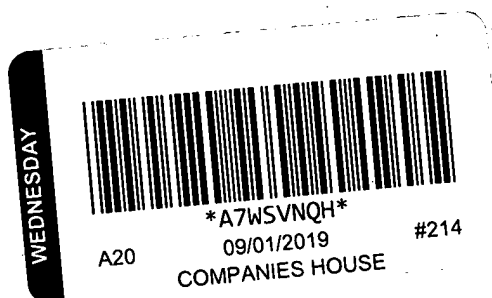


Company Registration Number: 07966187 (England and Wales)

**Horbury Bridge St Johns Academy Trust
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2018**



Horbury Bridge St Johns Academy Trust
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Horbury Bridge St Johns Academy Trust
Reference and Administrative Details

Members (who are also trustees)

Mr J Brady (Chair)*

Mrs J Skinner (Ex Officio)

Father C Johnson (Ex Officio) - appointed 1 March 2018

Trustees

Mrs R Denton (Staff trustee 1)*

Mrs K Partington (Staff trustee 2) - resigned 28 February 2018

Mr M Smith (Community Governor)

Mrs V Crowther (Foundation Governor)

Mrs T Amer (Parent Governor) - appointed 1 March 2018

Mr D Bailey (Parent Governor) - resigned on 14 February 2018

Mr S Leather (Parent Governor)

Father B Benedict Ball (Ex Officio) - resigned 28 February 2018

Mrs J Fawcett - resigned 28 February 2018

Company Secretary

Mrs R Denton

Senior Management Team:

Mrs J Skinner Executive Head

Mrs K Partington (Head Teacher) - resigned 28 February 2018

Mrs R Denton (Business Manager)

Company Name

Horbury Bridge St Johns Academy Trust

Principal and Registered Office

Bridge Road

Horbury Bridge

Wakefield

WF4 5PS

Company Registration Number

07966187 (England and Wales)

Independent Auditor

Gibson Booth Chartered Accountants
and Statutory Auditors

New Court

Abbey Road North

Shepley

Huddersfield

HD8 8BJ

Bankers

The Royal Bank of Scotland

Sheffield Attercliffe Branch

747 Attercliffe Road

Sheffield

S9 3RF

Horbury Bridge St Johns Academy Trust

Trustees Report

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purpose of both a governor's report and a director's report under the company law.

The trust operates one primary academy in Horbury Bridge. The academy has a pupil capacity of 105 full time plus 28 nursery and had a roll of 142 in the school census on 4 October 2018.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Governors act as the trustees for Horbury Bridge St Johns Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Horbury Bridge St Johns Academy Trust.

Details of governors who served throughout the period, except as noted, are included in the Reference and Administrative Details on Page 1.

Member's 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 an amount as may be required, not exceeding £10 for debts and liabilities contracted before they ceased to be a member.

Governor's Indemnities

Governor's benefit from indemnity insurance purchases at the Academy expense to cover liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy: Provided that any such insurance shall not extend to any claim arising from any act of omission which the Governor's knew to be a breach of trust or a breach of duty or which was committed by the Governor's in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to criminal prosecution brought against the governors in their capacity as directors of the Academy. The limit of this indemnity is £1,000,000.

Method of Recruitment and Appointment or Election of Governors:

The number of Governors shall not be less than 3 but shall not be subject to any maximum.

The Academy shall have the following Governors:

- 1 Governors appointed under Article 50
- 1 LA Governors if appointed under Article 51
- 2 Parent Governors appointed under Article 53-58
- 1 Staff Governors appointed under Article 58A
- 2 Foundation Governors appointed under Article 58B
- 2 Community Governors appointed under Article 58C
- The Headteacher
- Any additional Governors, if appointed under Article 62, 62A or 68A and
- Any further Governors, if appointed under Article 63 or 68A

The Governing Body shall make all necessary arrangements for, and determine all other matter relating to, an election of Parents Governors, including any question of whether a person is a parent of a registered pupil at the Academy. An election of Parent Governors which contested shall be held by secret ballot.

The arrangements made for the election of a parent governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post, or if they prefer by having his ballot paper returned to the Academy by a registered pupil at the Academy.

The Governing Body shall make all necessary arrangements for, and determine matters relating to, the election and removal of staff governors.

Term of Office

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the principal. Subject to remaining eligible to be a particular governor, any Governors may be re-appointed or re-elected.

Chairman and Vice-Chairman of Governors

The Governors shall each school year, at their first meeting in that year, elect a chairman and vice-chairman from among their number. A governor who is employed by the Academy shall not be eligible for election for either post.

Horbury Bridge St Johns Academy Trust

Trustees Report (continued)

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for the new Governors will depend on their existing experience. When necessary, induction will provide training on charity, educational, legal and finance matters. All new Governors will be given a tour of the academy and the chance to meet with staff and pupils. All Governors are provided with an induction relevant to the Academy.

Organisational Structure

The management structure consists of three levels: The Trustees, the Board of Governors and the Senior Leadership Team. The aim of the management structure is to devolve responsibility about the direction of the academy, capital expenditure and staff appointments.

The Governors are responsible for setting general policy, adopting an annual budget and plan, monitoring the academy by the use of results and budgets and making major decisions about the direction of the academy, capital expenditure and staff appointments.

The senior leaders are the Head and Business Manager. These managers control the academy at an executive level, implementing the policies laid down by Governors and reporting back to them. As a group the senior leaders are responsible for authorisation of spending within agreed budgets and the appointment of staff.

Arrangements for setting pay and remuneration of key management personnel

The academy adopts Wakefield Local Authority pay policy on an annual basis. The policy has been developed to comply with the current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD).

Pay decisions are made by the Governing Body which has delegated certain responsibilities and decision making powers to the Pay Committee. The Pay Committee shall be responsible for the establishment and review of the pay policy, subject to the approval of the Governing Body, and shall have full authority to make pay decisions on behalf of the Governing Body in accordance with the pay policy. The headteacher shall be responsible for advising the Pay Committee and its decisions. Decisions regarding pay progressions will be made with reference to the teacher's performance management reports and the pay recommendations they contain.

Related parties and Connected Charities and Organisations

As a church school, Horbury Bridge St Johns Academy Trust, work very closely with St John's Church and the Diocese of Leeds.

Objectives and Activities

Objectives and Aims

The principal objective and activity of the charitable company is to advance education in the UK for the public benefit, in particular by maintaining and carrying on the academy, offering a broad and creative curriculum with a focus on high standards of basic skills combined within the development of the whole child. In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

The main objectives of the academy during the year ended August 2018 are summarised below:

- The ensure that every child enjoys the same high quality in terms of resourcing, teaching and care
- To raise the standard of educational achievement of all pupils
- To improve the effectiveness of the academy by keeping the curriculum and organisational structure under continual review
- To provided value for money for all funds expended
- To comply with all appropriate statutory and curriculum requirements
- To maintain close links with other primary schools, and
- To conduct the academy business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The vision for Horbury Bridge St Johns Academy Trust is to provide an excellent education for all children in its care: achieving high standards and developing the whole child, within a supportive family ethos. This applies to all aspects of the organisation at every level. The academy places the pupils at the centre of everything it does, with a focus on maintaining a culture of success, a positive climate for learning and pupil attainment, achievement and spiritual, moral, social and cultural development. In raising standards for its own pupils, whilst at the same time engaging and collaborating with other schools, the academy contributes to the raising of educational standards and achievements both locally and nationally.

Public Benefit

The Trust considered the Charity Commission's guidance on Public Benefit. The main public benefit delivered by the Trust is the provision of a high quality of education to its pupils. This has been evidenced through the results achieved and feedback from external assessments.

The Head of Horbury Bridge St Johns Academy Trust is a National Leader of Education and the Academy actively engages in wider school improvement and supports other schools. Horbury Bridge St Johns Academy Trust is a partner in the Aspire Teaching Trust Alliance and a strategic partner in the Yorkshire Anglican Teaching School Alliance.

The School was judged as good when inspected in February 2018.

A SIAMS inspection was carried out in March 2015 and was judged as outstanding.

Horbury Bridge St Johns Academy Trust

Trustees Report (continued)

Strategic Report

Achievements and Performance

The total number of pupils in the year ended 31 August 2018 were as follows:

Pupils on Roll 31.08.2018	142
Pupils on Roll 31.08.2017	138
Pupils on Roll 31.08.2016	137

EYFS Data

Children make sustained progress through early years. Pupils enter early years with skills broadly typical for their age. By the end of early years they are achieving in line with LA and national averages in all areas

Key Performance Indicators 2018

EYFS Profile	Good Level of Development (GLD)	
15 children	School	National 71.5%

KS1 Attainment	Meeting or exceeding age expectations	
	School	National
Reading	93%	75%
Writing	67%	70%
Maths	100%	76%
Phonics	100%	83%

KS2 Attainment	Meeting or exceeding age expectations		Progress Scores
	School	National	
Reading	75%	75%	Average
Writing	75%	78%	Average
Maths	94%	76%	Well above average
Combined RWM	69%	64%	

Attendance

Horbury Bridge St Johns Academy Trust achieved an attendance level of 96.23% for the year to 31 August 2018.

Going Concern

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

Financial Review

Financial report for the year

These financial statements reflect a 12 month accounting period of operation. The majority of income received is obtained from the Department for Education (DfE), via the Education and Skills Funding Agency (ESFA) in the form of recurrent General Annual Grant (GAG) funding, the use of which is restricted for the day to day running of the Academy. Total grants received from the ESFA and the associated expenditure is shown as restricted funds in the statement of financial activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period the Academy received £755,210 of income during the period, of which £516,725 was GAG funding. Other grants and income amounted to £238,485.

Expenditure for the period totalled £759,630 (excluding depreciation), including £564,640 of staff related costs supporting the day to day running of the Academy Trust.

The excess total expenditure over total income during the period was £9,925 (excluding restricted fixed asset funds).

Horbury Bridge St Johns Academy Trust

Trustees Report (continued)

The Academy Trust also inherited the Local Government Pension Scheme (LGPS). This fund is in deficit. The LGPS liability decreased from £172,000 to £159,000 as at 31 August 2018. This is detailed in the notes to the financial statements.

Reserves Policy

The governors review the reserve levels of the Academy annually. The governors take into consideration the future plans of the Academy, future income streams and commitments, and other key risks identified during the risk review.

The governors anticipate utilising reserves to maintain educational standards, provide a contingency to deal with unexpected emergencies such as urgent maintenance and to support future strategic initiatives within the Academy.

As at 31 August 2018 unrestricted funds were £18,701, and restricted funds were £22,484.

Total funds excluding the pension reserve were £597,726. This includes the fixed asset reserve balance of £556,541.

Investment policy

There are no material investments held by the Academy, funds are currently held in a current account. The academy aims to manage the cash balances to provide for the day to day working capital requirements of its operations. During the year, consideration will be given to investing free reserves to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

Key Financial Performance Indicators

The main financial performance indicators in reporting to the Governing Body has been monthly revenue against monthly expenditure for key budget headings/items (for example, salaries, building costs, maintenance).

Financial and Risk Management Objectives and Policies

The Governors have implemented a number of systems to assess and minimise risks, described elsewhere in this report. Adequate insurance is in place where appropriate.

The Governors examine the financial health every term, reviewing performance against budget and overall expenditure. At the end of the year, the Academy has no significant liabilities arising from trade creditors or debtors, where there would be a significant effect of liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pensions Scheme) represents a significant potential liability. However, as Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from the liability is minimised.

Principal Risks and Uncertainties

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

- Financial – The Academy has considerable reliance on continued Government funding from the ESFA, whilst levels are expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same level or on the same terms.
- Failures in governance and/or management to effectively manage the Academy's finances internal controls, compliance with regulations and legislation, statutory returns
- Fraud and management of funds – the Academy appointed Gibson Booth to carry out checks on financial systems and records
- Safeguarding and Child Protection – the Governors continue to ensure the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies, health and safety and discipline.

Fundraising

At the present time the trust has not set or agreed a fundraising strategy/plan.

We do fundraise in various ways, including:

- Plays and Concerts
- Parent Teacher Association
- School fairs

The trust will be assessing these fundraising practices as a matter of urgency to meet the requirements of the Charities Act 2016.

Plans for Future Periods

The school has the following future plans:

Leadership - Provide continued opportunities for staff development and personal growth through curriculum and development and leadership.

Curriculum -

Embed recent curriculum initiatives

Teaching and Learning in Science

Approaches to writing

Curriculum Design

Funds held as Custodian Trustee on behalf of others

The Academy and its Governors do not act as a Custodian Trustees of any other charity

Horbury Bridge St Johns Academy Trust

Trustees Report (*continued*)

Auditors

In so far as the Governors are aware:

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

Gibson Booth Chartered Accountants having expressed their willingness to continue in office.

The trustees' report incorporating a strategic report, was approved by order of the members of the Governing Body, as the company directors, on 4/12/12 and signed on their behalf by

.....
Mr J Brady
Chair

Governance Statement

Scope of Responsibility

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

The Governing body has delegated the day to day responsibility to the Head, 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 Horbury Bridge St Johns Academy Trust and the Secretary for State of Education. They are also responsible for reporting to the Governing body any material weaknesses or breakdowns in internal control.

Governance

The information of governance included here supplements that described in the governors' report and in the statement of governors responsibilities. Attendance during the period at meetings of the Governing body was as follows

Governor	Meetings Attended	Out of a possible
Mr J Brady	1	5
Mr J Skinner	5	5
Mrs R Denton	5	5
Mr S Leather	5	5
Mr T Amer	5	5
Father C Johnson	4	5
Mrs V Crowther	5	5
Mr M Smith	3	5
Mrs K Partington	1	5

Mr Brady was given approval by the full Governing Body for absences from meetings during this reporting period due to personal circumstances.

Premises and Assets

The environment is well maintained and cared for, making best use of limited space and providing an attractive and stimulating learning environment.

To maintain and enhance this, planned development over the next 1 – 3 years include:

- Continue to enhance provision in the EVFS outdoor area
- Redevelopment of the playground areas
- Continued programme of maintenance
- Replacement of lighting throughout school
- Refurbishment of School kitchen

Review of Value for Money

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

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

- A programme of maintenance and replacement to maintain a modern, stimulating environment fit for purpose. This included re-decoration, blind replacement and installation of LED lighting replacement of display boards. This is ensuring that the building is energy efficient in good repair and requires minimal upkeep so reducing future costs.
- Investment in staffing to ensure continuity of practice during a period of staff changes. This continues into 2018/19 in a proactive approach to forthcoming maternity leaves. Significant training and mentoring ensures that the impact of these staffing changes on the quality of the children education is minimised
- Training and resources to implement new phonics and reading programmes have strengthened the academy's approach to early reading. This has resulted in the academy being recognised by DfE as being in the top 3% nationally for phonics outcomes.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to 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 the academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently. The system of internal control has been in place at Horbury Bridge St Johns Academy Trust for the year ended 31 August 2018 and up to date of approval of the annual report and financial statements.

Horbury Bridge St Johns Academy Trust

Governance Statement (continued)

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trusts' significant risks that have been in place for the year ending 31 August 2018 and up to date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing body.

Awards

The school and its staff have received the following awards:

- The Headteacher has been accredited as an NLE
- School has received the Rolls Royce Science Prize
- Read Write Inc accreditation
- A letter of congratulations from Secretary of State for school standards
- Coastal School leader accreditation
- Senco accreditation

The Risk and Control Framework

The academy trusts' 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 Governing body
- Regular reviews of finance and resource committee of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and the other performance
- Clearly defined purchasing guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Governing Body has considered the need for a specific internal audit function and John McLeod Educational Services Ltd have been appointed as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trusts' financial systems. In particular the checks carried out in the current period included, but not limited to:

- Testing of payroll systems
- Testing of purchase systems
- Testing of income
- Testing of control accounts

The internal audit was carried out over 2 visits during the academic year as planned, a report was produced on each visit setting out the work that had been completed. There were no material control issues found during the internal audits.

Review of Effectiveness

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

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

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

Approved by the order of the members of the Governing body 41/2/13 and signed on its behalf by

Mr J Brady
Chair

J. Skinner
Mrs J Skinner
Accounting Officer

Horbury Bridge St Johns Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of Horbury Bridge St Johns Academy I have considered my responsibility to notify the Academy Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 2017.

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

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

J. Skinner

.....
J Skinner
Accounting Officer

.....
4112/13

Horbury Bridge St Johns Academy Trust

Statement of Trustees' Responsibilities

The Trustees, who are also Directors of the Charitable Company for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency (ESFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business

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

The Directors are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform to 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 Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 4.12.17 and signed on its behalf by:


.....
J Brady
Chair of trustees

Horbury Bridge St Johns Academy Trust

Independent Auditor's Report to the Members Horbury Bridge St Johns Academy Trust

Qualified opinion

We have audited the financial statements of Horbury Bridge St Johns Academy for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements, except for the effects of the matter described in the Basis for Qualified Opinion paragraph:

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

Basis for qualified opinion

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

Land and buildings on conversion should be brought in at fair value, and subsequently treated at depreciated cost. We have been unable to confirm the value of land and buildings in the accounts as the academy trust have not obtained a professional valuation of the property.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Horbury Bridge St Johns Academy Trust

Independent Auditor's Report to the Members Horbury Bridge St Johns Academy Trust (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10 the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of this report

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

A R S Russell

Alistair Russell FCA
For and on behalf of
Gibson Booth Chartered Accountants
and Statutory Auditors
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

7/12/13

Horbury Bridge St Johns Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Horbury Bridge St Johns Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 29 June 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Horbury Bridge St Johns Academy during the period from 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Horbury Bridge St Johns Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Horbury Bridge St Johns Academy's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- an initial risk assessment, the results of which were used to tailor a specific work programme to ensure sufficient appropriate evidence could be obtained to support the conclusion;
- a review of the academy trust's accounting and internal control procedures; and
- consideration and review of the evidence supporting the accounting officer's statement on regularity, propriety and compliance.
- Analytical review of the activities of the academy trust

Conclusion

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

Gibson Booth

Gibson Booth Chartered Accountants
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

7112/118

Horbury Bridge St Johns Academy Trust

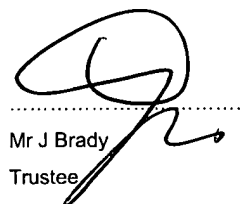
Statement of Financial Activities for the year ended 31 August 2018 (including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2018	Total 2017
	Note	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	1,206	-	5,505	6,711	8,334
Charitable activities:						
Funding for the academy trust's educational operations	3	-	642,335	-	642,335	586,381
Other trading activities	4	41,155	64,985	-	106,140	170,328
Investments		24	-	-	24	323
Total		<u>42,385</u>	<u>707,320</u>	<u>5,505</u>	<u>755,210</u>	<u>765,366</u>
Expenditure on:						
Raising funds	5	36,289	63,894	-	100,183	45,665
Charitable activities:						
Academy trust educational operations	5,6	-	659,447	19,877	679,324	802,954
Total		<u>36,289</u>	<u>723,341</u>	<u>19,877</u>	<u>779,507</u>	<u>848,619</u>
Net income / (expenditure)		6,096	(16,021)	(14,372)	(24,297)	(83,253)
Transfers between funds	14	-	5,505	(5,505)	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	14,19	-	46,000	-	46,000	117,000
Net movement in funds		<u>6,096</u>	<u>35,484</u>	<u>(19,877)</u>	<u>21,703</u>	<u>33,747</u>
Reconciliation of funds						
Total funds brought forward		12,605	(172,000)	576,418	417,023	383,276
Total funds carried forward		<u>18,701</u>	<u>(136,516)</u>	<u>556,541</u>	<u>438,726</u>	<u>417,023</u>

Horbury Bridge St Johns Academy Trust
Balance Sheet as at 31 August 2018

		2018	2017
	Note	£	£
Fixed assets			
Tangible assets	10	556,541	576,418
Current assets			
Stock	11	1,399	1,303
Debtors	12	24,869	18,965
Cash at bank and in hand		42,244	76,454
		<u>68,512</u>	<u>96,722</u>
Creditors: Amounts falling due within one year	13	<u>(27,327)</u>	<u>(84,117)</u>
Net current assets		<u>41,185</u>	<u>12,605</u>
Total assets less current liabilities		597,726	589,023
Net assets excluding pension liability		<u>597,726</u>	<u>589,023</u>
Defined benefit pension scheme liability	19	<u>(159,000)</u>	<u>(172,000)</u>
Total assets		<u><u>438,726</u></u>	<u><u>417,023</u></u>
Funds of the academy trust:			
Restricted funds			
Fixed asset fund	14	556,541	576,418
Restricted income fund	14	22,484	-
Pension reserve	14	<u>(159,000)</u>	<u>(172,000)</u>
Total restricted funds		420,025	404,418
Unrestricted income funds	14	<u>18,701</u>	<u>12,605</u>
Total funds		<u><u>438,726</u></u>	<u><u>417,023</u></u>

The financial statements on pages 14 - 33 were approved by the Trustees, and authorised for issue on 4.12.18 and are signed on their behalf by:


 Mr J Brady
 Trustee

Company Registration Number: 08842936

Horbury Bridge St Johns Academy Trust

Statement of Cash Flows for the year ended 31 August 2018

		2018	2017
	Note	£	£
Cash flows from operating activities			
Net cash provided by (used in) operating activities	17	(39,739)	52,932
Cash flows from investing activities			
Dividends, interest and rents from investments		24	323
Purchase of tangible fixed assets		-	(121,147)
Capital grants from DfE/ESFA		5,505	5,449
		<u>5,529</u>	<u>(115,375)</u>
Change in cash and cash equivalents in the reporting period		<u>(34,210)</u>	<u>(62,443)</u>
Cash and cash equivalents at 1 September 2017		76,454	138,897
Cash and cash equivalents at the 31 August 2018		<u>42,244</u>	<u>76,454</u>

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018

1 Statement of Accounting Policies

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

Basis of Preparation

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

Horbury Bridge St Johns Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

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

Grants

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

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

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

Donations

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

Other Income

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

Donated goods, facilities and services

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

1 Statement of Accounting Policies (continued)

Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

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

Tangible Fixed Assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold land	Over 125 years, the term of the lease
Leasehold buildings	2% straight line
Fixtures, fittings and equipment	25% straight line
Computer equipment	33.3% straight line
Plant and Machinery	14.3% straight line

Leasehold land and buildings are leased under a 125 year lease from Wakefield Metropolitan Council. A peppercorn rent is charged. The depreciation rate on leasehold buildings has been changed in the year from 5% straight line to 2% straight line to more accurately reflect the estimated useful life of the buildings.

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.

Liabilities

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

Provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018

1 Statement of Accounting Policies (continued)

Stock

Unsold uniforms are valued at the lower of cost or net realisable value.

Taxation

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, 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.

Fund Accounting

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

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

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

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018

1 Statement of Accounting Policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

Critical areas of judgement

No significant judgements have been made in the process of applying the entity's accounting policies.

Financial Instruments

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

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

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

2 Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Capital Grants	-	5,505	5,505
Donations	1,206	-	1,206
	<u>1,206</u>	<u>5,505</u>	<u>6,711</u>

	Unrestricted Funds	Restricted Funds	Total 2017
	£	£	£
Capital Grants	-	5,449	5,449
Donations	2,885	-	2,885
	<u>2,885</u>	<u>5,449</u>	<u>8,334</u>

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
DfE / ESFA grants			
General Annual Grant (GAG)	-	516,725	516,725
Other DfE/ESFA grants	-	44,347	44,347
	-	<u>561,072</u>	<u>561,072</u>
Other Government grants			
Local authority grants	-	81,263	81,263
	-	<u>81,263</u>	<u>81,263</u>
Other income from the academy trust's educational operations	-	-	-
	-	<u>642,335</u>	<u>642,335</u>

	Unrestricted Funds	Restricted Funds	Total 2017
	£	£	£
DfE / ESFA grants			
General Annual Grant (GAG)	-	519,361	519,361
Other DfE/ESFA grants	-	28,326	28,326
	-	<u>547,687</u>	<u>547,687</u>
Other Government grants			
Local authority grants	-	38,694	38,694
	-	<u>38,694</u>	<u>38,694</u>
Other income from the academy trust's educational operations	-	-	-
	-	<u>586,381</u>	<u>586,381</u>

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

4 Other trading activities

	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Hire of facilities	200	-	200
Catering income	-	42,144	42,144
Trips	-	9,864	9,864
Uniforms	-	2,022	2,022
School support income	33,655	-	33,655
Advisory fees income	-	10,955	10,955
Sundry income	7,300	-	7,300
	<u>41,155</u>	<u>64,985</u>	<u>106,140</u>

	Unrestricted Funds	Restricted Funds	Total 2017
	£	£	£
Hire of facilities	340	-	340
Catering income	29,552	-	29,552
Trips	-	11,427	11,427
Uniforms	2,174	-	2,174
School support income	46,532	-	46,532
Advisory fees income	-	74,983	74,983
Sundry income	5,320	-	5,320
	<u>83,918</u>	<u>86,410</u>	<u>170,328</u>

4 Investment income

	Unrestricted Funds	Total 2018	Unrestricted Funds	Total 2017
	£	£	£	£
Short term deposits	24	24	323	323
	<u>24</u>	<u>24</u>	<u>323</u>	<u>323</u>

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

5 Expenditure

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2018
	£	£	£	£
Expenditure on raising funds	57,480	-	42,703	100,183
Academy's educational operations:				
Direct costs	392,026	-	43,294	435,320
Allocated support costs	115,134	40,982	87,888	244,004
	<u>564,640</u>	<u>40,982</u>	<u>173,885</u>	<u>779,507</u>

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2017
	£	£	£	£
Expenditure on raising funds	-	-	45,665	45,665
Academy's educational operations:				
Direct costs	363,777	-	54,436	418,213
Allocated support costs	224,245	28,896	131,600	384,741
	<u>588,022</u>	<u>28,896</u>	<u>231,701</u>	<u>848,619</u>

Net income/(expenditure) for the period includes:

	2018	2017
	£	£
Operating lease rentals	2,278	2,278
Depreciation	19,877	33,436
Fees payable to auditor for:		
- audit	3,500	5,500
- other services	<u>850</u>	<u>1,350</u>

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

6 Charitable Activities

	Total 2018 £	Total 2017 £
Direct costs – educational operations	435,320	418,213
Support costs – educational operations	244,004	384,741
	<u>679,324</u>	<u>802,954</u>

Analysis of support costs	Educational operations £	Total 2018 £	Educational operations £	Total 2017 £
Support staff costs	115,134	115,134	224,245	224,245
Depreciation	19,877	19,877	33,436	33,436
Technology costs	20,818	20,818	13,043	13,043
Premises costs	40,982	40,982	28,896	28,896
Other support costs	39,039	39,039	34,929	34,929
Governance costs	8,154	8,154	50,192	50,192
Total support costs	<u>244,004</u>	<u>244,004</u>	<u>384,741</u>	<u>384,741</u>

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

7 Staff

a. Staff costs

Staff costs during the period were:

	Total	Total
	2018	2017
	£	£
Wages and salaries	416,116	477,700
Social security costs	34,000	41,553
Operating costs of defined benefit pension schemes	95,273	68,769
	<u>545,389</u>	<u>588,022</u>
Supply staff costs	19,251	-
	<u>564,640</u>	<u>588,022</u>

b. Staff numbers

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

	2018	2017
	No.	No.
Teachers	6	6
Administration and support	16	16
Management	2	2
	<u>24</u>	<u>24</u>

c. Higher paid staff

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

	2018	2017
	No.	No.
£70,001 - £80,000	-	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £132,278 (no staff were seconded) (2017: £197,228 including seconded staff £105,987 excluding seconded staff).

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

8 Related Party Transactions - Trustees' Remuneration and Expenses

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

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

Mrs J Skinner (Executive Head);

- . Remuneration: £55,000-60,000 (2017: £70,000 - £75,000)
- . Employer's pension contributions paid: £5,000- £10,000 (2017 £10,000 - £15,000)

Mrs K Partington (Staff Governor, resigned 31 December 2017):

- . Remuneration: £10,000 - £15,000 (2017: £50,000 - £55,000)
- . Employer's pension contributions paid: under £5,000 (2017: £5,000 - £10,000)

Mrs R Denton (staff trustee):

- . Remuneration: £30,000 - £35,000 (2017: £30,000 - £35,000)
- . Employer's pension contributions paid: £5,000 - £10,000 (2017: Under £5,000)

During the period ended 31 August 2018, travel and subsistence expenses totalling £nil were reimbursed or paid directly to trustees (2017: £nil to trustees).

Other related party transactions involving the trustees are set out in note 20.

9 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost, and was £840.

Horbury Bridge St Johns Academy Trust
Notes to the Financial Statements for the year ended 31 August 2018 (continued)
10 Tangible Fixed Assets

	Leasehold Land and Buildings	Computer Equipment	Plant and Equipment	Furniture and Equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2017	660,696	48,712	23,347	5,952	738,707
Additions	-	-	-	-	-
At 31 August 2018	<u>660,696</u>	<u>48,712</u>	<u>23,347</u>	<u>5,952</u>	<u>738,707</u>
Depreciation					
At 1 September 2017	104,100	40,484	12,888	4,817	162,289
Charged in year	10,748	5,252	3,337	540	19,877
At 31 August 2018	<u>114,848</u>	<u>45,736</u>	<u>16,225</u>	<u>5,357</u>	<u>182,166</u>
Net book values					
At 31 August 2018	<u>545,848</u>	<u>2,976</u>	<u>7,122</u>	<u>595</u>	<u>556,541</u>
At 31 August 2017	<u>556,596</u>	<u>8,228</u>	<u>10,459</u>	<u>1,135</u>	<u>576,418</u>

11 Stock

	2018 £	2017 £
Catering supplies and uniforms	1,399	1,303
	<u>1,399</u>	<u>1,303</u>

12 Debtors

	2018 £	2017 £
Trade debtors	10,893	5,851
VAT recoverable	3,760	1,676
Prepayments and accrued income	10,216	11,438
	<u>24,869</u>	<u>18,965</u>

13 Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	11,975	22,925
Other taxation and social security	-	10,715
Other creditors	40	9,019
Accruals and deferred income	15,312	41,458
	<u>27,327</u>	<u>84,117</u>

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	20,179	13,639
Released from previous years	(20,179)	(13,639)
Resources deferred in the year	10,962	20,179
Deferred Income at 31 August 2018	<u>10,962</u>	<u>20,179</u>

Deferred income at the year-end included free school meals income received in advance.

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

14 Funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	516,725	(499,746)	5,505	22,484
Pupil Premium	-	-	-	-	-
Other DfE/ESFA grants	-	44,347	(44,347)	-	-
Other income	-	146,248	(146,248)	-	-
Pension reserve	(172,000)	-	(33,000)	46,000	(159,000)
	<u>(172,000)</u>	<u>707,320</u>	<u>(723,341)</u>	<u>51,505</u>	<u>(136,516)</u>
Restricted fixed asset funds					
Transfer on conversion	436,947	-	(11,302)	-	425,645
DfE/ESFA capital grants	-	5,505	-	(5,505)	-
Capital expenditure from GAG	139,471	-	(8,575)	-	130,896
	<u>576,418</u>	<u>5,505</u>	<u>(19,877)</u>	<u>(5,505)</u>	<u>556,541</u>
Total restricted funds	<u>404,418</u>	<u>712,825</u>	<u>(743,218)</u>	<u>46,000</u>	<u>420,025</u>
Total unrestricted funds	<u>12,605</u>	<u>42,385</u>	<u>(36,289)</u>	<u>-</u>	<u>18,701</u>
Total funds	<u>417,023</u>	<u>755,210</u>	<u>(779,507)</u>	<u>46,000</u>	<u>438,726</u>

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

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

The restricted general funds relate to grants and other income receivable from the DfE, ESFA and other sources towards the operating activities of the academy trust.

The restricted fixed asset funds represent the net book values of donated fixed assets and assets purchased out of income from other sources which are held for the continuing use of the academy trust.

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

14 Funds (continued)

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	-	519,361	(537,737)	18,376	-
Pupil Premium	-	17,000	(17,000)	-	-
Other DfE/ESFA grants	-	55,469	(55,469)	-	-
Other income	-	86,410	(86,410)	-	-
Pension reserve	(248,000)	-	(41,000)	117,000	(172,000)
	<u>(248,000)</u>	<u>678,240</u>	<u>(737,616)</u>	<u>135,376</u>	<u>(172,000)</u>
Restricted fixed asset funds					
Transfer on conversion	452,604	-	(15,657)	-	436,947
DfE/ESFA capital grants	-	-	-	-	-
Capital expenditure from GAG	36,103	-	(17,779)	121,147	139,471
	<u>488,707</u>	<u>-</u>	<u>(33,436)</u>	<u>121,147</u>	<u>576,418</u>
Total restricted funds	<u>240,707</u>	<u>678,240</u>	<u>(771,052)</u>	<u>256,523</u>	<u>404,418</u>
Total unrestricted funds	<u>142,569</u>	<u>87,126</u>	<u>(77,567)</u>	<u>(139,523)</u>	<u>12,605</u>
Total funds	<u>383,276</u>	<u>765,366</u>	<u>(848,619)</u>	<u>117,000</u>	<u>417,023</u>

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
A current year 12 months and prior year 12 months combined position is as follows :					
Restricted general funds					
General Annual Grant (GAG)	-	1,036,086	(1,037,483)	23,881	22,484
Pupil Premium	-	17,000	(17,000)	-	-
Other DfE/ESFA grants	-	99,816	(99,816)	-	-
Other income	-	232,658	(232,658)	-	-
Pension reserve	(248,000)	-	(74,000)	163,000	(159,000)
	<u>(248,000)</u>	<u>1,385,560</u>	<u>(1,460,957)</u>	<u>186,881</u>	<u>(136,516)</u>
Restricted fixed asset funds					
Transfer on conversion	452,604	-	(26,959)	-	425,645
DfE/ESFA capital grants	-	5,505	-	(5,505)	-
Capital expenditure from GAG	36,103	-	(26,354)	121,147	130,896
	<u>488,707</u>	<u>5,505</u>	<u>(53,313)</u>	<u>115,642</u>	<u>556,541</u>
Total restricted funds	<u>240,707</u>	<u>1,391,065</u>	<u>(1,514,270)</u>	<u>302,523</u>	<u>420,025</u>
Total unrestricted funds	<u>142,569</u>	<u>129,511</u>	<u>(113,856)</u>	<u>(139,523)</u>	<u>18,701</u>
Total funds	<u>383,276</u>	<u>1,520,576</u>	<u>(1,628,126)</u>	<u>163,000</u>	<u>438,726</u>

15 Analysis of Net Assets between Funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds £
Tangible fixed assets	-	-	556,541	556,541
Current assets	18,701	49,811	-	68,512
Current liabilities	-	(27,327)	-	(27,327)
Pension scheme liability	-	(159,000)	-	(159,000)
Total net assets	<u>18,701</u>	<u>(136,516)</u>	<u>556,541</u>	<u>438,726</u>

Horbury Bridge St Johns Academy Trust
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

15 Analysis of Net Assets between Funds (continued)

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
				£
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	576,418	576,418
Current assets	96,722	-	-	96,722
Current liabilities	(84,117)	-	-	(84,117)
Pension scheme liability	-	(172,000)	-	(172,000)
Total net assets	12,605	(172,000)	576,418	417,023

16 Commitments under operating leases

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

	2018	2017
	£	£
Amounts due within one year	2,609	2,609
Amounts due between one and five years	6,497	9,276
	<u>9,106</u>	<u>11,885</u>

17 Reconciliation of Net Expenditure to Net Cash Flow from Operating Activities

	2018	2017
	£	£
Net expenditure for the reporting period	(24,297)	(83,253)
Adjusted for:		
Depreciation charges (note 10)	19,877	33,436
Capital grants from DfE and other capital income (note 2)	(5,505)	(5,449)
Interest receivable (note 5)	(24)	(323)
Defined benefit pension scheme cost less contributions payable (note 19)	29,000	36,000
Defined benefit pension scheme finance cost (note 19)	4,000	5,000
(Increase)/decrease in stocks	(96)	699
Decrease/(increase) in debtors	(5,904)	15,702
Decrease in creditors	(56,790)	51,120
Net cash used in Operating Activities	<u>(39,739)</u>	<u>52,932</u>

18 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.

19 Pension and Similar Obligations

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

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £34,650 (2017: £44,885).

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

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

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

19 Pension and Similar Obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2018 was £40,000 (2017: £30,000), of which employer's contributions totalled £29,000 (2017: £21,000) and employees' contributions totalled £11,000 (2017: £9,000). The agreed contribution rates for future years are 15.1% for employers and between 5.50 and 12.50% for employees depending on their scale rate.

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

The academy trust has entered into an agreement to make additional contributions to WYPF to reduce the scheme deficit. Additional contributions of £400 were made during the year. The figure for 2018/19 is also £400.

Principal Actuarial Assumptions

	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.30%	3.15%
Rate of increase for pensions in payment/inflation	2.00%	1.90%
Discount rate for scheme liabilities	2.80%	2.50%
Inflation assumption (CPI)	2.00%	1.90%

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

	At 31 August 2018	At 31 August 2017
<i>Retiring today</i>		
Males	22.1	22.1
Females	25.3	25.2
<i>Retiring in 20 years</i>		
Males	23.1	23
Females	27.1	27

Sensitivity analysis on obligations

	At 31 August 2018 £
Discount rate + 0.1%	596,000
Discount rate - 0.1%	628,000
Mortality assumption - 1 year increase	630,000
Mortality assumption - 1 year decrease	594,000
CPI rate + 0.1%	622,000
CPI rate - 0.1%	602,000

Horbury Bridge St Johns Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

19 Pension and Similar Obligations (continued)

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

	Fair value at 31 August 2018	Fair value at 31 August 2017
	£	£
Equity instruments	337,938	318,980
Debt instruments	64,779	52,515
Property	19,026	17,505
Other	31,257	-
Total market value of assets	<u>453,000</u>	<u>389,000</u>

The actual return on scheme assets was £27,000 (2017: £25,000).

Amounts recognised in the statement of financial activities

	2018 £	2017 £
Current service cost	(58,000)	(57,000)
Net interest cost	<u>(4,000)</u>	<u>(5,000)</u>
Total operating charge	<u>(62,000)</u>	<u>(62,000)</u>

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

	2018 £	2017 £
At 1 September	561,000	583,000
Current service cost	58,000	57,000
Interest cost	14,000	12,000
Employee contributions	11,000	9,000
Actuarial (gain)/loss	(29,000)	(99,000)
Benefits paid	<u>(3,000)</u>	<u>(1,000)</u>
At 31 August	<u>612,000</u>	<u>561,000</u>

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

	2018 £	2017 £
At 1 September	389,000	335,000
Interest income	10,000	7,000
Actuarial gain/(loss)	17,000	18,000
Employer contributions	29,000	21,000
Employee contributions	11,000	9,000
Benefits paid	<u>(3,000)</u>	<u>(1,000)</u>
Plan introductions, benefit changes, curtailments and settlements		
At 31 August	<u>453,000</u>	<u>389,000</u>

20 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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year the Academy paid for Staff Absence Insurance amounting to £7,330 (2017: £8,260). This was provided by Schools Advisory Services, a company of which Mr J Brady (Chair of Governors) is a director.

H Denton, daughter of R Denton, a trustee, is employed by the academy trust as an administrator. H Denton's appointment was made after an initial position as an apprentice from Wakefield College. R Denton was not involved in the decision making process regarding appointment. H Denton is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.