 |
| (Decrease)/increase in creditors | (13,311) | 96,734 |
| Capital grants from DfE and other capital income | (99,164) | (27,979) |
| Defined benefit pension scheme finance cost | 490,000 | 140,000 |
| Pension adjustments | 118,000 | 119,000 |
| Net cash provided by operating activities | 269,221 | 271,501 |

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2019 | Group |
|--------------|------------------|------------------|
| | £ | 2018 |
| | | £ |
| Cash in hand | 2,755,654 | 2,526,537 |
| Total | 2,755,654 | 2,526,537 |

26. CONTINGENT LIABILITIES

On 26 October 2018 the High Court ruled that equalisation for the effect of unequal Guaranteed Minimum Pensions (GMPs) is required. The ruling confirmed that trustees have a duty "to equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs". Full GMP indexation will be applied to the LGPS pension liability once changes to the LGPS have been formally announced.

27. PENSION COMMITMENTS

The group'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 Merseyside Pension Fund. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2017.

Contributions amounting to £132,201 were payable to the schemes at 31 August 2019 (2018 - £134,528) and are included within creditors.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

27. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

The Academy Trust participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £620,242 (2018 - £629,276) and at the year-end £82,247 (2018 - £84,184) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

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 2019 was £594,000 (2018 - £641,000), of which

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27. PENSION COMMITMENTS (continued)

employer's contributions totalled £474,000 (2018 - £525,000) and employees' contributions totalled £120,000 (2018 - £116,000). The agreed contribution rates for future years are update% for employers and update% for employees.

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

The academy has to pay pension deficit contributions to the Merseyside Pension Fund. The Merseyside Pension Deficit has a triennial valuation; this determines the deficit value and the employer contribution. The academy made contributions of £136,700 in the year and has to pay a total of £288,800 over the next two years

Principal actuarial assumptions:

| | 2019 | 2018 |
|--|--------|--------|
| Discount rate for scheme liabilities | 1.80 % | 2.80 % |
| Rate of increase in salaries | 3.60 % | 3.60 % |
| Rate of increase for pensions in payment / inflation | 2.20 % | 2.20 % |
| Inflation assumption (CPI) | 2.10 % | 2.10 % |

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

| | 2019 | 2018 |
|----------------------|------|------|
| Retiring today | | |
| Males | 22.2 | 22.0 |
| Females | 25 | 24.8 |
| Retiring in 20 years | | |
| Males | 25.2 | 25.0 |
| Females | 27.9 | 27.8 |

| | At 31 August 2019 £ | At 31 August 2018 £ |
|--|---------------------------|---------------------------|
| Sensitivity analysis | | |
| Discount rate +0.1% | (6,614,000) | (3,954,000) |
| Mortality assumption - 1 year increase | (7,082,000) | (4,290,000) |
| CPI rate +0.1% | (7,120,000) | (5,018,000) |
| Pay growth +0.1% | (6,918,000) | (4,176,000) |

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (continued)

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

| | Fair value at 31 August 2019 £ | Fair value at 31 August 2018 £ |
|------------------------------|---|---|
| Equities | 2,656,000 | 2,352,000 |
| Government bonds | 530,000 | 154,000 |
| Other bonds | 286,000 | 533,000 |
| Property | 468,000 | 411,000 |
| Cash and other liquid assets | 166,000 | 140,000 |
| Other | 1,092,000 | 931,000 |
| Total market value of assets | <u>5,198,000</u> | <u>4,521,000</u> |

The actual return on scheme assets was £227,000 (2018 - £233,000).

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

| | 2019 £ | 2018 £ |
|----------------------------------|------------------|----------------|
| Expected return on scheme assets | (133,000) | (97,000) |
| Interest on obligation | 241,000 | 206,000 |
| Current service charge | 611,000 | 665,000 |
| Past service charge | 353,000 | - |
| Admin expenses | 10,000 | - |
| Total | <u>1,082,000</u> | <u>774,000</u> |
| Actual return on scheme assets | <u>227,000</u> | <u>233,000</u> |

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

| | 2019 £ | 2018 £ |
|------------------------------------|-------------------|------------------|
| Opening defined benefit obligation | 8,655,000 | 8,656,000 |
| Interest cost | 241,000 | 206,000 |
| Employee contributions | 120,000 | 116,000 |
| Actuarial losses/(gains) | 2,215,000 | (824,000) |
| Benefits paid | (133,000) | (164,000) |
| Current service costs | 611,000 | 665,000 |
| Past service costs | 353,000 | - |
| Closing defined benefit obligation | <u>12,062,000</u> | <u>8,655,000</u> |

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27. PENSION COMMITMENTS (continued)

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

| | 2019 £ | 2018 £ |
|-------------------------------------|------------------|------------------|
| Opening fair value of scheme assets | 4,521,000 | 3,822,000 |
| Expected return on assets | 133,000 | 97,000 |
| Actuarial losses | 93,000 | 135,000 |
| Employee contributions | 120,000 | 116,000 |
| Benefits paid | (133,000) | (164,000) |
| Employer contributions | 474,000 | 525,000 |
| Admin expenses | (10,000) | (10,000) |
| | <u>5,198,000</u> | <u>4,521,000</u> |
| Closing fair value of scheme assets | <u>5,198,000</u> | <u>4,521,000</u> |

28. 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.

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

In the year 2018/19 there was £5,760 (2018: £18,163) of income received from Liverpool Hope University where S Cronin, the Head of School from 11 November 2016, is also a governor of the Academy. £9,610 (2018: £4,868) was received from Chester University where D Cumberland, a governor, is the Deputy Dean in the Faculty of Education and Children Services. Income received was for the mentoring of associate teachers studying at the universities.

During the year, the academy paid £1,425 (2018: £nil) to Chester Diocesan Board of Education where L Bannon, the assistant Headteacher, is a trustee.

All of the above transactions were at or below cost.

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NOTES TO THE FINANCIAL STATEMENTS
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30. PRINCIPAL SUBSIDIARIES

Woodchurch High Sports Complex Limited

| | |
|--|--|
| Subsidiary name | Woodchurch High Sports Complex Limited |
| Company registration number | 08110622 |
| Basis of control | Shareholdings |
| Equity shareholding % | 100% |
| Total assets as at 31 August 2019 | £ 2,444,358 |
| Total liabilities as at 31 August 2019 | £ 252,243 |
| Total equity as at 31 August 2019 | £ 2,192,115 |
| Turnover for the year ended 31 August 2019 | £ 160,788 |
| Expenditure for the year ended 31 August 2019 | £ 212,357 |
| Loss for the year ended 31 August 2019 | £ (50,507) |