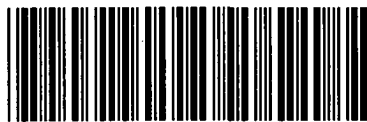


Company Registration Number: 08261780 (England and Wales)

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

G Simon
B I Lindsay
V Kumar

Governors

Mr V Kumar, Chair
Ms N Walters, Head Teacher
Mr M Ewins
Ms B I Lindsay¹
Mrs P Lata¹
Mrs J Perkins
Ms L Philips
Mr G Simon
Dr S S Kumar (Resigned 30 October 2017)
Mrs S Butt (Resigned 31 December 2017)
Mr G Singh¹
Ms S Haleema (Appointed 18 June 2018)
Mr D V Nguyen (Appointed 1 May 2018, Resigned 11 October 2018)

¹ Finance committee

Company registered number

08261780

Company name

Handsworth Wood Girls' Academy

Principal and registered office

Church Lane
Handsworth
Birmingham
West Midlands
B20 2HL

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018

Advisers (continued)

Senior management team

N Walters, Headteacher
A Galan, Associate Headteacher
J Humpherson, Deputy Headteacher
T Holder, Assistant Headteacher (appointed 16 April 2018)
S Yates, Assistant Headteacher
S Cooner, Assistant Headteacher
S Devshi, Assistant Headteacher (appointed 24 April 2017)
L Billingham, Associate Assistant Headteacher
D Pear, Director of Human Resources and Administration
F Ridge, Director of Finance and Operations

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank
Birmingham City Centre
Business Centre
Lloyds Bank commercial
PO Box 1000
BX1 1LT

Solicitors

Browne Jacobson LLP
6th Floor, 77 Gracechurch Street
London
EC3V 0AS

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Governors present their Annual Report together with the financial statements and auditor's report of Handsworth Wood Girls' Academy for the year ended 31 August 2018. The Annual Report serves the purposes of both a Trustees' report, and a Directors' report under the company law.

The trust operates an academy for pupils aged 11 to 19 serving a catchment area in Handsworth. It has a pupil capacity of 1007 and had a roll of 857 in the Spring 2018 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

Handsworth Wood Girls' Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Academy Trust. The Charitable Company was incorporated on 01 November 2012.

The governors act as the trustees for the charitable activities of Handsworth Wood Girls' Academy Limited and are also the directors of the charitable company for the purposes of Company Law. The Charitable Company is known as Handsworth Wood Girls' Academy.

Details of the governors who served Handsworth Wood Girls' Academy throughout 2017 - 2018 are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

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

GOVERNORS' INDEMNITY

During the year, an indemnity from the charitable company was available to the directors against liabilities that might be incurred by them in defending proceedings against them in respect of the affairs of the charitable company. The indemnity is subject to the provisions of the Companies Act and is set out in the Articles of Association. See note 11 for details.

PRINCIPAL ACTIVITIES

Handsworth Wood Girls' Academy is an 11 – 19 comprehensive school for girls of all abilities. We firmly believe that the education of the whole person is paramount so we place great emphasis on both academic achievement and personal development in order to prepare our students for the next stage of their education. We have established a broad and balanced curriculum which offers GCSE and L2 BTEC courses in KS4 and A Levels and L3 BTEC courses in KS5, as well as a L2 pathway for students who require an additional year studying GCSEs before embarking on level 3 study. Our extensive PSHE and Citizenship curriculum ensures that students learn about themselves and the world in which they live so that they know how to cope with the challenges that they may face. This includes, for example, health and well-being, financial awareness, the development of employability skills and an extensive careers programme. In May 2014, we achieved an outstanding judgement in our Ofsted inspection.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS / DIRECTORS

The Academy's Board of Governors is subject to retirement by rotation. Directors are eligible for re-election at the meeting at which they retire. The directors to retire are those who have served the longest in office since their appointment or re-election. New directors are recruited in accordance with the Articles of Association and 'A Guide to the Law for School Governors.' The term of office for any governor is 4 years, although this time limit does not apply to the Head teacher

The Board of Directors who were in office on 31 August 2018 and served throughout the year are listed on Page 1.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

The Academy continues to procure Governor Support services provided by Birmingham City Council, the local authority and is also a member of the NGA. Additional training is provided as required based on individual or collective need. External advice and support is commissioned where necessary.

ORGANISATION STRUCTURE

The structure of the Academy consists of four senior levels: the Academy Trust, the Board of Governors, including the Head teacher, the Associate Head teacher and the Deputy Head teacher and the broader Senior Leadership Team. An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the Academy nurtures the talents of its entire staff to support continual improvement and excellence.

The Board of Governors is responsible for:

- setting the vision, ethos and strategic direction;
- holding the Headteacher to account; and
- overseeing financial performance.

The Head teacher and Senior Leadership Team control the Academy at an executive level, implementing the policies set by the Board of Governors and reporting back to them.

The Board of Governors has established two sub-committees. Each sub-committee has its own terms of reference detailing the responsibilities discharged to the sub-committee, to the Head teacher, (The Accounting Officer), to the Deputy Head teachers and to the Senior Management Team. The terms of reference and meeting frequency for each sub-committee is reviewed and approved by the Board of Governors annually. The terms of reference for the Finance Sub-Committee detail the Academy's authorised spending limits.

The sub-committees of the Governing Body are the,

- Finance Committee
- Pay Committee

Groups of governors may be formally organised outside of the sub-committee structure to support the Academy as required, to consider:

- Head teacher recruitment.
- Appeals
- Student and staff disciplinarys

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Remuneration of the Senior Leadership Team is agreed by Governors; there is an agreed staffing structure and for each post there is an agreed salary range which staff can progress through by successful performance management. The Academy follows the national salary ranges for teachers and National Joint Council (NJC) pay ranges and Birmingham Council Single Status grading structure for support staff.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy works in partnership with the Titan Partnership Ltd, St. George's Academy AP Free School, the Wood Green Teaching School Alliance, Citizens UK Birmingham and the SSAT to further the Academy's charitable activities.

Handsworth Wood Girls' Academy's Senior Leadership Team has been re-organised to enable the Head teacher to carry out work on behalf of Ofsted, the Titan Partnership Ltd, St. George's Academy and BCC Schools Forum by establishing an Associate Head teacher role in order to maintain an efficient running of the academy on a daily basis.

THE OBJECT OF HANDSWORTH WOOD GIRLS' ACADEMY TRUST LIMITED

Handsworth Wood Girls' Academy is set out in the Company's Articles of Association, namely "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining and carrying on, managing and developing a school offering a broad and balanced curriculum".

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS OF ACADEMY

As described, the object of Handsworth Wood Girls' Academy is set out in the Company's Articles of Association.

The Board of Directors continues to set the Academy's strategic aims through the Academy Improvement Plan. These aims are monitored closely by the Board of Directors by way of Head teacher and Senior Team Reports and through the work of the sub committees.

The aims and objectives for the Academy are derived from its mission statement, which is "To provide an outstanding education in a creative and aspirational environment for all our students."

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

The key aims of the Academy for the forthcoming year are to:

1. Continue to raise levels of progress and attainment for all students, especially for SEND students.
2. Continue to improve teaching and learning through CPD, ICT, networking and other vehicles.
3. Develop the whole child through a broad range of extra-curricular activities and events.
4. Further improve students' literacy and numeracy skills.
5. Further develop the use of digital technology to promote learning.
6. Continue to provide high quality careers education, information, advice and guidance.
7. Continue to improve students' behaviour and attendance.
8. Maintain a strong financial position to resource sustainable academy improvement initiatives.
9. Ensure that the staffing structure meets the needs of the curriculum, student welfare and statutory obligations.
10. Ensure that students are safe in the activities they engage in.
11. Use the academy's partnerships to promote health, community cohesion and pathways to voluntary organisations and employment.
12. Participate fully in the King Edward VI Academy Trust Birmingham through collaboration with the other schools in the Trust to provide better training and development for our staff and better outcomes for our students.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The key objectives for the forthcoming year are:

Targets for Year 11 GCSE:

Basics: G4+ 75%, G5+ 56%
Attainment: 8 46
Progress 8: 0.01-0.2
Ebacc APS: 2.79

Targets for Year 13 A Level and L3 BTEC:

Academic: average grade C
Value Added: >0.04
Vocational: average grade Distinction

Targets for Year 12 Level 2 pathway:

L2 Basics Progress: +0.75

The Academy Improvement Plan 2017 – 2018 set out the strategies for achieving the above objectives in detail but they are outlined below:

OUTCOMES FOR STUDENTS

- To ensure that assessment processes and use of data are robust so that monitoring of students' progress is as accurate as possible.
- To ensure that all teachers continue to provide regular exam practice opportunities into their planning for students in all year groups as we now have an assessment system where terminal examination predominate.
- To ensure that all under-performing students are targeted and given appropriate intervention strategies to achieve their target grades as a minimum.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

THE QUALITY OF TEACHING, LEARNING AND ASSESSMENT

- To continue to deliver high quality teaching and learning so that all students make expected progress as a minimum, in particular for SEND students.
- To continue to give teachers the opportunity for collaborative planning, assessment and moderation within the King Edward VI Academy Trust Birmingham.

PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE

- To ensure that students understand how to keep themselves safe on-line.
- To continue to educate students on appropriate usage of social media and to raise awareness of the consequences of unacceptable use of the internet on-line.

LEADERSHIP AND MANAGEMENT

- To ensure that all staff have access to appropriate training and development so that new initiatives can be planned well-ahead and implemented effectively.
- To provide access to leadership development programmes at all levels by using our in-house expertise and Academy Trust.
- To work in partnership with other schools, academies and organisations in order to provide access to courses, work experience and work placements and enrichment opportunities for all our students.

Over the last few years, the academy has implemented a vast amount of change to its policies and procedures, curriculum and assessment, leadership development and the quality of teaching, learning and assessment. These have contributed substantially to raising the achievement of the students at GCSE and at A Level. We achieved an Outstanding Ofsted judgement in all categories including overall effectiveness in May 2014. Since that time, government reforms to the examination system have necessitated changes in our practice. We have therefore reviewed our curriculum to ensure that there remains breadth and balance but with courses appropriate to the needs of our students. Strategies had to be put in place to develop teachers' expertise in teaching, learning and assessment in order to meet the challenges that the reformed GCSE and A Level qualifications have imposed. In addition we have had to tackle under-performance robustly in order to ensure a fully qualified and competent teaching force. As our students enter the academy significantly below the national average on prior attainment with many (over 70%) registered as EAL of various degrees, these changes pose many challenges for the academy, in particular low literacy levels. The current climate in which we operate also offers challenges in the recruitment of staff during the academic year, in particular for main scale posts without a TLR responsibility in a growing number of subjects. In spite of the challenges, our external examination results continue to show improvement, in particular at GCSE with all targets met in August 2018.

The Senior Leadership Team meet weekly to discuss and decide upon strategic and operational matters. Each member of the SLT is also linked to at least one faculty to provide direct communication links to the SLT for middle leaders. Curriculum and Student Welfare meetings take place once every half-term which then feed into faculty and year group meetings. In addition, improvement groups have been set up to look at specific issues that need developing such as curriculum, teaching and learning, health and safety, behaviour, which has enabled staff from all levels to contribute to the development and improvement of the academy.

The Academy Improvement Plan (AIP) for 2017– 2018 was focussed on developing teaching, learning and assessment as well as continuing to plan for the reformed GCSEs and A Levels. All teachers have access to regular training and development involved in training so that we continue to develop further knowledge and skills as well as build capacity for the future. Faculty reviews are now termly activities that the Senior Leadership Team (SLT) carry out with staff in faculties to ensure that what is successful is celebrated and what needs further improvement is identified and acted upon swiftly.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

PUBLIC BENEFIT

In setting objectives and planning the Academy's activities, the Board of Governors have paid due regard to the published guidance from the Charity Commission regarding the principle of public benefit.

Handsworth Wood Girls' Academy is an 11-19 comprehensive academy that offers an excellent educational environment for 930 students from Handsworth, Handsworth Wood, Lozells and Aston in north-west Birmingham. Our increased PAN from 130 to 160 has led to higher numbers of students, with a waiting list in every year group. Our successes are built upon the efforts of a highly qualified, hard-working and enthusiastic staff, well-motivated students and supportive parents. We are also clearly very proud of our Outstanding Ofsted judgement.

The academy has a very strong student welfare system, which supports the students extremely well. Safeguarding of students and staff is a key priority for the academy, bearing in mind the environment in which the academy resides, and therefore we have striven to ensure appropriate policies for safeguarding are in place, updated on a regular basis and implemented effectively. The student welfare system has to support a wide range of challenges that some of our students face, and therefore we frequently engage with parents and external agencies to provide solutions to minimise those challenges. In addition, students are given many opportunities to take on leadership roles and to participate in the wide range of enrichment activities that the academy provides.

Handsworth Wood Girls' Academy is fully committed to working in partnership with a variety of organisations to ensure that it is at the centre of its community and that it can access a wide range of services, advice and opportunities to support the education and outcomes for our students. To this end, the governing body decided to take up the offer of joining the King Edward VI Academy Trust Birmingham from 1 September 2018.

We value highly our relationship with the parents and carers of our students to ensure better outcomes for them. We have developed systems to provide effective access of communication between the academy and home, for example through our VLE, parent consultation events and social media, but are also working on strategies to involve hard to reach parents through our contacts with community groups. By working together we are able to meet our aim of ensuring that all who come to Handsworth Wood Girls' Academy will find it challenging, stimulating, supportive and a happy place to be and will enjoy their time here.

Students are able to participate in a wide variety of clubs, trips and activities such as leadership programmes, cultural activities and residential experiences.

The Academy Trust Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

As described, Handsworth Wood Girls' Academy was rated as Outstanding by Ofsted in May 2014.

There were 854 students on roll, including 122 in the sixth form, on 31st August 2018.

The Academy is committed to continual improvement which is achieved in a number of ways including: improvement planning, review meetings, continual professional development, lesson observations, performance management, learning walks, self-evaluation, data analysis and action planning.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

KEY FINANCIAL PERFORMANCE INDICATORS
GCSE

The examination results our students achieved in August 2018 are a significant improvement on the previous year. The invalidated results are: .

- Basics: English and Maths: G5+ 42%, G4+ 67%%
- Ebacc APS: 3.8
- Progress 8: 0.00
- Attainment 8: 4.4

99% of students moved on to either Sixth Form, college, apprenticeships or employment.

We are still waiting for some remarks to be taken into consideration which should have a positive impact on the results once validated in January 2019.

A LEVELS, L3 BTEC'S AND GCSE ENGLISH AND MATHS

We are delighted with the improvement in the Sixth Form that has been taking place over the last few years. It now has a curriculum, which includes appropriate A level and BTEC level 3 courses, although the breadth of this has been reduced due to financial pressures and the viability of courses. The 35 students who applied to university were all successful in gaining a place to do the course of their choice. The other students, who left the Sixth Form, have either moved onto college, work or an apprenticeship.

Outcomes for A Levels and Level 3 BTECs in August 2018 were:

- Average academic grade D+
- Average vocational grade Merit+
- 95% pass rate
- English GCSE Progress: +0.73
- Maths GCSE Progress: +0.81

Our focus in the Sixth Form moving forwards is to increase the percentage of higher grades and to attract a greater proportion of more able students.

GOING CONCERN

On 1 September 2018 the entire operations of Handsworth Wood Girls' Academy, and its assets and liabilities have been transferred to King Edward VI Academy Trust Birmingham (company number 10654935). The Governors have therefore concluded that the financial statements of Handsworth Wood Girls' Academy should not be prepared on the going concern basis.

The entity ceased to trade on 1 September 2018 and it is anticipated that the Governors will formally wind up the entity in the near future.

TRADE UNION FACILITY TIME

The school employs no trade union officials and therefore had no time or costs spent on union activities during the year.

FUNDRAISING

The Charitable Company had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

FINANCIAL REVIEW

The Academy received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during 2017 - 2018:

RESTRICTED GENERAL FUND

The majority of the Academy's income was received through Education Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the academy's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the SOFA. General Restricted Fund income for the year was £5,649,216 (2017: £5,702,576); expenditure against the fund was £5,565,875 (2017: £5,541,107), giving a restricted revenue fund carry forward of £83,341 (2017: £161,469) before transfers from the Restricted Fixed Fund.

UNRESTRICTED FUNDS

Income received into the Unrestricted Fund was £88,206 (2017: £69,479). Expenditure against the fund was £71,712 (2017: £91,586) for the year, giving an Unrestricted Fund carry forward of £251,191 (2017: £234,697).

RESTRICTED FIXED ASSET FUND

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Academy's depreciation policy.

Income received into the fund includes Condition Improvement Funding and Devolved Formula Capital Funding of £230,809 (2017: £521,279).

The SOFA details a £12,337,512 (2017: £12,199,010) Restricted Fixed Asset Fund year end surplus after transfers between funds. This is detailed in note 16 to the accounts.

SUMMARY OF FINANCIAL PERFORMANCE

Total fund balance as at 31st August 2018 was £11,269,148 (2017: £10,915,630) comprised of £251,191 (2017: £234,697), £583,445 (2017: £668,923) and £12,337,512 (2017: £12,199,010) in Unrestricted, Restricted General and Restricted Fixed Asset Funds respectively as well as the Restricted Pension Reserve deficit of £1,903,000 (2017: deficit £2,187,000).

BALANCE SHEET

The Academy's assets were predominantly used for providing education to school students.

The net book value of the Academy's tangible fixed assets was £12,337,512 (2017: £11,697,177) as at 31st August 2018. The movement in this account is detailed in note 13.

Cash in hand at 31st August 2018 was £809,239 (2017: £1,235,451).

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

RESERVES POLICY

The Board of Governors review the Academy's Reserve Policy annually. The Board of Governors have determined that the appropriate level of free reserves should be to a sum equivalent to one month's payroll which is approximately £375,000. Also, there are funds designated for future capital projects. The reserves policy is in the process of being reviewed following the transfer to the King Edward VI Academy Trust.

The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. In future years capital maintenance and development projects may be considered in the reserves policy review.

The Academy's free reserves as at 31 August 2018 were £834,636 (2017: £903,620).

A deficit of £1,319,555 (2017: deficit £1,518,077) has arisen on the Restricted Fund. This is due to the deficit of £1,903,000 (2017: deficit £2,187,000) on the Local Government Pension Scheme which is allocated to this fund. This liability will not crystallise immediately. The DfE have made assurances though that in the event of a school closure, they would meet any deficit in the scheme.

INVESTMENT POLICY

Handsworth Wood Girls' Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Academy aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

The Academy is authorised to invest funds only in Banks authorised and monitored by the Financial Services Authority (FSA). The Academy's bank periodically recommends investments made on short term basis where the Academy funds are safe and without risk of loss.

RISK MANAGEMENT

The Board of Directors has considered the major risks to which it is exposed, in particular those relating to governance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT.

The Board of Directors have implemented a number of systems to assess and reduce risks that the school faces, especially in operational areas in relation to teaching, health and safety, (including trips and the academy's minibus), behaviour management, and in relation to the control of finances. They have introduced policies and systems for the recruitment, selection and vetting of new staff, continual professional development of staff, child protection, supervision of students around the academy site and internal financial controls to minimise financial risk. Adequate insurance has been arranged where significant financial risk remains. The Academy has an effective system of internal financial control as explained in the Statement on Internal Control.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The objective of the Academy's Risk Management procedure is to identify the principal risks facing the academy so that existing controls may be considered and further action taken if required, including external insurance.

The Board of Directors has a comprehensive risk management process to identify and monitor the risks faced by the Academy.

The financial risks considered include: economic / financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and compliance with financial / statutory requirements.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors has a comprehensive risk management process to identify and monitor the risks faced by the Academy. The principal risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

PLANS FOR FUTURE PERIODS

Handsworth Wood Girls' Academy strives to continually improve levels of achievement and attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment. Our main focus is to continue to develop the quality of teaching through more collaborative practice across the academy and with other schools and to ensure that differentiation is implemented consistently across all subject areas. The challenges of the confines of the new curriculum coupled with the demands of assessment at GCSE in particular, and A Level, through terminal examinations only have necessitated the need to change some of our methodologies in delivering high quality teaching and learning so that all students can make good progress as a minimum, but there is always room for further improvement. Coupled with this is the need for further curriculum development to ensure that students can access courses appropriate to their needs and expectations within the confines of a heavily based academic curriculum which some students will find very challenging. With this in mind, the academy will be transferring into the King Edward VI Academy Trust on 1 September 2018 so that we can work in close collaboration with the other seven schools in the trust.

AGENCY ARRANGEMENTS

The Charitable Company acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the Statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances the trust can use a % allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 24.

AUDITOR

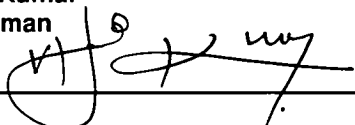
In so far as the governors are aware:

- 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.


The auditors, Crowe UK LLP who were appointed during the year, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The report of the Directors was approved by the members of the Governing Body on 17 December 2018 and signed on its behalf by:

Mr V Kumar
Chairman



Ms N Walters
Accounting Officer



HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that Handsworth Wood Girls' Academy 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 Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Handsworth Wood Girls' Academy 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 10 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Mr V Kumar, Chair	8	10
Ms N Walters, Head Teacher	10	10
Mr M Ewins	10	10
Ms B I Lindsay	8	10
Mrs P Lata	8	10
Mrs J Perkins	9	10
Ms L Philips	10	10
Mr G Simon	5	10
Dr S S Kumar	0	2
Mrs S Butt	2	4
Mr G Singh	5	10
Ms S Haleema	1	1
Mr D V Nguyen	4	4

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Head Teacher 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.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Accounting Officer for the Academy has delivered improved value for money during the year by:

CIF Funding and Refurbishments

The academy has again been successful in securing an additional £211,829 to replace boilers in Walker Block, however, a second bid for £347,716 for phase 2 Walker Block electrical upgrade was unsuccessful; we plan to resubmit a strengthened bid to the 2019/20 CIF scheme for the phase 2 electrical work.

Both the boiler replacement work and phase 1 electrical re-wire (awarded August 2017) went out to Tender in spring 2018 and work was completed during the summer break 2018. Continued success in securing CIF funding enables the academy to invest reserves in curriculum needs and for the benefit of students. The academy carried out a range of small refurbishment/replacement works over the summer 2018 from a variety of contractors and obtaining 3 quotations where applicable to ensure value for money:

- Canteen furniture replacement
- Final phase of classroom chair replacement
- Additional tablets, notebooks and desktop PC's.
- Hall, canteen and library door replacement.
- Hall blind replacement
- Refurbishment of ramps to K block classrooms
- Final phase of Z block door/window replacement
- Bulk purchases of paper and exercise books.

Review of Staffing Structure

The staffing structure has remained under continual review as and when vacancies arise so that restructuring and efficiency savings can be considered; this is a key factor in ensuring that we can set a balanced budget in future years.

Review of Contracts

All contractual arrangements were reviewed during 2017/18 so that services no longer required and those that would be provided centrally on joining the King Edwards VI Trust could be cancelled.

Astroturf Proposal

We have worked with a consultant during the year to progress a project to seek funding towards building an Astroturf on field at the rear of the site. We are currently progressing a bid to Sport England.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

THE BOARD'S PERFORMANCE

All governors undertook an annual skills analysis to determine strengths and areas for further development. This identified the need to update and train the governors further in GDPR requirements, safeguarding, behaviour analysis, assessment, progress and attainment, which were addressed at the Governor and SLT Away Day in May 2018. For individual governors, there were some areas of development required which have been addressed by attendance to governor training sessions run by School and Governor Support at Birmingham City Council. In addition, two new governors were appointed, one with business and engineering experience and the other with experience of working in radiology, in May 2018.

Governing body meetings throughout the year were very well attended and governors were able to discuss a wide range of academy issues. Their contribution to discussions and their challenging questions to the senior leadership team supported the academy in making progress in its targeted improvements for student outcomes, the continued development of new teaching, learning and assessment processes to address GCSE and A Level reform, and further site improvements some of which were financed through successful applications to the Condition Improvement Fund. However the most important decision made to secure the academy's long-term future, was their decision to take up the offer of joining the King Edward VI Academy Trust Birmingham from 1 September 2018, which has eight schools in its trust plus two independent schools within the King Edward VI Foundation. One of the governors was recruited to the Board of Trustees so that that academy will continue to have a strong voice within the Trust.

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 Handsworth Wood Girls' Academy for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of 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 board of governors 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.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Crowe U.K. LLP, the external auditor, to perform additional checks.

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

- Fraud and Irregularity
- Risk Register
- Reporting to Governors
- Insurance Levels
- Staff Expenses
- I Pay
- Tendering
- CC8 Checklist

On a termly basis, the external 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.

REVIEW OF EFFECTIVENESS

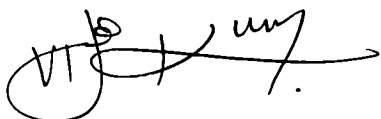
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external 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 external auditor 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 17 December 2018 and signed on their behalf, by:

Mr V Kumar,
Chair of Trustees



Ms N Walters,
Accounting Officer



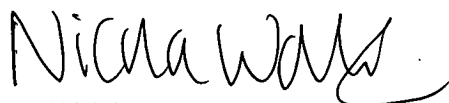
HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Handsworth Wood Girls' Academy 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 2017.

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

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



Ms N Walters,
Accounting Officer

Date: 17 December 2018

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

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

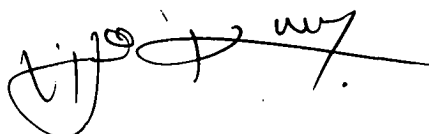
The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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 Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Governors 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 Governors on 17 December 2018 and signed on its behalf by:

Mr V Kumar,
Chairman



HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HANDSWORTH WOOD GIRLS' ACADEMY**

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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 & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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.

EMPHASIS OF MATTER

We draw attention to note 1.3 in the financial statements, which explains that the financial statements have been prepared on the basis that the Academy Trust is no longer a going concern; as the Academy Trust has transferred its trade, assets and liabilities to another multi Academy Trust and has ceased trading. Our opinion is not modified in this respect.

OTHER INFORMATION

The Governors are responsible for the other information. The other information comprises the information included in the 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.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HANDSWORTH WOOD GIRLS' ACADEMY**

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 Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the 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 Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the 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:

- 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 Governors' 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 Governors' Responsibilities, the Governors (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 Governors 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 Governors are responsible for assessing the 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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HANDSWORTH WOOD GIRLS' ACADEMY**

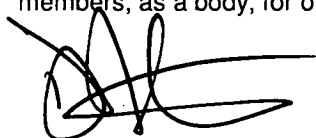
AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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.



Dave Darlaston (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
17 December 2018

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
HANDSWORTH WOOD GIRLS' ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 October 2012 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Handsworth Wood Girls' Academy during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Handsworth Wood Girls' Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Handsworth Wood Girls' Academy 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 Handsworth Wood Girls' Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF HANDSWORTH WOOD GIRLS' ACADEMY'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Handsworth Wood Girls' Academy's funding agreement with the Secretary of State for Education dated July 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 year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
HANDSWORTH WOOD GIRLS' ACADEMY 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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Crowe U.K. LLP

Reporting Accountant

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

17 December 2018

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	-	-	230,809	230,809	521,442
Charitable activities	3	23,090	5,649,216	-	5,672,306	5,722,248
Other trading activities	4	59,649	-	-	59,649	42,329
Investments	5	5,467	-	-	5,467	7,315
TOTAL INCOME		88,206	5,649,216	230,809	5,968,231	6,293,334
EXPENDITURE ON:						
Charitable activities		71,712	5,565,875	366,126	6,003,713	5,998,100
TOTAL EXPENDITURE	6	71,712	5,565,875	366,126	6,003,713	5,998,100
NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	16	16,494	83,341	(135,317)	(35,482)	295,234
		-	(273,819)	273,819	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		16,494	(190,478)	138,502	(35,482)	295,234
Actuarial gains/(losses) on defined benefit pension schemes	21	-	389,000	-	389,000	(345,000)
NET MOVEMENT IN FUNDS		16,494	198,522	138,502	353,518	(49,766)
RECONCILIATION OF FUNDS:						
Total funds brought forward		234,697	(1,518,077)	12,199,010	10,915,630	10,965,396
TOTAL FUNDS CARRIED FORWARD		251,191	(1,319,555)	12,337,512	11,269,148	10,915,630

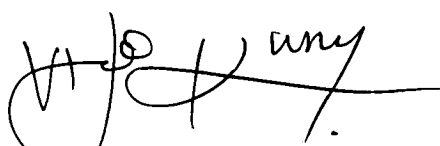
The notes on pages 27 to 47 form part of these financial statements.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08261780

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		12,337,512		11,697,177
CURRENT ASSETS					
Debtors	14	327,259		543,941	
Cash at bank and in hand		809,239		1,235,451	
		<u>1,136,498</u>		<u>1,779,392</u>	
CREDITORS: amounts falling due within one year	15	(301,862)		(373,939)	
NET CURRENT ASSETS			834,636		1,405,453
TOTAL ASSETS LESS CURRENT LIABILITIES			13,172,148		13,102,630
Defined benefit pension scheme liability	21		(1,903,000)		(2,187,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>11,269,148</u>		<u>10,915,630</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	583,445		668,923	
Restricted fixed asset funds	16	12,337,512		12,199,010	
Restricted income funds excluding pension liability		12,920,957		12,867,933	
Pension reserve		<u>(1,903,000)</u>		<u>(2,187,000)</u>	
Total restricted income funds			11,017,957		10,680,933
Unrestricted income funds	16		251,191		234,697
TOTAL FUNDS			<u>11,269,148</u>		<u>10,915,630</u>

The financial statements on pages 24 to 47 were approved by the Governors, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:


Mr V Kumar,
Chairman


Ms N Walters,
Accounting Officer

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>343,973</u>	<u>230,057</u>
Cash flows from investing activities:			
Bank interest received		5,467	7,315
Purchase of tangible fixed assets		(1,006,461)	(1,026,253)
Capital grants from DfE Group		<u>230,809</u>	<u>521,279</u>
Net cash used in investing activities		<u>(770,185)</u>	<u>(497,659)</u>
Change in cash and cash equivalents in the year		(426,212)	(267,602)
Cash and cash equivalents brought forward		<u>1,235,451</u>	<u>1,503,053</u>
Cash and cash equivalents carried forward	19	<u><u>809,239</u></u>	<u><u>1,235,451</u></u>

The notes on pages 27 to 47 form part of these financial statements.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 COMPANY INFORMATION

The academy trust is a company limited by guarantee and was incorporated in England and Wales (registered number 08261780). The address of the registered office is Church Lane, Handsworth, Birmingham, West Midlands, B20 2HL.

1.3 GOING CONCERN

As explained in note 25, the company transferred its trade, assets and liabilities to another multi Academy Trust on 1 September 2018 and has ceased trading. As required by UK accounting standards, the Governors have prepared the financial statements on the basis that the Academy Trust is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the other multi Academy Trust at their carrying amounts.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 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.

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

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

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure 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 includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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.

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 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:

Long Term Leasehold Property	-	50 years
Fitting and fixtures	-	7 years
Motor vehicles	-	3 years
Computer equipment	-	3 years

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

1.7 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.

1.8 OPERATING LEASES

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

HANDSWORTH WOOD GIRLS' ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 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.

1.10 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.

1.11 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.

1.12 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 21, 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 incorporating Income and Expenditure Account 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.

HANDSWORTH WOOD GIRLS' ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.13 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 Governors.

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.

1.14 FINANCIAL INSTRUMENTS

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 14. Prepayments are not financial instruments. Amounts due to the Academy 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 costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy are held at face value less any impairment.

1.15 AGENCY ARRANGEMENTS

The charitable company acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the Statement of Financial Activities as the trust does not have control over the charitable application of the funds. In some instances the trust can use a % allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 24.

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

1. ACCOUNTING POLICIES (continued)

1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Academy trust 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

There are no critical judgements which would have a material impact on the financial statements.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Other voluntary income	-	-	-	-	163
Capital Grants	-	-	230,809	230,809	521,279
	-	-	230,809	230,809	521,442
<i>Total 2017</i>	163	-	521,279	521,442	

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Funding for educational operations	4,082	5,649,216	5,653,298	5,705,941
Educational Visits Income	19,008	-	19,008	16,307
	<u>23,090</u>	<u>5,649,216</u>	<u>5,672,306</u>	<u>5,722,248</u>
<i>Total 2017</i>	<u>19,672</u>	<u>5,702,576</u>	<u>5,722,248</u>	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General annual grant	-	5,204,556	5,204,556	5,271,136
Other Dfe/ESFA grants	-	29,995	29,995	27,469
Pupil premium	-	399,089	399,089	400,471
	<u>-</u>	<u>5,633,640</u>	<u>5,633,640</u>	<u>5,699,076</u>
Other government grants				
Local authority grants	-	15,576	15,576	3,500
	<u>-</u>	<u>15,576</u>	<u>15,576</u>	<u>3,500</u>
Other funding				
School Fund	4,082	-	4,082	3,365
	<u>4,082</u>	<u>-</u>	<u>4,082</u>	<u>3,365</u>
	<u>4,082</u>	<u>5,649,216</u>	<u>5,653,298</u>	<u>5,705,941</u>
<i>Total 2017</i>	<u>3,365</u>	<u>5,702,576</u>	<u>5,705,941</u>	

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
University income	10,715	-	10,715	3,575
Consultancy income	28,323	-	28,323	10,067
Other income	20,611	-	20,611	28,687
	<u>59,649</u>	<u>-</u>	<u>59,649</u>	<u>42,329</u>
<i>Total 2017</i>	<u>42,329</u>	<u>-</u>	<u>42,329</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	5,033	-	5,033	4,969
Bank interest	434	-	434	2,346
	<u>5,467</u>	<u>-</u>	<u>5,467</u>	<u>7,315</u>
<i>Total 2017</i>	<u>7,315</u>	<u>-</u>	<u>7,315</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Funding for educational operations:					
Direct costs	3,501,252	366,126	331,962	4,199,340	4,157,527
Support costs	1,283,214	185,978	233,925	1,703,117	1,727,274
Catering:					
Direct costs	-	-	74,107	74,107	86,140
Support costs	-	-	3,634	3,634	5,446
Governance: Support costs	-	-	23,515	23,515	21,713
Total 2018	<u>4,784,466</u>	<u>552,104</u>	<u>667,143</u>	<u>6,003,713</u>	<u>5,998,100</u>
<i>Total 2017</i>	<u>4,663,217</u>	<u>571,636</u>	<u>763,247</u>	<u>5,998,100</u>	

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. SUPPORT COSTS

	Funding for education £	Catering £	Governance £	Total 2018 £	Total 2017 £
Premises costs	171,747	-	-	171,747	206,229
Other support costs	248,156	3,634	23,515	275,305	294,210
Wages and salaries	1,283,214	-	-	1,283,214	1,253,994
	<u>1,703,117</u>	<u>3,634</u>	<u>23,515</u>	<u>1,730,266</u>	<u>1,754,433</u>
<i>Total 2017</i>	<u>1,727,274</u>	<u>5,446</u>	<u>21,713</u>	<u>1,754,433</u>	

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	366,126	365,407
Auditor's remuneration - audit	11,845	11,500
Auditor's remuneration - other services	7,107	6,900
Operating lease costs	<u>46,300</u>	<u>49,108</u>

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
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9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	3,504,126	3,450,678
Social security costs	360,082	354,814
Operating costs of defined benefit pension schemes	750,833	691,864
	<u>4,615,041</u>	<u>4,497,356</u>
Supply teacher costs	169,425	132,000
Staff restructuring costs	-	33,861
	<u><u>4,784,466</u></u>	<u><u>4,663,217</u></u>

b. Non-statutory/non-contractual staff severance payments

During the year, no non statutory/non contractual severance payments were made (2017: none).

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	59	59
Admin and support	44	47
Management	9	9
	<u>112</u>	<u>115</u>

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	0	1
In the band £100,001 - £200,000	1	0

e. Key management personnel

The key management personnel of the Academy comprise the senior management team, details of whom can be found on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Academy Trust was £741,606 (2017: £708,053).

HANDSWORTH WOOD GIRLS' ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a Governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

11. GOVERNORS' 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £567 (2017 - £566).

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

12. GOVERNORS' REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The Principal and other staff Governors 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 Governors. The value of Governors' remuneration and other benefits was as follows:

		2018 £	2017 £
Ms N Walters	Remuneration	100,000-105,000	95,000-100,000
	Pension contributions paid	15,000-20,000	15,000-20,000
S Butt	Remuneration	10,000-15,000	40,000-45,000
	Pension contributions paid	0-5,000	5,000-10,000
J Perkins	Remuneration	25,000-30,000	25,000-30,000
	Pension contributions paid	5,000-10,000	0-5,000

During the year, no Governors received any reimbursement of expenses (2017 - £nil).

13. TANGIBLE FIXED ASSETS

	Long term leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Assets under construction £	Total £
COST						
At 1 September 2017	12,400,128	167,971	4,000	394,903	187,134	13,154,136
Additions	260,864	6,191	-	37,460	701,946	1,006,461
Transfer between classes	824,361	64,719	-	-	(889,080)	-
At 31 August 2018	13,485,353	238,881	4,000	432,363	-	14,160,597
DEPRECIATION						
At 1 September 2017	1,090,238	67,712	4,000	295,009	-	1,456,959
Charge for the year	255,350	29,924	-	80,852	-	366,126
At 31 August 2018	1,345,588	97,636	4,000	375,861	-	1,823,085
NET BOOK VALUE						
At 31 August 2018	12,139,765	141,245	-	56,502	-	12,337,512
At 31 August 2017	11,309,890	100,259	-	99,894	187,134	11,697,177

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

14. DEBTORS

	2018 £	2017 £
Trade debtors	6,302	4,127
Other debtors	26,247	-
VAT recoverable	154,208	57,794
Prepayments and accrued income	140,502	482,020
	<u>327,259</u>	<u>543,941</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	75,503	88,057
Other creditors	-	21
Accruals and deferred income	226,359	285,861
	<u>301,862</u>	<u>373,939</u>

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	6,900	-
Resources deferred during the year	9,030	6,900
Amounts released from previous years	(6,900)	-
Deferred income at 31 August 2018	<u>9,030</u>	<u>6,900</u>

Included in deferred income are grants received in advance of entitlement for the 16/17 academic year.

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

16. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
Unrestricted funds	234,697	88,206	(71,712)	-	-	251,191
RESTRICTED FUNDS						
General Annual Grant (GAG)	668,923	5,204,556	(5,016,215)	(273,819)	-	583,445
Other DfE/ESFA Grants	-	429,584	(429,584)	-	-	-
Other funds	-	15,076	(15,076)	-	-	-
Pension reserve	(2,187,000)	-	(105,000)	-	389,000	(1,903,000)
	<u>(1,518,077)</u>	<u>5,649,216</u>	<u>(5,565,875)</u>	<u>(273,819)</u>	<u>389,000</u>	<u>(1,319,555)</u>
RESTRICTED FIXED ASSET FUNDS						
Restricted Fixed Asset Funds	12,199,010	230,809	(366,126)	273,819	-	12,337,512
Total restricted funds	<u>10,680,933</u>	<u>5,880,025</u>	<u>(5,932,001)</u>	<u>-</u>	<u>389,000</u>	<u>11,017,957</u>
Total of funds	<u>10,915,630</u>	<u>5,968,231</u>	<u>(6,003,713)</u>	<u>-</u>	<u>389,000</u>	<u>11,269,148</u>

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

The General Annual Grant and Other DfE/ESFA grants relate to government funding for the provision of education by the Academy.

Other gains and losses relate to the actuarial loss for the year on the Local Government Pension Scheme.

The Government capital grant funds are provided by the Government for specific capital projects. Such funds are to be treated as restricted due to restrictions imposed by the DfE over the use and disposal of the related assets.

The restricted income funds are subject to specific expenditure within the Academy's declared objects.

Transfers represent expenditure on fixed assets from the GAG, also where capital grants have been received but the resulting expenditure has been treated as revenue expenditure within restricted funds. Transfers also include an adjustment of unrestricted costs associated with University income.

The excess of restricted fixed asset funds over the total net book value of fixed assets represents capital monies not yet spent. At 31 August 2018 this amounted to £Nil (2017: £501,833).

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.

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

16. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
Unrestricted funds	251,879	69,479	(91,586)	4,925	-	234,697
RESTRICTED FUNDS						
General Annual Grant (GAG)	706,005	5,271,136	(4,936,667)	(371,551)	-	668,923
Other DfE/ESFA grants	-	427,940	(427,940)	-	-	-
Other funds	-	3,500	(3,500)	-	-	-
Pension reserve	(1,669,000)	-	(173,000)	-	(345,000)	(2,187,000)
	<u>(962,995)</u>	<u>5,702,576</u>	<u>(5,541,107)</u>	<u>(371,551)</u>	<u>(345,000)</u>	<u>(1,518,077)</u>
RESTRICTED FIXED ASSET FUNDS						
Restricted Fixed Asset Funds	<u>11,676,512</u>	<u>521,279</u>	<u>(365,407)</u>	<u>366,626</u>	<u>-</u>	<u>12,199,010</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	12,337,512	12,337,512
Current assets	251,191	885,307	-	1,136,498
Creditors due within one year	-	(301,862)	-	(301,862)
Provisions for liabilities and charges	-	(1,903,000)	-	(1,903,000)
	<u>251,191</u>	<u>(1,319,555)</u>	<u>12,337,512</u>	<u>11,269,148</u>

HANDSWORTH WOOD GIRLS' ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Tangible fixed assets	-	-	11,697,177	11,697,177
Current assets	234,697	1,042,862	501,833	1,779,392
Creditors due within one year	-	(373,939)	-	(373,939)
Provisions for liabilities and charges	-	(2,187,000)	-	(2,187,000)
	<u>234,697</u>	<u>(1,518,077)</u>	<u>12,199,010</u>	<u>10,915,630</u>

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

	<i>2018</i>	<i>2017</i>
	<i>£</i>	<i>£</i>
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(35,482)	295,234
Adjustment for:		
Depreciation charges	366,126	365,407
Bank interest received	(5,467)	(7,315)
Decrease in debtors	216,682	131,227
Decrease in creditors	(72,077)	(206,217)
Capital grants from DfE and other capital income	(230,809)	(521,279)
Defined benefit pension scheme cost less contributions payable	50,000	136,000
Defined benefit pension scheme finance cost	55,000	37,000
Net cash provided by operating activities	<u>343,973</u>	<u>230,057</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<i>2018</i>	<i>2017</i>
	<i>£</i>	<i>£</i>
Cash in hand	809,239	835,451
Notice deposits	-	400,000
Total	<u>809,239</u>	<u>1,235,451</u>

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

20. CAPITAL COMMITMENTS

At 31 August 2018 the Academy had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	-	236,832

21. PENSION COMMITMENTS

The Academy'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 West Midlands Pension Fund. Both are Multi-Employer Defined Benefit Pension Schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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21. PENSION COMMITMENTS (continued)

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £394,443 (2017 - £395,337).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £298,033 (2017 - £167,476), of which employer's contributions totalled £251,390 (2017 - £121,323) and employees' contributions totalled £46,643 (2017 - £46,153). The agreed contribution rates for future years are 19.4% for employers and 5.5% - 12.5% for employees.

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

The Academy has entered into an agreement to make contributions in addition to normal funding levels due to the scheme being in deficit. It is anticipated that the additional contributions will be paid over the next 20 years. The expected additional contributions will be:

2018/19 - £54,800
2019/20 - £56,900
2020/21 - £59,100

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %

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21. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24.0
Females	26.7	26.6

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	3,999,000	3,978,000
Discount rate -0.1%	4,173,000	4,151,000
Mortality assumption - 1 year increase	4,223,000	4,202,000
Mortality assumption - 1 year decrease	3,951,000	3,930,000
CPI rate +0.1%	4,164,000	4,139,000
CPI rate -0.1%	4,008,000	3,991,000

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,380,000	1,189,000
Government bonds	157,000	137,000
Property	177,000	137,000
Other bonds	81,000	72,000
Cash and other liquid assets	82,000	93,000
Other	305,000	249,000
Total market value of assets	<u>2,182,000</u>	<u>1,877,000</u>

The actual return on scheme assets was £24,000 (2017 - £291,000).

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21. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost (net of employee contributions)	304,000	238,000
Net interest cost	54,000	36,000
Admin expenses	1,000	1,000
	<u>359,000</u>	<u>275,000</u>
Total	<u>359,000</u>	<u>275,000</u>

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

	2018 £	2017 £
Opening defined benefit obligation	4,064,000	3,311,000
Current service cost	304,000	238,000
Interest cost	106,000	73,000
Employee contributions	47,000	45,000
Actuarial (gains)/losses	(417,000)	432,000
Benefits paid	(19,000)	(35,000)
	<u>4,085,000</u>	<u>4,064,000</u>
Closing defined benefit obligation	<u>4,085,000</u>	<u>4,064,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	1,877,000	1,642,000
Interest income	52,000	37,000
Actuarial gains	(28,000)	87,000
Employer contributions	254,000	102,000
Employee contributions	47,000	45,000
Benefits paid	(19,000)	(35,000)
Admin expenses	(1,000)	(1,000)
	<u>2,182,000</u>	<u>1,877,000</u>
Closing fair value of scheme assets	<u>2,182,000</u>	<u>1,877,000</u>

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22. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	37,071	46,243
Between 1 and 5 years	18,255	46,276
Total	<u>55,326</u>	<u>92,519</u>

23. MEMBERS' LIABILITY

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

24. AGENCY ARRANGEMENTS

The Academy distributes bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2018 the Academy received £38,389 (2017: £45,810) and disbursed £38,389 (2017: £45,508) from the fund. There was a £Nil outstanding creditor (2017: £2 creditor) as at 31 August 2018.

25. POST BALANCE SHEET EVENTS

On 1 September 2018 the entire operations of Handsworth Wood Girls' Academy, and its assets and liabilities have been transferred to King Edward VI Academy Trust Birmingham (company number 10654935). The Governors have therefore concluded that the financial statements of Handsworth Wood Girls' Academy should not be prepared on the going concern basis.

The entity ceased to trade on 1 September 2018 and it is anticipated that the Governors will formally wind up the entity in the near future.