

Registration number: 08683500

Spring Cottage Academy

(A company limited by guarantee)

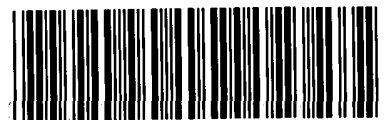
Annual Report and Financial Statements

for the period from 1 September 2016 to 30 April 2017

Forrester Boyd Robson Limited
Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
East Yorkshire
HU17 0RT

 **Forrester Boyd Robson**
Chartered Accountants

THURSDAY



A6LQ0RPT

A20 21/12/2017 #355

COMPANIES HOUSE

A6KNAOW0

A18 05/12/2017 #185

COMPANIES HOUSE



Praxity
ASSOCIATE
GLOBAL ALLIANCE OF
INDEPENDENT FIRMS



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Reference and Administrative Details

Members

T Dunn

P Greef

K Shaw

Governors and Trustees (Directors)

T Dunn, (Chair) (i)

P Greef, (i)

K Shaw (resigned 30 April 2017)

J Harrison, (i)

E Jenkins

R Purr

A Rhodes, Head Teacher and Accounting Officer (i)

G Troake

C Jennings, (i)

(i) member of the Finance and General Purpose Committee



Reference and Administrative Details (continued)

Senior Management Team

A Rhodes, Head Teacher
H Chamberlain, Deputy Head Teacher
S Whiteley, School Business Manager
T Hyde, Assistant Head Teacher
G Troake, KS2 Phase Leader
R Leigh, Foundation Stage Leader
A Rogers, Phase Manager
F Taylor, Phase Manager
S Hamilton, Phase Manager

Principal and Registered Office

Dressay Grove
Hull
East Yorkshire
HU8 9JH

Head Teacher

A Rhodes

Company Registration Number

08683500

Auditors

Forrester Boyd Robson Limited
Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
East Yorkshire
HU17 0RT

Bankers

Lloyds Bank Plc
1-7 Gerge Street
Hull
HU1 3BB

Solicitors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG



Trustees' Report for the period from 1 September 2016 to 30 April 2017

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 30 April 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The period covered in the Financial Statements is 8 months from 1 September 2016 to 30 April 2017. The accounting period end has been shortened by the Academy Trust with Companies House due to the Financial Statements being prepared up to the date of transfer to a Multi Academy Trust, Horizon Academy Trust, on 1 May 2017.

Comparative figures aren't entirely comparable due to this reporting period being 8 months (2016: 12 month reporting period).

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company was incorporated on 10 September 2013. The company registration number is 08683500.

The governors act as the trustees for the charitable activities of Spring Cottage Academy and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted 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 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.

Trustees' indemnities

The Academy through its Articles has indemnified its Governors to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Governors. The insurance provides cover up to £2,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

The company's Memorandum and Articles of Association are the primary governing documents of the Academy. The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The members may appoint up to 16 Governors and must have a minimum of 2 Parent Governors.

The members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Headteacher) who are employees of the Academy does not exceed one third of the total number of Governors.

The Headteacher shall be treated for all purposes as being an ex officio Governor.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of pupils at the Academy at the time when he/she is elected.

The Secretary of State may also appoint additional Governors if he feels it appropriate and ultimately has the power to in effect take over the Governance of the Academy. The Secretary of State has not appointed any additional Governors.



Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Trustees will be given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

The Academy structure now consists of two levels: the Trustees and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, and senior staff appointments.

The Senior Leadership Team members are the Headteacher, Deputy Headteacher, Assistant Headteachers, School Business Manager, Foundation Stage Leader, KS2 Phase Leader and Phase Managers. These managers lead the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. The Headteacher, Deputy Headteacher, School Business Manager sign all purchase orders within the Academy.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting the pay and remuneration of the academy's key management personnel are that it is the governing body's role.

In relation to leadership pay and considering the schools pay policy they;

- consider annually whether or not to increase the salary of members of the leadership group
- set the appropriate levels of pay for the different roles
- consider and adopt pay and appraisal policies, including the criteria for pay progression
- assure themselves that appropriate arrangements for linking appraisal to pay are in place and can be applied consistently, and that pay decisions can be objectively justified
- approve salaries and the award of performance pay in line with the school's pay policy
- identify and consider budgetary implications of pay decisions and consider these in the school's spending plan.

Headteachers, deputy headteachers and assistant headteachers will be paid on a leadership pay range, which is between £38,984 and £108,283 per year.

Connected organisations, including related party relationships

Spring Cottage Primary School is an individual convertor Academy.

Governors are drawn from the local community and from time to time it is possible that the Academy will enter into transactions with organisations in which a Trustee or Governor has an interest. All such transactions are reflected in the Trusts' Register of Business Interests. These are duly considered by the Governing Body on a regular basis to ensure all such transactions are in line with the Academies Handbook requirements.



Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Objectives and activities

Objectives and aims

The principal object and activity of the charitable company is the operation of Spring Cottage Primary School, Hull, and to provide education for students of different abilities between the ages of 3 and 11.

We endeavor to provide an enjoyable, enriched educational experience, relevant and meaningful for every child:

- To create a caring environment in which each child feels happy, secure and motivated to learn.
- To identify value and positively foster his/her individual talents.
- To offer pupils a curriculum which is coordinated, differentiated and challenging.
- To encourage independence of mind and a questioning spirit.
- To promote an awareness of moral values, service, friendship and the communal responsibility of all.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum.



Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Objectives, strategies and activities

The main objectives of the Academy during the period ended 30 April 2017 are summarised below:

Key Priorities:

- To develop a 'mastery' approach to Mathematics by improving teaching and learning to ensure fluency, reasoning and the ability to solve problems is embedded in all year groups.
- To accelerate progress and raise attainment in reading across the school.
- Develop a whole school ethos of collaboration, challenge and support to accelerate progress and attainment across the wider curriculum by developing senior, middle and subject leaders.

Background priorities:

- Extend the confidence and capacity of all staff in the teaching of science and ensure teachers feel confident to deliver the revised curriculum
- To ensure Governors are holding all leaders to account with regards to subject leadership, particularly with regard to disadvantaged pupils.
- To further improve children's conduct, manners and behaviour outside of lessons.
- To ensure high levels of spoken language incorporated into lessons across the curriculum, resulting in further raised standards of speaking and listening as well as developing language for thought.

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

The primary purpose of Spring Cottage Primary School, Hull is the advancement of education within Hull. To this end, it now runs as an Academy aspiring towards the highest possible standards for approximately 490 students aged 3-11. The Academy will become a natural progression to our local Secondary Academy for the majority of students and will contribute to the community ethos. The Academy continues to be full in the majority of classes.

Inextricably linked with this purpose is the aim of contributing to the public good. Through the provision of educational activities and extracurricular activities, the Academy aims to contribute considerable benefit to the local community.

The Academy involves the community in the following activities:

- Community Nursery.
- Family learning opportunities.
- Exercise classes including dance.
- A range of After School Clubs, including netball, rugby and football

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

The aforementioned objectives, activities, achievements and performance further serve to emphasise the benefit the Academy brings to the public.

The Trustees have considered the impact of the public benefit requirement including the guidance issued by the Charity Commission.



Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

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- Family learning opportunities.
- Exercise classes including Zumba.
- A range of After School Clubs, including dance, rugby and football

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Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Strategic Report

Key performance indicators

The Academy has maintained its Outstanding Ofsted rating, though it was last inspected in 2008.

Achievements and performance

EYFS

- 73% of pupils achieved a good level of development (GLD), this is above national average (69% in 2016)

KS1

- At the end of KS1 results at the expected level in reading, writing and maths were well above national outcomes.
- In reading 83% of pupils achieved the expected standard or above (against 74% nationally). 29% of pupils reached greater depth against 24% nationally.
- In writing 79% of pupils reached the expected standard or above (against 65% nationally). 21% of pupils reached greater depth against 13% nationally.
- In mathematics 83% of pupils reached the expected standard or above (against 73% nationally). 25% of pupils reached greater depth against 18% nationally.

KS2

- 61% of pupils reached the expected standard in Reading, Writing and Maths combined which increased 7% on the previous year. (61% of pupils nationally)
- Results in Writing and GPS were well above national. The % of pupils achieving the expected standard in GPS increased from 85% to 89%.
- In reading 67% reached the expected standard and above. This is an increase of 6% on 2016. Reading continues to be a main priority of the SIP in 2017/18.
- In writing 85% of pupils achieved the expected standard and above. This is well above national and writing progress for this group of pupils increased from 2016.
- In mathematics 74% of pupils achieved expected or above. This is an increase of 3% on 2016. Mathematics continues to be a main priority on the SIP in 2017/18.

Going concern

The academy trust incurred a net deficit of £88,718 during the period ended 30 April 2017 and, at that date, the academy trust's current liabilities exceeded its current assets by £41,832 and it had negative restricted and unrestricted general funds of £41,832.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

On 30 April 2017 Spring Cottage Academy ceased to operate as an Independent Academy Trust following the transfer on 1 May 2017 of the Academy's Trust's operations, including its assets and liabilities, to Horizon Academy Trust, a Multi Academy Trust incorporated under Company Registration Number 08411590. The company has been dormant since 1 May 2017 and will be formally wound up in due course.



Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Strategic Report

Financial review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 30 April 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 30 April 17 total expenditure of £1,430,941 was not covered by the recurrent grant funding from the DfE together with other incoming resources of £1,342,223. The excess of expenditure over income for the period was £88,718. If depreciation and FRS 102 pension adjustments were excluded the deficit would be £28,854.

At 30 April 2017 the net book value of fixed assets was £6,203,179 and movements in tangible fixed assets are shown in note 11 to the financial statements.

The Academy's associate staff are entitled to membership of the Local Government Pension Scheme. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £641,000.

Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees consider that the value of three months' worth of the schools monthly salary costs will be sufficient to cover the day to day working capital of the School and timing of expenses payable.

A breakdown of the funds at 30 April 2017 is as follows:-

	£
Restricted general fund	(41,832)
Restricted fixed asset fund	6,203,179
Restricted pension fund	(641,000)
Unrestricted general fund	-
Total funds	<u>5,520,347</u>

Investment policy

The Trustees agree all investments made by the Academy. The Academy does not currently hold any investments outside its current account. Future investments are likely to be restricted to deposit and money market accounts in all UK banks. The Academy will seek to hold adequate cash reserves for the day to day running of the School in line with the reserves policy.

Principal risks and uncertainties

The principal risk and uncertainties are centered around changes in the level of funding from the DfE/ESFA. In addition; the Academy is a member of the Local Government Pension (LGPS), which may result in significant movements each year.



Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Strategic Report

Risk management

The Trustees have assessed and implemented a number of systems to assess and mitigate risks that the school faces, especially in the operational areas e.g. in relation to teaching, health and safety, bullying and school trips and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. Key risks have been identified below:

Key Risks Identified:

- Strategic Risk: School receives unfavorable Ofsted report. The School has sought to mitigate this risk by appointing highly qualified individuals investing heavily in resources and experienced SLT. Previous experience and knowledge suggests that the school has an excellent reputation and has dealt with this risk successfully in the past.
- Strategic Risk: Insufficient demand for schools services leaves it unsustainable. Given the schools current Ofsted rating the results of its pupils and current birth rates, the risk would seem minimal. The School will strive for continual improvement to ensure results of its pupils to be above average.
- Public Profile Risk: Failure to comply with Health and Safety legislation results in an employee/volunteer/beneficiary of the charity being injured at work, attracting bad publicity. The school has appointed an independent Health and Safety representative to look after and monitor the schools Health and Safety policies. The Head, SBM and Site Manager all have responsibility and have received health and safety training. All staff have been provided with booklets and training to increase awareness in health and safety matters. Insurance has also been purchased to help cover the cost of any potential incident.
- Governing Body Organisation Risk: Governors delegate too little/too much to the Headteacher and SBM. The governing body has a wide range of experience and skills and they take a great deal of interest in the schools activity. Going forward if the composition of the governing body were to change significantly the school would look to work with the governors to find a compromise.

Plans for future periods

The Academy will continue striving to improve the levels of performance of its students at all levels by ensuring that the main objectives are achieved.

On 1 May 2017 Spring Cottage Academy joined Horizon Academy Trust, a Multi Academy Trust incorporated under Company Registration Number 08411590. The company has been dormant since 1 May 2017 and will be formally wound up in due course.

Plans for 2016/17 include being a lead school in the formation of a MAT (Horizon Academy Trust) with 2 other excellent schools in the neighbourhood.



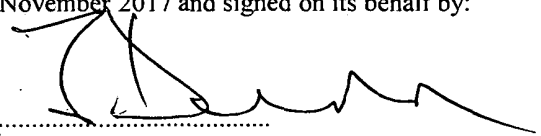
Trustees' Report for the period from 1 September 2016 to 30 April 2017 (continued)

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 30 November 2017 and signed on its behalf by:



.....
T Dunn
Governor and trustee



Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Spring Cottage 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 Governing Body has delegated the day-to-day responsibility to A Rhodes, 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 Spring Cottage Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 6 times during the period. Attendance during the period at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
T Dunn	5	6
P Greef	4	6
J Harrison	5	6
E Jenkins	5	6
C Jennings	3	6
R Purr	6	6
A Rhodes	6	6
K Shaw	5	6
G Troake	6	6

Governance reviews

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to monitor closely the financial performance of the Academy and to review all policies and practices relating to these areas.

The committee also assesses internal audit and external audit reports and reports to the governing body. Attendance at meetings during the period was as follows:

Trustee	Meetings attended	Out of a possible
T Dunn	3	3
P Greef	3	3
J Harrison	2	3
C Jennings	3	3
A Rhodes	3	3



Governance Statement (continued)

Review of value for money

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

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

- Ensuring rigorous tracking of pupil attainment and that resources have been deployed appropriately.
- Undertaken a large investment in ICT to enhance curriculum delivery and further engage pupils.
- Continued with robust financial procedures to ensure that cost savings can and have been made where appropriate.
- Evaluation of new resources to determine whether desired impact has been realised, and also whether the learning experience of pupils has been enhanced as a result.
- Continue to research and collaborate with other establishments regarding resources/practices to share good practice within the ICA group, and ensure best value is achieved.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Spring Cottage Academy for the period ended 30 April 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 30 April 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed Claire Purdue, the Chief Financial Officer, of Horizon Academy Trust to perform peer review.



Governance Statement (continued)

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

No peer review checks were carried out in the current period. However, a peer review will take place in the near future and carry out reviews on a regular basis. The peer reviewer will report to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the peer reviewer to date.

Review of effectiveness

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

- the work of the peer reviewer;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 30 November 2017 and signed on its behalf by:

T Dunn
Governor and trustee

A Rhodes
Accounting officer
Head Teacher



Statement on Regularity, Propriety and Compliance

As Accounting Officer of Spring Cottage Academy I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Governing Body 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 2016.

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 Governing Body and ESFA.

A handwritten signature in black ink, appearing to read 'A Rhodes', written over a dotted line.

A Rhodes
Accounting officer

30 November 2017



Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 30 November 2017 and signed on its behalf by:

T Dunn
Governor and trustee



Independent Auditor's Report on the Financial Statements to the Members of Spring Cottage Academy

Opinion

We have audited the financial statements of Spring Cottage Academy (the 'Academy') for the period from 1 September 2016 to 30 April 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Academy's Trustees, 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 trustees 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 30 April 2017 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Material Uncertainty Related to Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the Trustees' Report and in note 1 to the financial statements concerning the academy trust's ability to continue as a going concern. The academy trust incurred a net deficit of £88,718 during the period ended 30 April 2017 and, at that date, the academy trust's current liabilities exceeded its current assets by £41,832 and it had negative restricted and unrestricted general funds of £41,832. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the academy trust's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the academy trust was unable to continue as a going concern.

We also draw your attention to Note 1 in the financial statements, which indicates that on 30 April 2017 Spring Cottage Academy ceased to operate as an Independent Academy Trust following the transfer on 1 May 2017 of the Academy's Trust's operations, including its assets and liabilities, to Horizon Academy Trust, a Multi Academy Trust incorporated under Company Registration Number 08411590. The company has been dormant since 1 May 2017 and will be formally wound up in due course. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in respect of this matter.



Independent Auditor's Report on the Financial Statements to the Members of Spring Cottage Academy (continued)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Trustees' Report) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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



Independent Auditor's Report on the Financial Statements to the Members of Spring Cottage Academy (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Forrester Boyd Robson Ltd

Michael Beckett BA FCA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Robson Limited, Statutory Auditor

Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
East Yorkshire
HU17 0RT

Date: 30/11/2017



Independent Reporting Accountant's Report on Regularity to Spring Cottage Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 25 May 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Spring Cottage Academy during the period 1 September 2016 to 30 April 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Governing Body and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body 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 the Governing Body and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 30 January 2014 and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2016 to 30 April 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Confirming that the activities of the Academy trust are in keeping with the Academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management personnel.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2016 to 30 April 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Independent Reporting Accountant's Report on Regularity to Spring Cottage Academy and the
Education and Skills Funding Agency (continued)**

Forrester Boyd Robson Ltd

Michael Beckett BA FCA

For and on behalf of Forrester Boyd Robson Limited, Chartered Accountants

Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
East Yorkshire
HU17 0RT

30 November 2017



Statement of Financial Activities for the Period from 1 September 2016 to 30 April 2017
(including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £
Income and endowments from:					
Donations and capital grants	2	13,306	-	-	13,306
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	5	-	1,214,018	-	1,214,018
Other trading activities	3	114,769	-	-	114,769
Investments	4	130	-	-	130
Total		128,205	1,214,018	-	1,342,223
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	19,588	1,365,490	45,863	1,430,941
Net income/(expenditure)		108,617	(151,472)	(45,863)	(88,718)
Transfers between funds		(124,816)	95,640	29,176	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	108,000	-	108,000
Net movement in (deficit)/funds		(16,199)	52,168	(16,687)	19,282
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		16,199	(735,000)	6,219,866	5,501,065
Total (deficit)/funds carried forward at 30 April 2017		-	(682,832)	6,203,179	5,520,347

The above activities are discontinued on the basis that the Trust's only school transferred to a Multi Academy Trust on 1 May 2017.



Statement of Financial Activities for the Year Ended 31 August 2016
(including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	22,241	-	9,172	31,413
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	5	-	1,834,729	-	1,834,729
Other trading activities	3	163,897	-	-	163,897
Investments	4	294	-	-	294
Total		186,432	1,834,729	9,172	2,030,333
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	19,995	2,020,280	61,721	2,101,996
Net income/(expenditure)		166,437	(185,551)	(52,549)	(71,663)
Transfers between funds		(219,537)	195,551	23,986	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	(164,000)	-	(164,000)
Net movement in deficit		(53,100)	(154,000)	(28,563)	(235,663)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		69,299	(581,000)	6,248,429	5,736,728
Total funds/(deficit) carried forward at 31 August 2016		16,199	(735,000)	6,219,866	5,501,065

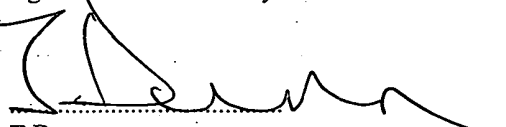
Spring Cottage Academy



(Registration number: 08683500)
Balance Sheet as at 30 April 2017

	Note	30 April 2017 £	31 August 2016 £
Fixed assets			
Tangible assets	11	6,203,179	6,219,866
Current assets			
Debtors	12	102,848	58,044
Cash at bank and in hand		114,658	292,702
		217,506	350,746
Creditors: Amounts falling due within one year	13	(259,338)	(334,547)
Net current (liabilities)/assets		(41,832)	16,199
Total assets less current liabilities		6,161,347	6,236,065
Net assets excluding pension liability		6,161,347	6,236,065
Pension scheme liability	22	(641,000)	(735,000)
Net assets including pension liability		5,520,347	5,501,065
Funds of the Academy:			
Restricted funds			
Restricted general fund		(41,832)	-
Restricted fixed asset fund		6,203,179	6,219,866
Restricted pension fund		(641,000)	(735,000)
		5,520,347	5,484,866
Unrestricted funds			
Unrestricted general fund		-	16,199
Total funds		5,520,347	5,501,065

The financial statements on pages 22 to 44 were approved by the Trustees, and authorised for issue on 30 November 2017 and signed on their behalf by:


T Dunn
Governor and trustee



Statement of Cash Flows for the Period from 1 September 2016 to 30 April 2017

	Note	30 April 2017 £	31 August 2016 £
Net cash outflow from operating activities	17	(148,997)	(18,720)
Returns on investments and servicing of finance		130	294
Capital expenditure and financial investment	18	<u>(29,177)</u>	<u>(23,985)</u>
Decrease in cash in the period	19	<u><u>(178,044)</u></u>	<u><u>(42,411)</u></u>



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017

1 Accounting policies

General information

The academy trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:
Spring Cottage Academy
Dressay Grove
Hull
East Yorkshire
HU8 9JH

Statement of accounting policies

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

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

Spring Cottage Academy meets the definition of a public benefit entity under FRS 102.

Going concern

The academy trust incurred a net deficit of £88,718 during the period ended 30 April 2017 and, at that date, the academy trust's current liabilities exceeded its current assets by £41,832 and it had negative restricted and unrestricted general funds of £41,832. The net deficit for the year includes depreciation charges and FRS 102 pension adjustments, if these were excluded the deficit would be £28,854.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

On 30 April 2017 Spring Cottage Academy ceased to operate as an Independent Academy Trust following the transfer on 1 May 2017 of the Academy's Trust's operations, including its assets and liabilities, to Horizon Academy Trust, a Multi Academy Trust incorporated under Company Registration Number 08411590. The company has been dormant since 1 May 2017 and will be formally wound up in due course.

Income

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



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

1 Accounting policies (continued)

Grants

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

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

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

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Donated fixed assets

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



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017 (continued)

1 Accounting policies (continued)

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Asset class

Depreciation method and rate

Leasehold Land & Buildings

Over the residual period of the lease (125 years)

ICT Equipment

Straight line over 3 years

Furniture & Equipment

Straight line over 5 years

Improvements to Leasehold Land & Buildings

Straight line over 25 years

Liabilities

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



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Financial Instruments

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

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

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

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

Taxation

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 31/08/2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

2 Donations and capital grants

	Unrestricted funds £	Total 2017 £	Total 31 August 2016 £
Educational trips and visits	12,325	12,325	15,263
Capital grants	-	-	9,172
Other donations	981	981	6,978
	<u>13,306</u>	<u>13,306</u>	<u>31,413</u>

3 Other trading activities

	Unrestricted funds £	Total 2017 £	Total 31 August 2016 £
Recharges and reimbursements	16,035	16,035	22,512
Breakfast club income	7,358	7,358	5,185
Lettings income	1,080	1,080	1,690
Music income	2,370	2,370	3,611
Nursery supervision	2,710	2,710	3,062
School uniform income	1,537	1,537	3,366
Educational activities income	5,246	5,246	10,187
After school club income	15,448	15,448	14,482
General income	13,383	13,383	39,258
ICA Partnership income	-	-	9,675
Tidal School income	49,532	49,532	42,200
Meals income	70	70	8,669
	<u>114,769</u>	<u>114,769</u>	<u>163,897</u>

4 Investment income

	Unrestricted funds £	Total 2017 £	Total 31 August 2016 £
Interest received	<u>130</u>	<u>130</u>	<u>294</u>



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

5 Funding for the Academy Trust's educational operations

	Restricted funds £	Total 2017 £	Total 31 August 2016 £
DfE/ESFA revenue grants			
General Annual Grant	977,314	977,314	1,474,819
Pupil Premium	57,706	57,706	92,107
Other grants	14,435	14,435	43,626
UIFSM	46,065	46,065	68,629
	<u>1,095,520</u>	<u>1,095,520</u>	<u>1,679,181</u>
Other government grants			
SEN & Early years funding	118,498	118,498	155,548
Total grants	<u>1,214,018</u>	<u>1,214,018</u>	<u>1,834,729</u>

6 Expenditure

Non Pay Expenditure

	Staff costs £	Premises £	Other costs £	Total 2017 £	Total 31 August 2016 £
Academy's educational operations					
Direct costs	904,509	-	70,701	975,210	1,458,169
Allocated support costs	148,254	127,848	179,629	455,731	643,827
	<u>1,052,763</u>	<u>127,848</u>	<u>250,330</u>	<u>1,430,941</u>	<u>2,101,996</u>

Net income/(expenditure) for the period includes:

	30 April 2017 £	31 August 2016 £
Operating leases - other leases	5,117	5,757
Fees payable to auditor - audit	4,000	4,620
- other audit services	49	1,273
Depreciation	<u>45,864</u>	<u>61,720</u>



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

7. Charitable activities

		Total 2017 £	Total 31 August 2016 £
Direct costs - educational operations		975,210	1,458,169
Support costs - educational operations		<u>455,731</u>	<u>643,827</u>
		<u>1,430,941</u>	<u>2,101,996</u>
	Educational operations £	Total 2017 £	Total 31 August 2016 £
Analysis of support costs			
Support staff costs	148,254	148,254	198,769
Depreciation	45,863	45,863	61,721
Technology costs	15,263	15,263	20,092
Premises costs	81,985	81,985	131,205
Other support costs	<u>164,366</u>	<u>164,366</u>	<u>232,040</u>
Total support costs	<u>455,731</u>	<u>455,731</u>	<u>643,827</u>

8 Staff

Staff costs

	2017 £	31 August 2016 £
Staff costs during the period were:		
Wages and salaries	806,114	1,191,625
Social security costs	68,872	54,405
Pension costs	<u>172,973</u>	<u>248,847</u>
	<u>1,047,959</u>	<u>1,494,877</u>
Supply teacher costs	<u>4,804</u>	<u>41,246</u>
	<u>1,052,763</u>	<u>1,536,123</u>



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017 (continued)

8 Staff (continued)

Staff numbers

The average number of persons (including senior management team) employed by the Academy during the period was as follows:

	30 April 2017 No	31 August 2016 No
Charitable Activities		
Teachers	19	16
Administration and support	42	44
Management	6	7
	<u>67</u>	<u>67</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	30 April 2017 No	31 August 2016 No
£70,001 - £80,000	1	1

The above disclosure is based on a remuneration for a 12 month period.

Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £234,750 (2016: £404,321) for an 8 month (2016: 12 month) period.

9 Related party transactions - trustees' remuneration and expenses

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

A Rhodes (Head Teacher):

Remuneration: £50,000 - £55,000 (2016 - £75,000 - £80,000)

Employer's pension contributions: £5,000 - £10,000 (2016 - £10,000 - £15,000)

G Troake (Teacher):

Remuneration: £25,000 - £30,000 (2016 - £35,000 - £40,000)

Employer's pension contributions: £0 - £5,000 (2016 - £5,000 - £10,000)

The above remuneration is based on an 8 month (2016: 12 month) period.

During the period ended 30 April 2017, travel and subsistence expenses totalling £Nil (2016 - £303) were reimbursed or paid directly to 0 trustees (2016 - 2).

Other related party transactions involving the trustees are set out in note 23.



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017 (continued)

10 Trustees' and officers' insurance

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

11 Tangible fixed assets

	Leasehold land and buildings £	Leasehold land and buildings improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2016	6,041,713	271,887	8,244	14,231	6,336,075
Additions	-	14,627	6,637	7,913	29,177
At 30 April 2017	6,041,713	286,514	14,881	22,144	6,365,252
Depreciation					
At 1 September 2016	96,668	13,096	3,960	2,485	116,209
Charge for the year	32,222	7,640	1,175	4,827	45,864
At 30 April 2017	128,890	20,736	5,135	7,312	162,073
Net book value					
At 30 April 2017	5,912,823	265,778	9,746	14,832	6,203,179
At 31 August 2016	5,945,045	258,791	4,284	11,746	6,219,866

Included within leasehold land and buildings is £2,912,823 (2016: £5,945,045) relating to long leasehold land and buildings.

The leasehold land and buildings at Dressay Grove was donated to the trust at a value of £6,041,713 in the period ended 31 August 2014 per a valuation in October 2014 by NPS Humber Limited. There is a formal lease in place with the local authority for 125 years for the land and buildings at £nil rental. As the academy holds the risks and rewards of the building, the asset has been included on the basis of substance over legal form.

12 Debtors

	30 April 2017 £	31 August 2016 £
Trade debtors	2,158	1,570
Prepayments	58,305	12,404
Accrued grant and other income	17,784	19,058
VAT-recoverable	24,044	24,495
Other debtors	557	517
	<u>102,848</u>	<u>58,044</u>



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)

13 Creditors: amounts falling due within one year

	30 April 2017	31 August 2016
	£	£
Trade creditors	166,981	169,553
Other taxation and social security	25,920	32,922
Other creditors	214	47,330
Pension scheme creditor	28,652	28,856
Accruals	18,219	13,275
Deferred income	19,352	42,611
	<u>259,338</u>	<u>334,547</u>

	30 April 2017
	£
Deferred income	
Deferred income at 1 September 2016	42,611
Resources deferred in the period	19,352
Amounts released from previous periods	<u>(42,611)</u>
Deferred income at 30 April 2017	<u>19,352</u>

Deferred income represents salary recharges for the period May to August 2017 and cleaning management recharges for May 2017.



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)

14 Funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 30 April 2017 £
Restricted general funds					
General Annual Grant	-	977,314	(1,114,786)	95,640	(41,832)
Pupil Premium	-	57,706	(57,706)	-	-
Other Grant	-	14,435	(14,435)	-	-
SEN and Early Years funding	-	118,498	(118,498)	-	-
UIFSM	-	46,065	(46,065)	-	-
	<u>-</u>	<u>1,214,018</u>	<u>(1,351,490)</u>	<u>95,640</u>	<u>(41,832)</u>
Restricted fixed asset funds					
Donated Assets from Local Authority	5,945,045	-	(32,222)	-	5,912,823
Capital Grant and purchases from GAG	<u>274,821</u>	<u>-</u>	<u>(13,641)</u>	<u>29,176</u>	<u>290,356</u>
	6,219,866	-	(45,863)	29,176	6,203,179
Restricted pension funds					
Pension Scheme Liability	<u>(735,000)</u>	<u>-</u>	<u>(14,000)</u>	<u>108,000</u>	<u>(641,000)</u>
Total restricted funds	5,484,866	1,214,018	(1,411,353)	232,816	5,520,347
Unrestricted funds					
Unrestricted general funds	<u>16,199</u>	<u>128,205</u>	<u>(19,588)</u>	<u>(124,816)</u>	<u>-</u>
Total funds	<u>5,501,065</u>	<u>1,342,223</u>	<u>(1,430,941)</u>	<u>108,000</u>	<u>5,520,347</u>



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

14 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Local Authority Statement funding is provided for the provision of services for children with special educational needs and is included within other DfE grants.

Pupil Premium Grant may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. The grant does not have to be completely spent by schools in the financial year, this is included within other DfE grants.

Devolved capital either allocated direct by the DfE or transferred on conversion from the local authority must be spent on capital purposes.

Capital expenditure from GAG income is made up of any fixed assets purchased during the year and the expense is the depreciation relating to these additions.

Restricted General Funds are made up of various revenue grants which are defrayed throughout the year on specific educational needs. The academy trust was not subject to a limit on GAG carry forward.

Restricted Fixed Asset Funds represent reserves of the charity that are specifically designated for capital. Inherited assets are principally the land and buildings from the former school.

The net transfer from Restricted General Funds in relation to the transfers below during the period was £95,640.

Transfer from Restricted General Funds of £29,176 is the result of General Annual Grant money being spent on capital.

Restricted General Funds were in deficit by £166,648 which has partly been covered by surplus Unrestricted General Funds of £124,816. A transfer of £124,816 has been made from Unrestricted General Funds into Restricted General Funds.

The net deficit of Restricted General and Unrestricted General Funds of £41,832 has occurred due to significant one-off investments in the property and fabric of the building over the first half of the academic year. This included refurbishing the Wellbeing room; security upgrades to external locks and a major revamp of the schools security system; repair and upgrade of the heating system, including new cylinders and heating controllers. In addition to this the school undertook to upgrade the server, projectors and PCs in order to ensure that the IT infrastructure continues to be secure and fit for purpose. The cost of cleaning and catering provision to the school from external sources was also of a significant level for us to investigate ways to reduce this in the future.

Actions have already been implemented to return the academy to a surplus position. As of 1 May 2017 the academy joined the Horizon Academy Trust, a Multi Academy Trust, and is now able to share resources with other schools within the Trust. This has led to a significant reduction in catering and cleaning costs due to bringing the service in-house. The academy is already seeing significant savings in order to assist in maintaining healthy in-year balances going forward.

Restricted Pension Funds represent the LGPS pension deficit.



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)

15 Analysis of net assets between funds

	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	6,203,179	6,203,179
Current assets	217,506	-	217,506
Current liabilities	(259,338)	-	(259,338)
Pension scheme liability	(641,000)	-	(641,000)
Total net assets	<u>(682,832)</u>	<u>6,203,179</u>	<u>5,520,347</u>

16 Commitments under operating leases

Operating leases

At 30 April 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	30 April 2017 £	31 August 2016 £
Amounts due within one year	5,757	5,757
Amounts due between one and five years	2,880	7,997
	<u>8,637</u>	<u>13,754</u>

17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	30 April 2017 £	31 August 2016 £
Net expenditure	(88,718)	(71,663)
Depreciation	45,864	61,720
Donated capital and capital grants	-	(9,172)
Interest receivable	(130)	(294)
FRS 102 net interest on defined benefit pension scheme	9,000	21,000
FRS 102 cost less contributions payable on defined benefit pension scheme	5,000	(31,000)
(Increase)/decrease in debtors	(44,804)	47,209
Decrease in creditors	<u>(75,209)</u>	<u>(36,520)</u>
Net cash outflow from operating activities	<u>(148,997)</u>	<u>(18,720)</u>



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017 (continued)

18 Cash flows from investing activities

	30 April 2017	31 August 2016
	£	£
Purchase of tangible fixed assets	(29,177)	(33,157)
Capital grants from DfE	-	9,172
Net cash outflow from capital expenditure and financial investment	<u>(29,177)</u>	<u>(23,985)</u>

19 Analysis of cash and cash equivalents

	At 30 April 2017	At 31 August 2016
	£	£
Cash at bank and in hand	<u>114,658</u>	<u>292,702</u>
Total cash and cash equivalents	<u>114,658</u>	<u>292,702</u>

20 Contingent liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by the reference to:

- a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy, and
- b) the extent to which expenditure incurred in providing those assets was met by payments from the Secretary of State under the funding agreement.

21 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.

22 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by East Riding Pension Fund. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £28,652 (2016 - £28,856) were payable to the schemes at 30 April and are included within creditors.



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

22 Pension and similar obligations (continued)

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 (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million; and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. 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 pension costs paid to TPS in the period amounted to £80,290 (2016: £119,884).

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



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017 (continued)

22 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 30 April 2017 was £110,000 (2016 - £145,000), of which employer's contributions totalled £92,000 (2016 - £123,000) and employees' contributions totalled £18,000 (2016 - £22,000). The agreed contribution rates for future years are 31.1 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	At 30 April 2017 %	At 31 August 2016 %
Rate of increase in salaries	2.70	2.30
Rate of increase for pensions in payment/inflation	2.50	2.10
Discount rate for scheme liabilities	<u>2.60</u>	<u>2.00</u>

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

	At 30 April 2017	At 31 August 2016
Retiring today		
Males retiring today	21.70	21.90
Females retiring today	24.20	24.10
Retiring in 20 years		
Males retiring in 20 years	23.70	24.20
Females retiring in 20 years	<u>26.40</u>	<u>26.70</u>

Sensitivity analysis

	At 30 April 2017 £	At 31 August 2016 £
Discount rate -0.5%	196,000	172,000
Salary rate +0.5%	32,000	48,000
Pension rate +0.5%	<u>162,000</u>	<u>119,000</u>



Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)

22 Pension and similar obligations (continued)

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

	At 30 April 2017	At 31 August 2016
	£	£
Equities	677,000	572,000
Other bonds	89,000	84,000
Property	98,000	84,000
Cash and other liquid assets	27,000	23,000
Total market value of assets	891,000	763,000

The actual return on scheme assets was £24,000 (2016 - £106,000).

Amounts recognised in the statement of financial activities

	30 April 2017	31 August 2016
	£	£
Current service cost (net of employer contributions)	5,000	(31,000)
Net interest cost	9,000	21,000
Total operating charge	14,000	(10,000)

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

	30 April 2017	31 August 2016
	£	£
At 1 September	1,498,000	1,093,000
Current service cost	97,000	90,000
Interest cost	20,000	43,000
Employee contributions	18,000	22,000
Actuarial (gains)/losses	(95,000)	248,000
Benefits paid	(6,000)	-
At 30 April	1,532,000	1,496,000

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

	30 April 2017	31 August 2016
	£	£
At 1 September	763,000	512,000
Interest income	11,000	22,000
Actuarial gains	13,000	84,000
Employer contributions	92,000	123,000
Employee contributions	18,000	22,000
Benefits paid	(6,000)	-
At 30 April	891,000	763,000



**Notes to the Financial Statements for the Period from 1 September 2016 to 30 April 2017
(continued)**

23 Related party transactions

Owing to the nature of the Academy Trust 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 the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

During the period the academy made the following related party transactions:

Collabor8-IT Limited

(A company in which S Whiteley's spouse is a Director)

During the period the Trust purchased services amounting to £11,530 (2016: £7,475). At the balance sheet date the amount due to Collabor8-IT Limited was £Nil (2016 - £Nil).

Mrs A Dunn

(Spouse of Governor Mr T Dunn)

Mrs A Dunn received £14,457 (2016: £21,107) during the period as an employee of the Trust.. At the balance sheet date the amount due to Mrs A Dunn was £Nil (2016 - £Nil).

24 Events after the end of the reporting period

On 30 April 2017 Spring Cottage Academy ceased to operate as an Independent Academy Trust following the transfer on 1 May 2017 of the Academy's Trust's operations, including its assets and liabilities, to Horizon Academy Trust, a Multi Academy Trust incorporated under Company Registration Number 08411590. The company has been dormant since 1 May 2017 and will be formally wound up in due course.

25 Dissolution of an existing academy Trust

On 1 May 2017 the Trust's assets and liabilities as shown in the Balance Sheet on page 23 were transferred in their entirety leaving the Trust with no assets or liabilities.