

**Registrar's Copy**

**Company Registration Number: 09896672**

**THEDWASTRE EDUCATION TRUST**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**SATURDAY**



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**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**

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**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**

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

<b>Members</b>	Mary Myatt Rob Loe (resigned 29 November 2017) Gary McDonald St Edmundsbury and Ipswich Academies Umbrella Trust
<b>Trustees</b>	Gary McDonald, Chair of Trustees <sup>1</sup> Neville Horn <sup>1</sup> Pamela Frost Ann Tate <sup>1</sup> Sarah Rees, Chief Executive (resigned 31 August 2018) <sup>1</sup> Christopher Robinson (resigned 5 December 2017) Ruth Farrell - St Edmundsbury and Ipswich Academies Umbrella Trust Philip Mackay, Chief Executive (appointed 1 September 2018) David Olney (appointed 5 December 2017) Rachael Gilbert (appointed 5 December 2017) Rachel Gooch (resigned 1 September 2017)  <sup>1</sup> Member of Finance and Audit Committee
<b>Company registered number</b>	09896672
<b>Company name</b>	Thedwastre Education Trust
<b>Principal and registered office</b>	School Lane Thurston Bury St. Edmunds Suffolk IP31 3RY
<b>Chief executive officer</b>	Mr P Mackay
<b>Senior management team</b>	Sarah Rees, CEO - resigned 31 August 2018 Philip Mackay, CEO - appointed 01 September 2018 Claire Ratley, Headteacher - Great Barton Primary School Appointed 01 September 2018 Sarah Rees, Headteacher - Great Barton Primary School Resigned 31 August 2018 Jen Carlyle, Headteacher - Woolpit Primary School Helen Ballam, Headteacher - Rattlesden Primary School Kathleen Lambert, Joint Headteacher - Thurston Primary School John Bayes, Joint Headteacher - Thurston Primary School
<b>Independent auditors</b>	MWS Chartered Accountants Statutory Auditors Kingsridge House 601 London Road Westcliff-on-Sea Essex SS0 9PE

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

**Advisers (continued)**

**Bankers**                      Lloyds Bank  
78-80 Cherry Hinton Road  
Cambridge  
CB1 7BH

**Solicitors**                      Stone King LLP  
Boundary House  
91 Charterhouse Street  
London  
EC1M 6HR

**THEDWASTRE EDUCATION TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law. The Trustees confirm that the Annual Report and Financial Statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing documents and the Academies Accounts Direction 2017 to 2018.

**Structure, governance and management**

**a. Constitution**

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

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Thedwastre Education Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Thedwastre Education Trust.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

The academy was incorporated on 1 December 2015 and commenced trading on that date. All four schools transferred to an Academy Trust Structure on 1 January 2016.

The principal object of the academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum.

**b. Members' liability**

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

**c. Trustees' indemnities**

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and details of the costs are disclosed in Note 13 to the accounts.

**d. Method of recruitment and appointment or election of Trustees**

The management of the Trust is the responsibility of the Trustees who are co-opted under the terms of the Articles of Association. The St Edmundsbury and Ipswich Academies Umbrella Trust is entitled to appoint two Trustees and each Academy Local Governing Body is entitled to nominate one Trustee who is appointed by the Members.

Directors' skills and areas of expertise are reviewed regularly; before new directors are co-opted to the board, their skills and areas of expertise are carefully considered to ensure that the board has the required skill set overall to fulfil its duties.

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

Trustees are appointed for a fixed term of four years. The Chief Executive Officer (CEO) is an ex officio member of the MGB. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 10 Trustees plus the CEO.

**e. Policies and procedures adopted for the induction and training of Trustees**

The training and induction of new Trustees will depend on their existing experience. Newly appointed Trustees are contacted in writing by the chair to welcome them and to affirm expectations. All new Trustees will be offered a tour of the academies to meet staff and pupils. All Trustees are introduced to the policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. As there is expected to be low turnover of Trustees, induction will be carried out informally and will be tailored specifically to the individual.

**f. Organisational structure**

Thedwastre Education Trust operates four smaller than average Primary Academies in Suffolk. When the last census was taken (October 2017) the trust had a pupil capacity of 770 and it had a roll of 698.

The trust includes the following Academies:

- Great Barton Church of England Primary Academy
- Thurston Church of England Primary Academy
- Rattlesden Church of England Primary Academy
- Woolpit Primary Academy

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Trust was set up with a management structure to support the delivery of high-quality education. The structure consists of two levels: The Board of Directors is responsible for the strategic direction of the Trust and the Leadership Group that is responsible for the day-to-day running of the academies. In addition, each academy has a Local Governing Body (LGB) that acts as a committee of the Board of Directors and has delegated authority determined according to the Scheme of Delegation.

The Directors (who are Trustees) are responsible for setting strategic policy, adopting an annual plan and budget, monitoring the use of budgets and making major decisions about the direction of the trust, capital expenditure, trust-wide contracts and senior staff appointments.

In addition the operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance Committee. Throughout this report the Board of Trustees is referred to as the Main Governing Body (MGB). Each Academy has appointed Local Governing Bodies (LGB) who have delegated authority to administer their Academy within agreed budgets.

Within this Report the term Trustee refers to a member of the MGB and the term Governor to a member of an LGB. Details of the Trustees who served during the year are included in the Reference and Administrative Details section on page 1.

The Governors of each Local Governing Body are responsible for implementing Trust policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget within authorized limits.

The Leadership Group consists of the Headteacher of each Academy and the Chief Executive. This Group are responsible for leading the trust on a day-to-day basis, organising the teaching staff, facilities and pupils. The Leadership Group control the operation of the Trust at an executive level under the direction of the Chief Executive, implementing the policies laid down by the Directors and reporting back to them. The Leadership Group ensures that the work of individual academies and LGBs aligns with the strategic aims of the Trust as a

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

whole.

The Headteacher of each Academy, with the support of senior staff, is responsible for implementing policies and reporting to the LGB, and for the day-to-day operation of the Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Chief Executive Officer acts as the Chair of the Leadership Group and the accounting officer and has ultimate accountability for the performance of the academies.

**g. Pay policy for key management personnel**

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Except for the Chief Executive Officer, Trustees receive no remuneration from the Trust.

The Trust applies the guidance of the School Teachers Pay and Conditions Document to all leadership roles. The remuneration for Headteachers is recommended by the Headteacher's Performance Management Committee of the Local Governing Body of the Academy for which they are responsible based on their achievement of the objectives set for them during the year. Each Headteacher's Performance Management Committee is advised by an external adviser appointed by the Trust. The salary point (Headteacher Pay and Conditions) for the responsibilities of the Chief Executive Officer is determined by the Trust Board based on the overall number of pupils in the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is advised by the HR Committee and approved by the Board of Directors.

**h. Relevant union officials**

The trust has no trade union officials that require trade union facility time.

**i. Connected organisations, including related party relationships**

Owing to the nature of the Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board of Directors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Thurston Partnership. The Trust is part of, and contributes to, the running costs of the Thurston Partnership, a group of local schools who work together on joint projects and agree joint policies in limited areas. One of the Trustees (Rachel Gooch, resigned 01/09/17) is a paid employee of the Thurston Partnership.
- Thurston Partnership School Company. Individual academies are Members of the Thurston Partnership School Company (company number 08318298), a dormant company.

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

- CASSA. Our academies are strategic partners of the Cambridge and Suffolk Schools Alliance, a teaching schools alliance that offers continuous professional development, ITT, school-to-school support and access to range of other professional support services.

The Trust does not have a formal sponsor.

**Objectives and Activities**

**a. Objects and aims**

The principal object and aim of Thedwastre Education Trust is the operation of a number of Academies to provide free education and care for pupils of different abilities within its local community between the ages of 4 and 11.

The Trust aims to provide the best possible education for all the children in its care by providing a structure of school-to-school support and challenge. *We wish to develop our children as rounded individuals who leave the schools well prepared for the next stage of their education – a broad and balanced education is an essential part of this aim.*

We have continued our work to establish Thedwastre Education Trust on a firm basis, developing sustainable structures and processes that allow the Trust to harness the talents of all the staff within the academies to work towards achieving our aims.

The Trust has focused on the following key priorities during 2017-18:

- Improve the rate of progress and attainment levels for all groups of learners, aiming to exceed national outcomes in all academies
- Develop the highest standards of teaching and learning in every academy through effective support and by challenging all staff
- Ensure the organisation supports the wellbeing of all, leading to high staff retention rates, ability to attract new staff and pupils and enthusiasm and enjoyment for learning which is transmitted to all pupils.
- Build strong leadership and governance throughout the MAT.
- Build a strong MAT infrastructure to support the drive for excellence in every academy and the ability to support MAT growth in the future.

**b. Public benefit**

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**c. Key Actions**

- Following the successful recruitment of the three new Headteachers, the Trust has enabled their successful induction into the role, and is very pleased with the impact they have made in year one.
- Termly MAT moderation has taken place across Reading, Writing and Maths to enable the sharing of best practice and ideas. This has supported the greater cross-Academy working of the respective Subject Leads.
- Insight tracking has improved our ability to more accurately forecast outcomes and intervene accordingly.



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

- Following the decision of the existing CEO to retire, the Board was pleased to recruit Philip Mackay to start in September 2018.
- Our external adviser also advised us of her intention to reduce her hours, the Board is pleased to recruit Judith Mason to work alongside the Heads and CEO.
- Rachael Gilbert and David Olney joined as Trustees through Academy Ambassadors during the year, and have already had a positive impact.

**d. Activities for achieving objectives**

It has been pleasing to see improvements in outcomes this year; new strategies have started to show impact across the Trust. New headteachers have made an excellent start and staff and pupils are settled. Staff have been supported to raise attainment in English and Maths in particular, through the Talk for Writing approach and Maths Mastery. Significant funding was secured through CASSA and SSIF bids to train key staff in Maths Mastery in every academy.

Our new data collection system has proved to be invaluable in helping staff to track the progress of every child and for monitoring progress and outcomes at trust level. We recognise that there is still more work to do at the end of KS2, particularly in writing and mathematics, but can see progress being made in each academy.

Mobility has settled this year and numbers are rising across the Trust; turbulence following School Reorganisation has now settled in the academies closest to Bury St Edmunds and stable staffing structures have encouraged growth in pupil numbers across the Trust.

The Trust Advisor and CEO have undertaken a series of half-termly visits to support school improvement and to monitor progress towards Trust priorities. The Advisor has provided invaluable support to new headteachers, and her robust challenge has led to many improvements. Where academies within the trust have demonstrated successful practice and improvement strategies, this has been shared and implemented across the Trust. The CEO has worked alongside new headteachers to support school improvement linked to the key priorities, to monitor data with senior staff and to promote leadership development. Subject/phase coordinators have worked together to share and embed good practice across the Trust and to scrutinise data to ensure that all academies continue to close gaps rapidly. Staff have worked relentlessly in all four academies to implement new ideas and strategies, some of which will need more time to embed. A significant factor in the future success of the academies is the stability that has returned following new headteacher and senior teacher appointments, particularly at Woolpit Primary Academy.

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

**Achievements and performance**

**Strategic report**

**a. Key performance indicators**

Ofsted outcomes (current)

Great Barton – 1

Thurston – 2

Rattlesden – 2

Woolpit – 3

**Early Years/ Year 1 and 2 Phonics**

	<b>Early Years Good Level of Development</b>	<b>Year 1 Phonics screening</b>	<b>Year 2 Phonics screening</b>
Great Barton	83%	83%	93%
Rattlesden	60%	73%	95%
Thurston	77%	86%	80%
Woolpit	74%	68%	71%
National	71.4%	82.7%	92%

All schools achieved outcomes above national with the exception of Rattlesden in Early Years. Great Barton and Thurston reported outcomes above national for phonics in year 1 and Great Barton and Rattlesden recorded outcomes in phonics in year 2 above national. Good progress is now being made to address the shortfalls against national in all schools. MAT average - above national

**Key Stage One (Year 2) teacher assessments (% at expected or above):**

	<b>Reading</b>	<b>Writing</b>	<b>Maths</b>
Great Barton	84%	68%	77%
Rattlesden	86	72%	72%
Thurston	77%	73%	77%
Woolpit	53%	53%	59%
National	76%	70%	76%

Reading exceeding national at Great Barton, Rattlesden, Thurston but was below at Woolpit. Maths was just above national at Great Barton and Thurston and below at Rattlesden and Woolpit. Writing was above national at Rattlesden and Thurston, but just below at Great Barton and below at Woolpit.

MAT averages in reading are in line with national, maths and writing are currently below but improving to close the gap.

**Key Stage 2 (Year 6) outcomes**

<b>School</b>	<b>Reading</b>	<b>Writing</b>	<b>Maths</b>
Great Barton	90%	70%	86%
Rattlesden	73%	79%	74%
Thurston	70%	77%	77%
Woolpit	68%	68%	52%
National (provisional)	75%	78%	76%

Reading exceeding national at Great Barton, just below at Rattlesden, below at Thurston and Woolpit, but in all academies results improved compared to 2017.

Maths was above national at Great Barton and Thurston, just below at Rattlesden and below at Woolpit. Again there were improvements in all academies compared to 2017.

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**FOR THE YEAR ENDED 31 AUGUST 2018**

Writing was above national at Rattlesden, just below in Thurston, below at Great Barton and Woolpit. Great Barton dipped this year but Woolpit made a significant improvement compared to 2017.

No academy was below the floor standard this year.

**The financial KPIs for the period were as follows:**

Staff Costs to Income - 77%

Government Funding to Total Income – 94%

Cash balances to Income - 11%

Current assets vs Current Liabilities – 2.9 to 1

**b. Going concern**

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

**c. Fundraising activities/Income generation**

On occasions, the trust organises fundraising events. This is always done in conjunction with staff of the trust who ensure fundraising conforms to recognised standards. The trust does not use professional fundraisers or involve commercial participators. In accordance with data protection regulations, permission is sought before marketing directly to individuals and on the rare occasion that marketing is undertaken this is neither unreasonably intrusive or persistent. There have been no complaints about fundraising this year.

**Financial review**

**a. Reserves policy**

The Trust held fund balances as at 31 August of £2,455,490 comprising of the pension deficit of £518,000, a restricted fixed asset fund of £2,693,437, restricted reserves of £40,107 and unrestricted reserves of £239,946. The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the receipt of management accounts. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose. The Trust maintains a medium-term financial forecast which shows how end of year reported reserves will be utilised for each academy. The Trust reviews the forecasts and actual results closely to ensure that the Trust continues for the foreseeable future and can react to unforeseen budget changes.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £335,994.

**b. Principal risks and uncertainties**

The Trust works with the LGB's in maintaining a central risk register identifying the major risks, to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the MGB with a formal review of the process undertaken on an annual basis as a minimum. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academies

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

at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- Each Academy within the Trust has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- Reputational - the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- Staffing - the success of the Academies is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- Fraud and mismanagement of funds - The Trust appointed an external company to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- Financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- Defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any Academy ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust and each Academy have continued to strengthen the risk management process throughout the year by improving the process and ensuring staff awareness.

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

**c. Principal funding**

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2018 the Trust received £2,894,667 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £3,231,191 on expenditure. The Trust brought forward from 16/17 £458 of restricted funds (excluding pension deficit) and £337,396 of unrestricted funding. The carry forward for 17/18 is £40,107 of restricted funding (excluding pension deficit) and £239,946 of unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £518,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

At the end of 2017/18, all academies within the Trust had positive balances. Balanced budgets for 2018-19 were achieved due to very careful financial management and further reductions, mainly in staffing costs. We are aware that we must seek further reductions to avoid in-year deficits for future years. The board reviews this at each meeting to ensure that plans to reduce spend are being implemented to bring cost in line with income within 3 years from opening for all academies. This has been made significantly more difficult due to the level of funding received and the additional costs all schools/academies are obliged to fund, despite changes to the National Funding Formula.

No significant changes have been made to the Financial Policies agreed since conversion in January 2016. These are reviewed annually and will be reviewed again at the beginning of the next academic year.

Funding has been used to support key development priorities in each academy, the additional costs associated with providing support for pupils with SEND, and staff training in key areas, including new headteacher mentoring.

**Plans for future periods**

**a. Future plans**

**Plans for Future Periods**

- Ensure school improvement is the focus of all senior leaders within the Trust
- Agree a new, broad vision and strategy for the MAT with the Local Governing Bodies and Heads.
- Review the Governance Structure to ensure efficiency and that we make best use of the skills of the individuals and that they are trained appropriately
- Identify priorities for cost savings and efficiency improvements to allow greater focus on our key goal of school improvement

**Trust priorities:**

- To reduce risk by moving all schools to good or better
- To continue the upward trends for the MAT, improving results in Maths and writing in particular at the end of KS1 and KS2 in every academy to ensure all pupils maintain or accelerate progress from starting points and are secondary ready at the end of Year 6;
- to continue to strengthen governance across the Trust, especially at board level
- to engage parents and improve communication across the trust
- to implement curriculum reviews so that every academy has an engaging, broad and challenging

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**FOR THE YEAR ENDED 31 AUGUST 2018**

curriculum which leads to good progress and attainment

- Review the progress of all disadvantaged pupils from starting points and the quality of support offered to help these pupils achieve in line with non-disadvantaged peers to close the gap and raise standards
- Develop leadership skills for all subject leaders, not just those leading core subjects, to ensure progress and outcomes improve in all subject areas

**b. Long term goals**

Longer term goals:

- Be ready to expand capacity (and manage the building projects), initially within current academies (Thurston, possibly Woolpit)
- To continue to be outward looking in our work, developing links with outside organisations to support teaching and learning
- To further review expenditure, procure cost-effective services and resources to ensure viability and best value for pupils
- To support all staff effectively to encourage high staff retention and development within the MAT
- To continue to develop our ability to provide effective CPD within and beyond the organisation, thereby improving our own expertise
- To continue to develop effective systems of support for pupils with SEND, mental health concerns and behavioural concerns so that every child thrives and achieves
- To continue to ensure that we provide mechanisms for effective sharing of good practice at every level throughout the Trust.

The Trust continued its mission to ensure that pupils achieved as well as possible in public examinations, but also in their enjoyment of learning and their personal and social skills. Each academy provided a wide range of extra curricular activities and supported Year 6 pupils in the transition to secondary education through a planned programme of activities.

Specific achievements were as follows:

- Support for new headteachers at Woolpit and Great Barton and continued support for the (now) substantive head at Rattlesden to ensure stability at all academies.
- Continued improvement in many outcomes across the academies.
- Effective sharing of good practice across the Trust and support for staff new to posts of responsibility.
- Regular moderation meetings to share good practice.
- Broad curriculum to engage and enthuse learners of all ages - school trips, visitors, Forest School sessions, instrumental tuition, wide range of sporting opportunities, competitive sports including inter-school competitions.
- Support of CASSA to enable us to benefit from successful SSIF bids to improve maths across the Trust through Maths Mastery training for ten teachers.
- Through CASSA, Mrs Rees and Mrs Lambert provided training for HLTA status. Six teaching assistants across the MAT undertook the training and successfully gained the status at the end of the summer term. These staff members are now trained to undertake higher level duties in schools, for the benefit of the

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**TRUSTEES' REPORT (continued)**  
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pupils.

- Support from, and involvement with, the Thurston Partnership, particularly in supporting mental health, mastery maths, enrichment activities, staff CPD and transition for Year 6 pupils.
- Wide range of additional opportunities on offer for pupils within and beyond the classroom.
- Addition of advisory committees (health and safety/premises; standards and outcomes) to the governance structure to support the Trustees and improve communication between MGB and LGBs.
- Effective transition arrangements for school leavers (Year 6) with positive feedback from pupils and parents.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2018 and signed on its behalf by:



**G McDonald**  
**Chair of Trustees**



**P Mackay**  
**CEO**

**THEDWASTRE EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of Responsibility**

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Gary McDonald, Chair of Trustees	7	8
Neville Horn	8	8
Pamela Frost	7	8
Ann Tate	4	8
Sarah Rees	8	8
Christopher Robinson - resigned 05/12/1017	3	3
Ruth Farell	5	8
Philip Mackay - appointed 01/09/18	0	0
David Olney - appointed 05/12/2017	4	4
Rachael Gilbert - appointed 05/12/2017	1	5
Rachel Gooch - resigned 01/09/2017	0	5

Rachael Gilbert and David Olney joined the Board partway through the Academic year as a Director. The Board continues to look to fill skills gaps, engaging with Academy Ambassadors to try and recruit quality individuals.

**Governance reviews:**

The Trust has conducted its Annual Governance Review and has brought in external support in order to assist with the Financial Governance to ensure Regulatory requirements are met. In addition, an internal structure review is underway to consider how better to structure communication and terms of reference between the Local Governing Bodies, the Trust Committees and the Board.

The Finance & Audit Committee is a sub-committee of the main board of governors. Its purpose is to address financial matters and monitor the trust's internal control framework and compliance with regulations. In addition to fulfilling its routine responsibility the committee has also set the financial policies for the trust and ensured compliance with the Fiscal Management and Governance arrangements that are academy trusts are required to adhere to, the committee was also responsible for the appointment of the Trust's auditors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Neville Horn	4	5
Ann Tate	2	5
Gary Mcdonald	3	5
Sarah Rees	5	5



**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

**Review of Value for Money**

As Accounting Officer, the CEO has responsibility for ensuring that the academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Reviewing its business function to ensure the effective operation of all finance and business functions
- Changed IT service provider to improve outcomes and value for money
- Urged the board of directors to consider a top slice arrangement to provide increased central support to academies within the Trust. Although not willing to take this step, the board has taken control of training budgets and insurance costs to ensure better value for money and accountability across the Trust.

The board of Trustees have been robust in their challenge of spending and budget allocation to ensure that each academy was able to set a balanced budget for 2017-18 and 2018-19.

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Thedwastre Education Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Audit 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 board of trustees has considered the need for a specific internal audit function and has decided to appoint SBM Services Limited as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the

**THEDWASTRE EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (continued)**

academy's financial systems. In particular the checks carried out in the current period included:

- Review of purchasing procedures.
- Review of income collection procedures.
- Review of payroll procedures.

On an annual basis, the auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Following review of purchasing, income collection and payroll procedures areas needing improvement were identified and an action plan to address these issues has been prepared.

**Review of Effectiveness**

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

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

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

Approved by order of the members of the board of trustees on 17 December 2018 and signed on their behalf, by:



**G McDonald**  
**Chair of Trustees**



**P Mackay**  
**Accounting Officer**

**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Thedwastre Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



**Mr P Mackay**  
**Accounting Officer**

Date: 17/09/2018

**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 17 December 2018 and signed on its behalf by:



**G McDonald**  
**Chair of Trustees**

**THEDWASTRE EDUCATION TRUST**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
THEDWASTRE EDUCATION TRUST**

**Opinion**

We have audited the financial statements of Thedwastre Education Trust (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

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

**THEDWASTRE EDUCATION TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
THEDWASTRE EDUCATION TRUST**

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

**Auditors' responsibilities for the audit of the financial statements**

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

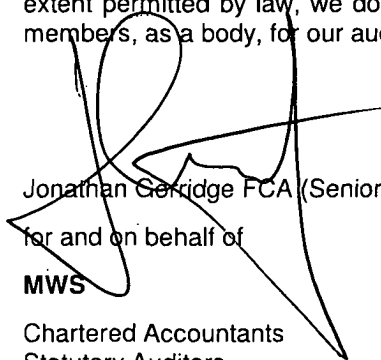
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**THEDWASTRE EDUCATION TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
THEDWASTRE EDUCATION TRUST**

**Use of our report**

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



Jonathan Gerridge FCA (Senior statutory auditor)

for and on behalf of

**MWS**

Chartered Accountants  
Statutory Auditors

Kingsridge House  
601 London Road  
Westcliff-on-Sea  
Essex  
SS0 9PE  
17 December 2018

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

In accordance with the terms of our engagement letter dated 28 February 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Thedwastre Education Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Thedwastre Education Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Thedwastre Education Trust's funding agreement with the Secretary of State for Education dated 23 December 2015, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

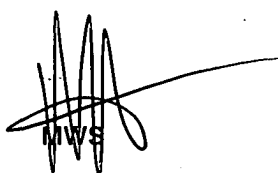


**THEDWASTRE EDUCATION TRUST**  
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
THEDWASTRE EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

**Conclusion**

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

A handwritten signature in black ink, consisting of several vertical strokes and a horizontal line, with the letters 'MWS' written below it.

Chartered Accountants  
Statutory Auditors

Kingsridge House  
601 London Road  
Westcliff-on-Sea  
Essex  
SS0 9PE

17 December 2018

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

		Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds 2017 (as restated)
	Note	2018 £	2018 £	2018 £	2018 £	2017 £
<b>Income from:</b>						
Donations and capital grants	2	57,143	5,490	23,628	86,261	67,881
Charitable activities	3	-	2,894,668	-	2,894,668	2,919,860
Other trading activities	4	128,584	-	-	128,584	139,983
Investments	5	505	-	-	505	389
<b>Total income</b>		<b>186,232</b>	<b>2,900,158</b>	<b>23,628</b>	<b>3,110,018</b>	<b>3,128,113</b>
<b>Expenditure on:</b>						
Charitable activities		4,557	3,226,634	77,014	3,308,205	3,273,020
<b>Total expenditure</b>	7	<b>4,557</b>	<b>3,226,634</b>	<b>77,014</b>	<b>3,308,205</b>	<b>3,273,020</b>
<b>Net income / (expenditure) before transfers</b>		<b>181,675</b>	<b>(326,476)</b>	<b>(53,386)</b>	<b>(198,187)</b>	<b>(144,907)</b>
Transfers between Funds	21	(279,126)	279,126	-	-	-
<b>Net expenditure before other recognised gains and losses</b>		<b>(97,451)</b>	<b>(47,350)</b>	<b>(53,386)</b>	<b>(198,187)</b>	<b>(144,907)</b>
Actuarial gains on defined benefit pension schemes	26	-	128,000	-	128,000	277,000
<b>Net movement in funds</b>		<b>(97,451)</b>	<b>80,650</b>	<b>(53,386)</b>	<b>(70,187)</b>	<b>132,093</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		337,396	(558,542)	9,658,437	9,437,291	2,393,584
Prior year adjustment (Note 20)		-	-	(6,911,614)	(6,911,614)	-
<b>Total funds carried forward</b>		<b>239,945</b>	<b>(477,892)</b>	<b>2,693,437</b>	<b>2,455,490</b>	<b>2,525,677</b>

**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 09896672**

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

	Note	£	2018 £	2017 (as restated) £
<b>Fixed assets</b>				
Intangible assets	15		17,999	25,164
Tangible assets	16		2,671,695	2,711,348
			<u>2,689,694</u>	<u>2,736,512</u>
<b>Current assets</b>				
Stocks	17	1,009		692
Debtors	18	92,827		93,704
Cash at bank and in hand		335,994		399,684
		<u>429,830</u>		<u>494,080</u>
<b>Creditors:</b> amounts falling due within one year	19	(146,034)		(145,915)
<b>Net current assets</b>			<u>283,796</u>	<u>348,165</u>
<b>Total assets less current liabilities</b>			<u>2,973,490</u>	<u>3,084,677</u>
Defined benefit pension scheme liability	26	(518,000)		(559,000)
<b>Net assets including pension scheme liabilities</b>			<u><u>2,455,490</u></u>	<u><u>2,525,677</u></u>
<b>Funds of the academy</b>				
Restricted income funds:				
Restricted income funds	21	40,108		458
Restricted fixed asset funds	21	2,693,437		2,746,823
Restricted income funds excluding pension liability		<u>2,733,545</u>		<u>2,747,281</u>
Pension reserve		(518,000)		(559,000)
Total restricted income funds			<u>2,215,545</u>	<u>2,188,281</u>
Unrestricted income funds	21		<u>239,945</u>	<u>337,396</u>
<b>Total funds</b>			<u><u>2,455,490</u></u>	<u><u>2,525,677</u></u>

The financial statements on pages 24 to 51 were approved by the Trustees, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:



**G McDonald**  
**Chair of Trustees**



**P Mackay**  
**Accounting officer**

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

	Note	2018 £	2017 (as restated) £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	24	(57,629)	(147,202)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		505	389
Purchase of tangible fixed assets		(30,194)	(30,746)
Capital grants from DfE Group		23,628	23,774
<b>Net cash used in investing activities</b>		(6,061)	(6,583)
<b>Change in cash and cash equivalents in the year</b>		(63,690)	(153,785)
Cash and cash equivalents brought forward		399,684	553,469
<b>Cash and cash equivalents carried forward</b>	25	335,994	399,684

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

Thedwastre Education Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Going concern**

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

**THEDWASTRE EDUCATION TRUST**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.3 Income**

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

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

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

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

**1.4 Expenditure**

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

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

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

All expenditure is inclusive of irrecoverable VAT.

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

**1. Accounting policies (continued)**

**1.5 Intangible fixed assets and amortisation**

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Computer software	-	5 years straight line
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**1.6 Tangible fixed assets and depreciation**

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

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**1. Accounting policies (continued)**

Leasehold property	-	50 years straight line
Furniture and equipment	-	10 years straight line
Computer equipment	-	5 years straight line

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

A proportion of the land and buildings occupied by the academy has been provided by site trustees under mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

As the Academy Trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the trustees have concluded that the value of any land and buildings occupied by the academy trust under a Church Supplemental Agreement will not be recognised on the balance sheet of the Company.

In certain circumstances a two year Church Supplemental Agreement may give rise to a annual donation equal to the equivalent of rent not charged, an annual rental expense and a prepayment equal to the value of two years notional rent, if the value of rent not charged can be reliably measured. In this case of the aforementioned agreements it is the belief of the academy trust that the value of rent not charged cannot be reliably measured and as a result no amounts relating to the value of rent no charged have been recognised.

**1.7 Interest receivable**

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

**1.8 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.9 Stocks**

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

**1.10 Debtors**

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

**1.11 Cash at Bank and in hand**

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



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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

**1.12 Liabilities and provisions**

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

**1.13 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Amounts due to the academy'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 costs as detailed in note 19. 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 the academy's wholly owned subsidiary are held at face value less any impairment.

**1.14 Taxation**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.15 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.16 Fund accounting**

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

**1.17 Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The academy trust 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**2. Income from donations and capital grants**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	16,751	5,490	-	22,241	9,079
Educational trips and visits	40,392	-	-	40,392	35,028
Capital grants	-	-	23,628	23,628	23,774
	<u>57,143</u>	<u>5,490</u>	<u>23,628</u>	<u>86,261</u>	<u>67,881</u>
Total 2017	<u>44,107</u>	<u>-</u>	<u>23,774</u>	<u>67,881</u>	

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**3. Funding for Academy's educational operations**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	2,503,494	2,503,494	2,581,287
Other DfE/ESFA grants	-	325,043	325,043	284,909
	-	2,828,537	2,828,537	2,866,196
<b>Other government grants</b>				
Local authority grants	-	66,130	66,130	53,664
	-	66,130	66,130	53,664
	-	2,894,667	2,894,667	2,919,860
<b>Total 2017</b>	-	2,919,860	2,919,860	

**4. Other trading activities**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	2,613	-	2,613	2,019
Catering income	73,986	-	73,986	74,501
Services provided	46,921	-	46,921	55,457
Uniform sales	5,064	-	5,064	8,006
	128,584	-	128,584	139,983
<b>Total 2017</b>	139,983	-	139,983	

**5. Investment income**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Short term deposits	505	-	505	389
<b>Total 2017</b>	389	-	389	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Support costs**

	<b>Educational Operations</b>	<b>Total 2018</b>	<i>Total 2017 (as restated)</i>
	£	£	£
Pension income	14,000	14,000	16,000
Depreciation	77,014	77,014	71,896
Technology costs	52,941	52,941	54,450
Premises costs	189,373	189,373	189,917
Other support costs	200,432	200,432	169,354
Wages and salaries	125,176	125,176	130,276
National insurance	4,346	4,346	4,147
Pension cost	33,083	33,083	33,932
	<u>696,365</u>	<u>696,365</u>	<u>669,972</u>
<i>Total 2017 (as restated)</i>	<u>669,972</u>	<u>669,972</u>	

**7. Expenditure**

	<b>Staff costs</b>	<b>Premises</b>	<b>Other costs</b>	<b>Total</b>	<i>Total 2017 (as restated)</i>
	2018 £	2018 £	2018 £	2018 £	£
Educational Operations:					
Direct costs	2,244,000	-	367,840	2,611,840	2,603,049
Support costs	162,605	180,549	353,211	696,365	669,972
	<u>2,406,605</u>	<u>180,549</u>	<u>721,051</u>	<u>3,308,205</u>	<u>3,273,021</u>
<i>Total 2017 (as restated)</i>	<u>2,400,446</u>	<u>191,225</u>	<u>681,350</u>	<u>3,273,021</u>	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>Total</b>	<i>Total 2017 (as restated)</i>
	2018 £	2018 £	2018 £	£
Educational Operations	<u>2,611,840</u>	<u>696,365</u>	<u>3,308,205</u>	<u>3,273,021</u>
<i>Total 2017 (as restated)</i>	<u>2,603,049</u>	<u>669,972</u>	<u>3,273,021</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Net income/(expenditure)**

This is stated after charging:

	<b>2018</b>	<i>2017 (as restated)</i>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>69,849</b>	<i>53,897</i>
Amortisation of intangible fixed assets	<b>7,165</b>	<i>6,673</i>
Auditors' remuneration - audit	<b>9,600</b>	<i>8,270</i>
Auditors' remuneration - other services	<b>2,000</b>	<i>2,290</i>
Operating lease rentals	<b>682</b>	<i>984</i>
	<hr/> <hr/>	<hr/> <hr/>

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

**10. Staff costs**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,833,307	1,827,231
Social security costs	128,443	135,126
Operating costs of defined benefit pension schemes	403,032	379,342
	<u>2,364,782</u>	<u>2,341,699</u>
Agency staff costs	41,823	58,747
	<u><u>2,406,605</u></u>	<u><u>2,400,446</u></u>

**b. Staff numbers**

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

	2018 No.	2017 No.
Teaching	36	41
Admin and support	69	74
Management	9	8
	<u>114</u>	<u>123</u>

**c. Higher paid staff**

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

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

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £302,312 (2017: £257,075).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Central services**

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

- Finance and support services

The academy charges for these services on the following basis:

Number of pupils attending each school

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Thurtson Primary School	30,405	25,740
Great Barton Primary School	30,570	25,740
Woolpit Primary School	26,142	16,091
Rattlesden Primary school	18,160	21,355
	<u>105,277</u>	<u>88,926</u>
Total		

**12. Trustees' remuneration and expenses**

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

	2018 £	2017 £
Sarah Rees, Head teacher and CEO		
Remuneration	30,000-35,000	60,000-65,000
Pension contributions paid	0-5,000	10,000-15,000

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £489 to Trustees).

**13. 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.

**14. Other finance income**

	2018 £	2017 £
Interest on pension scheme liabilities	<u>(14,000)</u>	<u>(16,000)</u>



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**15. Intangible fixed assets**

	Computer software £
<b>Cost</b>	
At 1 September 2017 and 31 August 2018	35,827
<b>Amortisation</b>	
At 1 September 2017	10,663
Charge for the year	7,165
At 31 August 2018	17,828
<b>Carrying amount</b>	
At 31 August 2018	17,999
At 31 August 2017	25,164

**16. Tangible fixed assets**

	Leasehold property (as restated) £	Furniture and equipment £	Computer Hardware £	Total £
<b>Cost</b>				
At 1 September 2017	2,664,580	113,418	43,886	2,821,884
Additions	-	24,531	5,665	30,196
At 31 August 2018	2,664,580	137,949	49,551	2,852,080
<b>Depreciation</b>				
At 1 September 2017	75,793	16,412	18,331	110,536
Charge for the year	43,311	14,505	12,033	69,849
At 31 August 2018	119,104	30,917	30,364	180,385
<b>Net book value</b>				
At 31 August 2018	2,545,476	107,032	19,187	2,671,695
At 31 August 2017	2,588,787	97,006	25,555	2,711,348

A proportion of the land and buildings occupied by the Academy has been provided by site trustees under mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

As the Academy Trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the trustees have concluded that the value of any land and buildings occupied by the academy trust under a Church Supplemental Agreement will not be recognised on the balance sheet of the Company.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Stocks**

	2018	2017
	£	£
Finished goods and goods for resale	1,009	692
	<u>1,009</u>	<u>692</u>

**18. Debtors**

	2018	2017
	£	£
Trade debtors	610	-
Other debtors	24,673	27,585
Prepayments and accrued income	67,544	66,119
	<u>92,827</u>	<u>93,704</u>

**19. Creditors: Amounts falling due within one year**

	2018	2017
	£	£
Trade creditors	14,249	30,308
Other taxation and social security	33,769	33,645
Accruals and deferred income	98,016	81,962
	<u>146,034</u>	<u>145,915</u>

	2018	2017
	£	£
<b>Deferred income</b>		
Deferred income at 1 September 2017	63,222	64,240
Resources deferred during the year	68,810	63,222
Amounts released from previous years	(63,222)	(64,240)
Deferred income at 31 August 2018	<u>68,810</u>	<u>63,222</u>

At the balance sheet date the trust was holding funds received in advance for:  
Grants received in advance of entitlement - £60,417  
Trips- £6,854  
Rates relief - £1,539

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

**20. Prior year adjustment**

**Land and Buildings**

Occupied under a 2 year Church Supplemental agreement

A portion of the land and buildings occupied by the Academy Trust is held under a licence to occupy, which can be withdrawn on 2 years notice.

Following updated advice the Academy has changed the way it represents use of premises belonging to the Diocese of St Edmundsbury and Ipswich. As the Academy Trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the trustees have concluded that the value of any land and buildings occupied by the academy trust under a Church Supplemental Agreement will not be recognised on the balance sheet of the company.

Depreciation on land

During the process of agreeing the revised accounting treatment of land and buildings occupied under a licence the the Academy Trust has also reviewed and subsequently elected to amend it's depreciation policy for land (previously 50 years). Following removal of land and buildings held under a two year licence the remaining land held is under a 125-year lease with Suffolk County Council. It is the belief of the trustees that these leases held will be renewed during the lease term at nil cost to the trust. For this reason the land is considered to not have a finite economic life and therefore should not be depreciated.

As these are material changes in accounting policy prior year amounts have been restated. The combined effect of these adjustments is as follows:

Net book value of Land and Buildings brought forward

As originally stated - £9,500,400

Prior year adjustment - £6,911,613

As restated - £2,588,787

Restricted fixed asset funds brought forward;

As originally stated - £34,492

Prior year adjustment - £162,160

As restated - £196,652

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

**21. Statement of funds**

	Balance at 1 September 2017 (as restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
Unrestricted funds	337,396	186,232	(4,557)	(279,126)	-	239,945
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	2,503,496	(2,773,716)	279,126	-	8,906
Other DFE/ESFA	-	325,043	(293,841)	-	-	31,202
Other grants	-	66,130	(66,130)	-	-	-
Other donations and restricted funds	458	5,489	(5,947)	-	-	-
Pension reserve	(559,000)	-	(87,000)	-	128,000	(518,000)
	<u>(558,542)</u>	<u>2,900,158</u>	<u>(3,226,634)</u>	<u>279,126</u>	<u>128,000</u>	<u>(477,892)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	2,658,217	-	(48,257)	-	-	2,609,960
Donations for fixed assets	4,086	-	(467)	-	-	3,619
Capital expenditure from GAG	63,252	-	(12,158)	-	-	51,094
ESFA Capital Grants	21,268	23,628	(16,132)	-	-	28,764
	<u>2,746,823</u>	<u>23,628</u>	<u>(77,014)</u>	<u>-</u>	<u>-</u>	<u>2,693,437</u>
Total restricted funds	<u>2,188,281</u>	<u>2,923,786</u>	<u>(3,303,648)</u>	<u>279,126</u>	<u>128,000</u>	<u>2,215,545</u>
Total of funds	<u>2,525,677</u>	<u>3,110,018</u>	<u>(3,308,205)</u>	<u>-</u>	<u>128,000</u>	<u>2,455,490</u>

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

**Restricted general funds and other restricted funds**

These relate to the Academy's development and operational activities.

**Restricted fixed asset fund**

These grants relate to capital funding to carry out works of a capital nature.

**Pension reserve**

The pension reserve relates to the Academy's share of the deficit of the Local Government Pension Scheme.

**Restriction on surplus GAG**

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

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**21. Statement of funds (continued)**

**Analysis of academies by fund balance**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Thedwastre Education Trust (central services)	52,249	43,176
Great Barton	49,206	62,950
Thurtson	47,234	83,091
Rattlesden	78,197	91,310
Woolpit	53,167	57,327
Total before fixed asset fund and pension reserve	<b>280,053</b>	<b>337,854</b>
Restricted fixed asset fund	<b>2,693,437</b>	<b>2,746,823</b>
Pension reserve	<b>(518,000)</b>	<b>(559,000)</b>
Total	<b><u>2,455,490</u></b>	<b><u>2,525,677</u></b>

**Analysis of academies by cost**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Thurston	611,214	28,206	34,690	164,232	838,342	862,869
Great Barton	593,223	55,739	35,768	154,709	839,439	895,030
Woolpit	531,462	41,248	33,292	166,669	772,671	781,190
Rattlesden	398,481	37,411	31,366	122,803	590,061	639,446
Trust	109,620	-	6,368	74,688	190,676	111,515
	<b><u>2,244,000</u></b>	<b><u>162,604</u></b>	<b><u>141,484</u></b>	<b><u>683,101</u></b>	<b><u>3,231,189</u></b>	<b><u>3,290,050</u></b>

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**21. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 September 2016 (as restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 (as restated) £
<b>General funds</b>						
Unrestricted funds	386,924	136,209	(77,832)	(107,906)	-	337,395
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	2,581,853	(2,670,612)	88,759	-	-
Other DFE / ESFA	-	284,343	(286,203)	1,860	-	-
Other Grants	-	53,665	(53,665)	-	-	-
Other donations and restricted funds	-	87,791	(87,333)	-	-	458
Pension reserve	(771,000)	-	(65,000)	-	277,000	(559,000)
	<u>(771,000)</u>	<u>3,007,652</u>	<u>(3,162,813)</u>	<u>90,619</u>	<u>277,000</u>	<u>(558,542)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	2,718,816	-	(60,598)	-	-	2,658,218
Donations for fixed assets	4,553	-	(467)	-	-	4,086
Capital expenditure from GAG	54,289	-	(10,184)	19,147	-	63,252
ESFA Capital Grants	-	23,774	(646)	(1,860)	-	21,268
	<u>2,777,658</u>	<u>23,774</u>	<u>(71,895)</u>	<u>17,287</u>	<u>-</u>	<u>2,746,824</u>
Total restricted funds	<u>2,006,658</u>	<u>3,031,426</u>	<u>(3,234,708)</u>	<u>107,906</u>	<u>277,000</u>	<u>2,188,282</u>
Total of funds	<u>2,393,582</u>	<u>3,167,635</u>	<u>(3,312,540)</u>	<u>-</u>	<u>277,000</u>	<u>2,525,677</u>

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A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 (as restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
Unrestricted funds	386,924	322,441	(82,389)	(387,032)	-	239,944
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	5,085,349	(5,444,328)	367,885	-	8,906
Other DFE / ESFA	-	609,386	(580,044)	1,860	-	31,202
Other Grants	-	119,795	(119,795)	-	-	-
Other donations and restricted funds	-	93,280	(93,280)	-	-	-
Pension reserve	(771,000)	-	(152,000)	-	405,000	(518,000)
	<u>(771,000)</u>	<u>5,907,810</u>	<u>(6,389,447)</u>	<u>369,745</u>	<u>405,000</u>	<u>(477,892)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	2,718,816	-	(108,855)	-	-	2,609,961
Donations for fixed assets	4,553	-	(934)	-	-	3,619
Capital expenditure from GAG	54,289	-	(22,342)	19,147	-	51,094
ESFA Capital Grants	-	47,402	(16,778)	(1,860)	-	28,764
	<u>2,777,658</u>	<u>47,402</u>	<u>(148,909)</u>	<u>17,287</u>	<u>-</u>	<u>2,693,438</u>
	<u>2,006,658</u>	<u>5,955,212</u>	<u>(6,538,356)</u>	<u>387,032</u>	<u>405,000</u>	<u>2,215,546</u>
Total of funds	<u>2,393,582</u>	<u>6,277,653</u>	<u>(6,620,745)</u>	<u>-</u>	<u>405,000</u>	<u>2,455,490</u>

**22. Transfer between funds**

Funds have been transferred in respect of the following:

£279,126 has been transferred from the unrestricted fund to the restricted fund in order to cover the excess of restricted expenditure over restricted income.

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**23. Analysis of net assets between funds**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Intangible fixed assets	-	-	17,999	17,999
Tangible fixed assets	-	-	2,671,696	2,671,696
Current assets	239,945	186,141	3,742	429,828
Creditors due within one year	-	(146,033)	-	(146,033)
Provisions for liabilities and charges	-	(518,000)	-	(518,000)
	<u>239,945</u>	<u>(477,892)</u>	<u>2,693,437</u>	<u>2,455,490</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2017 (as restated) £	Restricted funds 2017 (as restated) £	Restricted fixed asset funds 2017 (as restated) £	Total funds 2017 (as restated) £
Intangible fixed assets	-	-	25,164	25,164
Tangible fixed assets	-	-	2,711,346	2,711,346
Current assets	337,396	146,370	10,313	494,079
Creditors due within one year	-	(145,912)	-	(145,912)
Provisions for liabilities and charges	-	(559,000)	-	(559,000)
	<u>337,396</u>	<u>(558,542)</u>	<u>2,746,823</u>	<u>2,525,677</u>

**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	2018 £	2017 (as restated) £
Net expenditure for the year (as per Statement of Financial Activities)	(198,187)	(144,907)
<b>Adjustment for:</b>		
Depreciation charges	77,014	71,895
Dividends, interest and rents from investments	(505)	(389)
(Increase) / Decrease in stocks	(317)	356
Decrease / (Increase) in debtors	874	(14,732)
Increase / (Decrease) in creditors	120	(100,651)
Capital grants from DfE and other capital income	(23,628)	(23,774)
Defined benefit pension scheme cost less contributions payable	73,000	49,000
Defined benefit pension scheme finance cost	14,000	16,000
<b>Net cash used in operating activities</b>	<u>(57,629)</u>	<u>(147,202)</u>



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**25. Analysis of cash and cash equivalents**

	2018 £	2017 £
Cash in hand	335,994	399,684
Total	<u>335,994</u>	<u>399,684</u>

**26. Pension commitments**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Suffolk County Council. Both are Multi-employer defined benefit pension schemes.

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

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

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

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**26. Pension commitments (continued)**

The employer's pension costs paid to TPS in the period amounted to £203,872 (2017 - £201,328).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £152,000 (2017 - £154,000), of which employer's contributions totalled £126,000 (2017 - £129,014) and employees' contributions totalled £26,000 (2017 - £25,515). The agreed contribution rates for future years are 26% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.70 %	2.70 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %
Inflation assumption (CPI)	2.40 %	2.40 %

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

	2018	2017
Retiring today		
Males	21.9	21.9
Females	24.4	24.4
Retiring in 20 years		
Males	23.9	24.3
Females	26.4	26.9

	At 31 August 2018	At 31 August 2017
<b>Sensitivity analysis</b>	£	£
0.5% decrease in real discount rate	186,000	157,000
0.5% increase in the Salary Increase Rate	23,000	24,000
0.5% increase in the Pension Increase Rate (CPI)	161,000	130,000

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**26. Pension commitments (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	580,000	511,000
Corporate bonds	253,000	157,000
Property	94,000	75,000
Cash and other liquid assets	9,000	8,000
Total market value of assets	<u>936,000</u>	<u>751,000</u>

The actual return on scheme assets was 5.0% (2017 - 8.3%).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(199,000)	(179,000)
Net Interest cost	(14,000)	(16,000)
Total	<u>(213,000)</u>	<u>(195,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	1,310,000	1,351,000
Current service cost	199,000	179,000
Interest cost	35,000	29,000
Employee contributions	26,000	26,000
Actuarial gains	(109,000)	(259,000)
Benefits paid	(7,000)	(16,000)
Closing defined benefit obligation	<u>1,454,000</u>	<u>1,310,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	751,000	580,000
Interest income	21,000	13,000
Actuarial gain / (loss)	19,000	18,000
Employer contributions	126,000	130,000
Employee contributions	26,000	26,000
Benefits paid	(7,000)	(16,000)
Closing fair value of scheme assets	<u>936,000</u>	<u>751,000</u>

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**27. Operating lease commitments**

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

	2018 £	2017 £
<b>Amounts payable:</b>		
Within 1 year	1,598	1,136
Between 1 and 5 years	2,970	1,136
Total	<u>4,568</u>	<u>2,272</u>

**28. Members' liability**

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

**29. Related party transactions**

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

A proportion of the land and buildings occupied by the Academy has been provided by site trustees under mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period. The licence is held between the Academy Trust and the Boards of Finance and the board of Education of the Diocese of St Edmundsbury and Ipswich.

Since no notice has been given, the Academy Trust has the right to occupy the premises for at least two years following the balance sheet date

As the Academy Trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the trustees have concluded that the value of any land and buildings occupied by the academy trust under a Church Supplemental Agreement will not be recognised on the balance sheet of the company.

In certain circumstances a two year Church Supplemental Agreement may give rise to a annual donation equal to the equivalent of rent not charged, an annual rental expense and a prepayment equal to the value of two years notional rent, if the value of rent not charged can be reliably measured. In this case of the aforementioned agreements it is the belief of the academy trust that the value of rent not charged cannot be reliably measured and as a result no amounts relating to the value of rent no charged have been recognised.

During the period no purchases were made from any companies controlled by Mary Myatt (2017: £190).

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**30. Controlling party**

There is no ultimate controlling party.