

Registered number: 10253931

Whinless Down Academy Trust
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2018



Whinless Down Academy Trust
(A company limited by guarantee)

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Whinless Down Academy Trust
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Reference and administrative details
For the year ended 31 August 2018

Members

Mrs Sheila Wilding (resigned 22 November 2017)
Mrs Rhian Potts
Mrs Claire Jones
Mrs Patricia Sherling
Mrs Alison Mackintosh
Mr Gordon Newton (appointed 12 October 2017)

Trustees

Mr Malcolm Bowler
Mrs Alison Mackintosh, Chair of Trustees
Mrs Michelle Noden
Mrs Carol Rayfield
Mrs Patricia Sherling, Vice Chair
Mrs Anne Siggins
Mrs Victoria Smith
Mrs Katie Wratten (resigned 12 October 2017)
Mr David Mellon (appointed 30 November 2017)
Mrs Claudia Sawyers (appointed 30 November 2017)

Company registered number

10253931

Company name

Whinless Down Academy Trust

Principal and registered office

Priory Fields School
Astor Avenue
Dover
Kent
CT17 0FS

Senior management team

Mrs Anne Siggins, Executive Head Teacher
Mrs Michelle Noden, Academy Business Manager
Mrs Helen Seeley, Head of School, Priory Fields School
Mrs Rachel Appleby (Suckling), Head of School St Martin's
Miss Kelly Brown, Head of School Vale View
Mrs Shara Wheeler, Assistant Headteacher Priory Fields
Mrs Helen Thompson, Assistant Headteacher, St Martin's

Independent auditors

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

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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 plc
25 Gresham Street
London
EC2V 7HN

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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 auditors' report of the charitable company for the period 1 September 2017 to 31 August 2018. The Annual Report serves the purposes of both a trustees' report, and a director's report under company law.

The trust operates 3 primary academies for pupils aged 4 to 11 in Dover Kent. Priory Fields School has been part of the Priority School's Building Project and the new build was completed in September 2018 when the school transferred from the old building into the new one. Vale View requested to join the Academy and this was achieved in January 2018. Its academies have a combined pupil capacity of 896 and had a roll of 849 in the school's autumn census 2018.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association dated 28 June 2016 are the primary governing documents of the Academy Trust.

The Trustees act as the Trustees for the charitable activities of Whinless Down Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Whinless Down Academy Trust.

The Academy Trust also trades under the individual names of each school within the Multi-Academy Trust;

- Priory Fields School
- St Martins School
- Vale View School

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

Members' Liability

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

Trustees' Indemnities

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where a UK government funds cover losses that arise. This scheme protects the 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.

Principal Activities

The Academy's main objective 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 the schools within the Trust. This is achieved by offering a broad and balanced curriculum within settings and providing an ethos where everyone is able to achieve, feel valued and safe and secure.

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Trustees' report (continued)
For the year ended 31 August 2018

Method of Recruitment and Appointment or Election of Trustees

The Members of the Academy Trust shall comprise the signatories to the Memorandum and Articles of Association. The number of Trustees shall not be less than three, but shall not be subject to a maximum.

The Charity's Articles of Association set out the constitution and method of appointment of the Trustee body, including parent Trustees who are elected in accordance with Department of Education guidelines. Suitability of Trustees is determined by their interest in the work of the charity, eligibility and personal competence and to ensure the Trustee body has the breadth of skills and knowledge necessary to advance the Academy in all areas.

The Board of Trustees is made up of 9 trustees:

- Seven Co-opted Trustee (of which one is a Local Governing Body Chair)
- The Executive Headteacher.
- One staff Trustee,
- (Parent representation is provided on the Local Governing Body).

Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

The Trustee body and Executive Headteacher believe that it is essential that all directors and governors receive an appropriate induction process. This would include a tour of the academy and a chance to meet staff, pupils, the Head of Schools and the Chair of the Board with a view to ensuring the Trustee has good understanding of the Academies vision and values and the day to day operation. All Trustees and LGB Members are required to complete a Skills audit to enable the board to identify training needs and gaps within our skills base.

Although no formal training programme exists for the Trustees within the Academy they are allocated a 'Buddy' for support. Trustees are encouraged to participate in training programmes, through participation in appropriate and relevant training courses arranged by the Academy. Training that has taken place over the year includes, ISDR training, SEF workshops, understanding data and the Chair has been attending the Training for Chairs provided by the National Governance Association (NGA) and the Clerk to the Trust and LGBs have also been enrolled onto NGA clerk training.

We see training and development of Trustees and Governors as an important requirement to ensure they are able to undertake their duties which will lead to more effective governance.

The Trust has a comprehensive policy schedule which ensures that policies are reviewed in a timely manner. Statutory policies are available on each of the school's websites and a range of other policies are also available both on the website and via the school office.

Organisational Structure

The management structure of the academy consists of four levels: The Whinless Down Academy Trust Board, The Finance and Strategic Audit Committee (FSAC), The Local Governing Bodies and the Academy Executive and Leadership Teams.

The Board of Trustees role in the Academy Trust is essentially a strategic one acting on advice from the Executive Headteacher and other external monitoring bodies. The Board of Trustees are responsible for setting general policy, adopting an annual plan and budget monitoring for the Academies by the use of budget reports and making strategic decisions about the direction of the Whinless Down Academy Trust, capital expenditure and senior staff appointments.

The Board of Trustees has delegated the day to day management of the academies to the Executive Headteacher. The key role of the Executive Headteacher is setting the strategy and vision for the Trust, building its culture and the creation and development of teams that work in and across the Trust. The Board holds the Executive Headteacher to account.

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Trustees' report (continued)
For the year ended 31 August 2018

The Trust Board delegate functions to the FSAC committee as per the Scheme of Delegation. They meet at least three times a year and are involved in the monitoring and preparation of the budgets for each school. They ensure that both internal and external audits are completed and actions are promptly addressed.

The Trust Board delegate functions to the Local Governing Bodies as per the Scheme of Delegation. They meet six times a year and are involved in the monitoring of standards, the quality of teaching and learning and personal development, behaviour and welfare. The Local Governing Body feed information to the Trustees via the Trustee with the relevant responsibility.

The Academy Executive and Leadership Team consists of Executive Headteacher, Head of Schools, Assistant Headteachers and the Academy Business Manager. These leaders control the Academy at school level implementing the policies laid down by themselves, the Local Governing Bodies or the Board of Trustees. As a group, the senior leadership team is responsible for the authorisation of spending within agreed budgets and the appointment of non-senior staff. Appointments for the post of Executive Headteacher and Academy Business Manager requires trustees authorisation and the Heads of School, will require the Local Governing Body's authorisation.

The Executive Headteacher is the accounting officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees will agree the salary level prior to the commencement of the recruitment process of a new Executive Headteacher. Trustees are required to review the Executive Headteacher's performance against previously set targets and to set new targets for the upcoming year. All pay increases must be linked to performance targets. This is delegated to a panel responsible for the Executive Headteacher's appraisal and they will be supported by an external consultant.

Heads of School pay is set using the formula within the pay and conditions document applicable at the time of appointment and within a range set by the Trust Board.

With existing members of the leadership team (including Head of School) the executive headteacher is required to review the leadership's team's performance against previously set targets and set new targets for the coming academic year. The Executive Headteacher may apply an inflationary increase and any discretionary increase as authorised by the Trustees. All pay increases must be linked to performance targets.

The Academy adheres to the School Teachers Pay and Conditions Document.

Clear expectations form the basis for all good performance relationships. The Executive Headteacher feeds back to the Local Governing Body on pay awards for staff other than senior leaders and feeds back to the Trustees for senior leaders. The committee responsible for the Executive Headteacher's appraisal feeds back to the Trustees regarding any pay decisions having consulted with an external advisor.

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Trustees' report (continued)
For the year ended 31 August 2018

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	242421

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1%-50%	1
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£482
The total pay bill	£453,237
The percentage of the total pay bill spent on the facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.11%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%
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Related Parties and other Connected Charities and Organisation

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from a cross section of the local and wider community, transactions may take place with organisations in which a Trustee has an interest. In the event of any transactions involving such connected organisations, interests are declared and transactions conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

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Trustees' report (continued)
For the year ended 31 August 2018

Objectives and Activities

The main objective of the Academy during the period ended 31 August 2018 are summarised below;

Objects and Aims

The principal object of the Academy is specifically restricted to the following; 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 schools offering a broad and balanced curriculum.

The goal of the Whinless Down Academy Trust is to improve the quality of education provided to all children in all schools within the trust. The schools within the Trust use each other as a resource to;

- Improving the quality of teaching and learning
- Improving the quality of leadership
- Improving the breadth of curriculum opportunities

These will lead to our ultimate goal: To improve and sustain the best Educational Outcomes for Primary Aged Children in our local communities.

The Trust values children's wellbeing and their education above all else, and puts the needs of children at the centre of its decision making.

Objectives, Strategies and Activities

The vision is for all Academies within the Trust to provide an education that prepares each and every child well for the next stage of their learning journey which in turn will ensure success throughout their adult life. To achieve this, the ethos within each academy is every child matters and every lesson counts. To realise this The Whinless Down Academy Trust is:

- Committed to providing a quality first education for pupils in our local area.
- Committed to improving the life chances of every child with whom they work.
- Committed to developing a culture in which the quality of teaching is seen as central.
- Committed to developing school leaders ensuring the highest quality leadership systems that work on drawing expertise across the Academy Trust.
- Committed to ensuring that all staff and children without fear of discrimination will be able to achieve success, feel safe, lead a healthy lifestyle and accomplish beyond original expectations.
- Committed to provide a wide range of sporting, cultural, musical and artistic experiences as well as an absolute understanding of the core skills.

The Whinless Down Academy Trust values diversity and seeks to give everyone an equal chance to learn, work and live free from discrimination or prejudice. We will work together to develop the potential of all pupils across all areas of learning, social, moral and cultural experiences and opportunities.

Pupils will be happy and motivated by the wider curriculum experienced at school. They will become independent learners, aware of how to learn and to manage their emotions to maximise their own learning experiences enabling them to face challenge and difficulty.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise and to work on their own initiative. Through their passion, teachers will enthuse and inspire others to explore new ideas.

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Trustees' report (continued)
For the year ended 31 August 2018

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trust runs an Academy for pupils in the primary phase (4-11) aspiring towards the highest possible standards for approximately 850 pupils. The schools within the Academy Trust are situated in the centre of Dover which has high social deprivation and many pupils are at the early stages of learning English.

The Academy aims to contribute benefit to the local community and has supported various community events during the year including the following;

- A range of local and national Charity events with donations going to, Race for Life, Sign to Sing, Sport Relief, Children In Need, Porchlight, The Poppy Appeal, Christmas Jumper Day
- Our Christmas and Summer Fairs are open to the local community and stalls are available to sell a variety of gifts and produce.
- Opportunities for pupils to participate in a range of sporting opportunities through The Dover School Games and The Kent School Games.
- The Academy belongs to a wider collaborative group including two other local schools. The range of activities that operate across the collaboration include, a Collaborative School Council tackling local issues such as recycling, dangerous parking in and around schools and litter, multi-various sports competitions, a singing extravaganza, and working with local secondary schools to secure improved transition.
- Links with local churches to support community events such as coffee mornings, carol concerts and harvest festivals.
- Pupils lay Poppy Wreaths at the Memorial in the town centre.
- The Academy supports many local activities organised by a range of different organisations including, The Astor Dance Festival, Christmas singing to the Aged, Music in the Town hall and the Local 'Switch On' event.
- The Academy offers a Holiday Sports Camp for pupils.

The Trust adopts the admission policies of the Local Education Authority in which it works. For full details see the individual school websites.

Strategic Report

Achievements and Performance

Pupils enter the Schools from a wide range of social, cultural and economic backgrounds; The Academies pride themselves on being inclusive Schools.

All Schools within the Academy achieved floor targets in the 2018 statutory tests and have been achieving floor targets since Acadamising.

EYFS 2017 Attainment Outcomes at Good Level of Development

School	All	Pupil Premium
Priory Fields	75%	68.8%
St Martin's	77.8%	50%
Vale View	67.9%	72.7%

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Trustees' report (continued)
For the year ended 31 August 2018

Year 1 Phonics 2017 Outcomes

School	% Achieving expected (all Children)	% Achieving expected (Pupil Premium)
Priory Field's	72.9%	68.4%
St Martin's	83.3%	66.7%
Vale View	51.7%	33.3%

Key Stage 1 Attainment Outcomes 2017

School	Reading (All)	Writing (All)	Maths (All)	Reading (PP)	Writing (PP)	Maths (PP)
Priory Fields	76.7%	76.7%	80%	70.4%	74.1%	77.8%
St Martin's	79.3%	69%	79.3%	100%	100%	100%
Vale View	73.3%	63.3%	73.3%	58.3%	50%	75%

Key Stage 2 Attainment 2017 Outcomes Combined - Reading, Writing and Mathematics, GPS

School	% Achieving expected (all Children)	% Achieving expected (PP)	GPS (All Children)
Priory Field's	66%	66.7%	76.6%
St Martins's	60%	60%	70%
Vale View	54.2%	54.5%	66.7%

To ensure that standards are continually raised the Academy operate a programme of internal and external reviews of curriculum areas and standards of teaching. This is externally quality assured through a rigorous monitoring programme with our external partners who include educational consultants and headteachers and leadership teams from other schools.

Going Concern

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

Key Performance Indicators

This is the second full year that the Trust has been in operation and early indications show that the schools are on an upward trend.

All Schools met the floor targets set by the government in 2018

School	Combined	Reading Progress	Writing Progress	Mathematics Progress	Floor Targets Met
Priory Fields	66%	-2.1	0.1	-0.7	Yes
St Martin's	60%	-2.2	0.2	-3.5	Yes
Vale View	54.2%	2.1	5.1	3.2	Yes

Rising roles demonstrate that schools within the MAT are increasing in popularity as parents choose to send their children to one of the schools within the MAT with all of the schools having a waiting list in some or all year groups. The appointment of Sports Coaches and music specialists demonstrates the Trust's commitments to ensuring pupils are able to access quality first teaching in these areas. This can be evaluated by the successes at both musical and sporting events in school and at both local and Kent level.

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Trustees' report (continued)
For the year ended 31 August 2018

Key Financial Performance Indicators

The Trustees are of the opinion that the following are key financial performance indicators for the Trust:

- Percentage of income received from the Education and Skills Funding Agency (ESFA) spent on teaching staff and total staff costs being 91%
- Pupil numbers which leads directly to the ESFA funding level, and;
- General funding expenditure.

Financial Review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) and the Local Authority in the form of recurrent grants, some of which are restricted to particular purposes. In addition the schools receive funds through lettings and funds raised by parents. The budgets for the schools are prepared by the FSAC and approved by the Trust Board. The budgets reflect the priorities of each school and The Trust. The financial position of each school is monitored by the Board's Finance Strategic and Audit Committee and thereafter the Trustee Board. The financial policies and procedures which have been approved by the Trustees comply with the Academies Financial Handbook and are implemented by the Trust and the schools.

When the accounts are consolidated, there is surplus of £3,982,314. This is following a actuarial valuation of pension deficit figure for the local government pension service. When the donated fixed assets, assets on conversion, the loss on disposal of the Priory Fields School building and actuarial gains are removed from the surplus, there is an overall deficit of £585,864.

A loan of £250,000 from KCC was transferred to the Academy on conversion to contribute to additional facilities as part of the PSBP for Priory Fields and is currently held in a 'short-term' investment bank account in preparation for the commencement of the repayment schedule. Repayments for the loan commenced in August 2016 which is reducing the capital borrowed and will continue to do so to a period of 10 years.

The new building has been completed although demolition works still continue. Funds will be required in stages over the next academic year to pay for the additional facilities agreed in 2013.

Reserves Policy

The Academy aims to maintain a level of reserves sufficient to provide a buffer against future funding uncertainties and to provide a fund to pay for any unexpected or unplanned for asset or maintenance need. The Trust will always ensure that they stay within the ESFA guidelines on levels and appropriate use of reserves.

The Trust's level of free reserves (total funds less the amount held in fixed assets and restricted funds) at the end of 31 August 2018 is £318,999.

The Academy Trust has a pension liability of £1,873,000 as at 31 August 2018 which is included in restricted reserves. The disclosure does not mean that the liability is already committed and is no longer available to the Trustees to further the Academy Trust's objectives. Parliament has agreed, at the request of the Secretary of State for Education, in the event of academy closure, outstanding Local Government Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. In the short term, the cash flow impact of having a pension scheme liability may be that employer contributions may increase to reduce the liability. The Academy Trust will always pay the employer contribution rates set by the pension scheme administrators.

Investment Policy

Investments must be made only when approved by the Trustees. The Trustees' policy is to invest surplus funds in low risk short term bank deposits that are easily accessible.

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Trustees' report (continued)
For the year ended 31 August 2018

Principal Risks and Uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy and its finances. Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on the Academy's operations including any operational procedures and internal financial controls. Appropriate insurances are in place.

The principal Risks to the Whinless Down Academy Trust have been identified as:

- 1) Failure to achieve the highest quality standards for children. In order to mitigate this risk Trustees ensure high quality recruitment and appraisal systems for all staff. Rigorous monitoring and accountability systems identify concerns promptly allowing for rapid interventions and swift actions to make the required changes.
- 2) Pupil numbers particularly should the EU Migrant Workers return to their homelands following Brexit. The Trustees are aware of fluctuations in pupil numbers and the ratios of teachers to pupils and regular reports ensure that these are kept within the parameters to prevent any future financial difficulties.
- 3) Maintenance budget for St Martin's School – Trustees are aware of the age of building and the need to ensure that a quality first education can be provided in a building designed for a 19th century system. Regular site walks and a maintenance programme support the upkeep. Application for CIF funding to be initiated in a timely manner should major works be required.
- 4) Health and Safety issues for Vale View School – Risks have been identified and an application for CIF funding to be initiated to remedy any major works required.
- 5) The effect of changes to future funding methodologies and general reductions in educational budgets. The Trustees produce and maintain budgets on a regular basis so that should any anticipated funding shortfalls occur suitable plans can be put in place to mitigate their effect.
- 6) The recruitment and retention of Local Governors with the necessary skills for the role.
- 7) The recruitment and retention of high quality teaching staff and support staff.
- 8) Technological risks from outside organisations particularly around GDPR.

Fundraising

All Schools within the Whinless Down Academy Trust engage in local fund-raising activities such as Christmas and Summer Fairs and activities initiated by the school council. This is complemented with several national events such as Children in Need, Red Nose Day and Christmas Jumper Day. Engagement for parents is voluntary which ensures there is no expectation that parents will contribute if they prefer not to or have hardship problems, this does not preclude pupils from participating. Monies collected are carefully monitored and counted conforming to standards to ensure that there is a rigorous process for collection and distributing as required. Receipts for monies donated are always received and displayed; this is also announced in the individual schools' newsletters. The Trust does not work with any commercial participators or professional fundraisers. At Vale View the process of fundraising is managed by a parent teacher association and documentation is in place to ensure that the process is as rigorous as the internal systems.

Plans for Future Periods

The Trust is not planning to grow in the near future. The Trust has considered becoming a sponsor academy, but has rejected this currently to allow for a period of consolidation following the addition of Vale View to the MAT in January 2018. This is to ensure that good practice is embedded and leadership growth can be maximised enabling the MAT the capacity before expansion. This will help when the decision is reversed to be well prepared, well planned and to have the capacity to ensure success.

The Senior Leadership Team of the Academy Trust provides all Trustees with a copy of each of the individual school's Improvement Plan which is a working document with seasonal milestones and Key Performance Indicators for the Trustees to benchmark against their own strategic plans for each school within the Multi-Academy Trust enabling them to assess achievements and next steps.

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Trustees' report (continued)
For the year ended 31 August 2018

Each of the schools knows their strengths and areas of development based on continual self-assessment and the School Improvement plans are developed through the self-assessment process. Individual subject leaders assess their outcomes and plan developments accordingly.

The Trust will continue striving to improve the levels of performance for all its pupils at all levels and continue to prepare pupils for the next steps in their learning journey.

The culture is one of openness and senior staff, teaching staff and support staff is clear about the need to collaborate and commit to their own professional development.

Funds held as Custodian Trustee on behalf of others

The Academy Trust does not hold such funds.

Provision of information to auditor

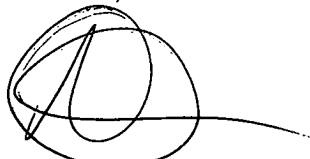
In so far as the Trustees are aware:

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

Auditors

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report, incorporating a strategic report, was approved by order of the board of Trustees, as the company's directors, on 6 December 2018 and signed on its behalf by:

A handwritten signature in black ink, consisting of a large, stylized 'A' with a horizontal line extending to the right.

Mrs Alison Mackintosh
Chair of Trustees

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Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Whinless Down Academy 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 4 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
Mrs Alison Mackintosh, Chair of Trustees	4	4
Mrs Patricia Sherling, Vice Chair	4	4
Mrs Carol Rayfield	3	4
Mrs Victoria Smith	3	4
Mr Malcolm Bowler	1	4
Mrs Anne Siggins	4	4
Mrs Michelle Noden	4	4
Mrs Claudia Sawyers	3	3
Mr David Mellon	2	3

Currently there are no vacancies on the Trust Board.

Although improved over the year, The Board are aware that the separation of duties between the Trust and Local Governor committees requires further work to strengthen the governance structure and this is still an aim for the coming year. The Board are aware of the skills required for the Board and are resolute to ensure that any appointment to the Trust Board will only be selected if the necessary skill set is evident. It is the continued recruitment of highly skilled Trustees that will support the development of the Trust.

Presentation and format of data has needed to be adapted throughout the year with the third school joining the MAT to recognise the performance of the whole MAT as opposed to the individual schools data. This enables Trustees to understand the position of each school within the Trust and the Trust as a whole. Trustees are aware of where significant improvement needs to be realised and the data helps to channel staff to secure the improvements. Financial reports are prepared for the individual schools but presented to allow analysis, discussion and challenge across the schools supporting the MAT as a whole.

Governance Statement Reviews:

- The Trust Board uses the Competency Framework for Governance Matrix to ensure that we are able to provide appropriate training and to recruit Trustees with skills that have been highlighted as requirement or desirable by the Trust Board.
- Following the governance self-evaluation in May 2018 Trustees were not fully understanding of their specific roles within the organisation. Subsequently, The Trust Board have devised a comprehensive Roles and Responsibilities document to ensure these are clearly understood and are now aware of both their specific role within the Trust, the wider implications and the duties of others.
- The Chair of the Trust Board has embarked on a Chair's National Training programme.
- The Clerk to the Trust Board and the Clerks to the Local Governing Body Committees have embarked on a clerk's National Training programme.
- The Trust Board will complete its governance self-evaluation in May 2019.

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Governance Statement (continued)

The Finance Strategy and Audit Committee (FSAC) is a sub-committee of the Trust Board and with Members from the LGB. Its purpose is to:

- To Prepare and set the Budget for the schools within the MAT.
- To monitor expenditure and income in line with set budget and school priorities as agreed within the individual school improvement plans.
- To challenge decisions and agree procurement routes through the consideration of competitive quotations and tendering process ensuring Best Value.
- To Benchmark school performance (both financial and academic) with local and national data and with 'like schools.'
- To be strategic in future planning and to assess potential risks to enable both sustainability and to plan for any funding implications.

During the year the Finance Strategy and Audit Committee had 3 meetings in the year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Carol Rayfield, (Chair of FSAC)	2	3
Mrs Anne Siggins	3	3
Mrs Michelle Noden	3	3
Mrs Alison Mackintosh, Chair of Trustees	3	3
Mrs Victoria Smith	3	3

Review of Value for Money

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

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

- Applying the principles of Best Value through challenging, comparing, consulting and competing.
- Using finance staff across schools to eliminate the need to employ external support.
- Purchasing ICT solutions across all schools.
- Using ICT staff/premises staff/sports coaches/EYFS lead to support across all schools
- Redistributing good furniture and resources following the move of Priory Fields School
- Sharing Resources such as the Mini-Buses
- Working in teams to reduce the workload of staff.
- Regular resource audit to ensure purchases are 'need based.'
- Delivering CPD opportunities across all schools in the MAT and providing small group opportunities for individuals – reducing the cost involved in attending courses.

Whinless Down Academy Trust
(A company limited by guarantee)

Governance Statement (continued)

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Whinless Down Academy 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 Trust 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 Trust'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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance Strategy 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 Kreston Reeves LLP as internal auditor.

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

- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of control account/bank reconciliations

On a termly basis, the auditor reports to the Board of Trustees through the Finance Strategy and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal auditor undertook visits during the year ending 31 August 2018, in which they carried out checks as detailed above. Although no serious weaknesses in the internal control systems were identified, a small number of recommendations were made and appropriate persons have been assigned to address these recommendations and report back to the internal auditor and Board. These recommendations will be followed up during the year ending 31 August 2019 and a report will be made to the Board of Trustees to confirm they have been addressed.

Whinless Down Academy Trust
(A company limited by guarantee)

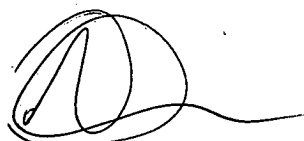
Governance Statement (continued)
Review of Effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 6 Dec 2018 and signed on their behalf, by:



Mrs Alison Mackintosh
Chair of Trustees



Anne Siggins
Accounting Officer

Whinless Down Academy Trust
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Whinless Down Academy 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.



Anne Siggins
Accounting Officer

Date : 6 Dec 2018

Whinless Down Academy 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 Strategic report, 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:

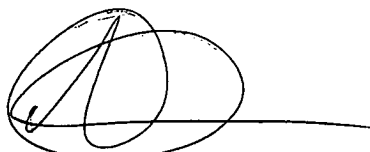
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 **6 Dec 2018** and signed on its behalf by:



Alison Mackintosh
Chair of Trustees

Whinless Down Academy Trust
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of Whinless Down Academy Trust

Opinion

We have audited the financial statements of Whinless Down Academy 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.

Whinless Down Academy Trust
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of Whinless Down Academy Trust

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 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.

Whinless Down Academy Trust
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of Whinless Down Academy Trust

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.

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

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

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

Whinless Down Academy Trust
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of Whinless Down Academy 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.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

Date: 7 December 2018

Whinless Down Academy Trust
(A company limited by guarantee)

Independent reporting accountants' assurance report on regularity to Whinless Down Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 23 October 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 Whinless Down Academy 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 Whinless Down Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Whinless Down Academy 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 Whinless Down Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Whinless Down Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Whinless Down Academy Trust's funding agreement with the Secretary of State for Education dated 1 August 2016, 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.

Whinless Down Academy Trust
(A company limited by guarantee)

Independent reporting accountants' assurance report on regularity to Whinless Down Academy Trust and the Education & Skills Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

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.

Kreston Reeves LLP

Kreston Reeves LLP

Reporting Accounting
Chartered Accountants

Canterbury

Date: *7 December 2018*

Whinless Down Academy Trust
(A company limited by guarantee)

Statement of financial activities incorporating income and expenditure account
For the year ended 31 August 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations & capital grants:						
Transfer on conversion from local authority	2	47,385	(464,000)	797,743	381,128	2,204,489
Donation from ESFA under Priority School Building Programme	2	-	-	4,573,386	4,573,386	-
Other donations and capital grants	2	13,646	-	241,373	255,019	17,125
Charitable activities	3	-	3,714,099	-	3,714,099	3,308,984
Investments	4	593	-	-	593	73
Other income	5	69,071	-	-	69,071	62,265
Total income		130,695	3,250,099	5,612,502	8,993,296	5,592,936
Expenditure on:						
Charitable activities	6	658	3,978,679	1,704,644	5,683,981	3,696,560
Total expenditure	7	658	3,978,679	1,704,644	5,683,981	3,696,560
Net income / (expenditure) before transfers		130,037	(728,580)	3,907,858	3,309,315	1,896,376
Transfers between Funds	18	(112,264)	(27,224)	139,488	-	-
Net income / (expenditure) before other recognised gains and losses		17,773	(755,804)	4,047,346	3,309,315	1,896,376
Actuarial gains/(losses) on defined benefit pension schemes	23	-	673,000	-	673,000	(352,000)
Net movement in funds		17,773	(82,804)	4,047,346	3,982,315	1,544,376
Reconciliation of funds:						
Total funds brought forward		301,226	(1,788,000)	3,031,150	1,544,376	-
Total funds carried forward		318,999	(1,870,804)	7,078,496	5,526,691	1,544,376

The notes on pages 28 to 51 form part of these financial statements.

The Statement of financial activities includes all gains and losses recognised in the year.

Whinless Down Academy Trust
(A company limited by guarantee)
Registered number: 10253931

Balance sheet
As at 31 August 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	13		7,168,965		3,031,150
Current assets					
Stocks	14	4,248		6,827	
Debtors	15	180,721		101,694	
Cash at bank and in hand		725,673		592,664	
		<u>910,642</u>		<u>701,185</u>	
Creditors: amounts falling due within one year	16	<u>(492,205)</u>		<u>(200,022)</u>	
Net current assets			<u>418,437</u>		<u>501,163</u>
Total assets less current liabilities			<u>7,587,402</u>		<u>3,532,313</u>
Creditors: amounts falling due after more than one year	17		<u>(187,711)</u>		<u>(199,937)</u>
Net assets excluding pension scheme liabilities			<u>7,399,691</u>		<u>3,332,376</u>
Defined benefit pension scheme liability	23		<u>(1,873,000)</u>		<u>(1,788,000)</u>
Net assets including pension scheme liabilities			<u><u>5,526,691</u></u>		<u><u>1,544,376</u></u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	18	2,196		-	
Restricted fixed asset funds	18	7,078,496		3,031,150	
Restricted income funds excluding pension liability		<u>7,080,692</u>		<u>3,031,150</u>	
Pension reserve		<u>(1,873,000)</u>		<u>(1,788,000)</u>	
Total restricted income funds			<u>5,207,692</u>		<u>1,243,150</u>
Unrestricted income funds	18		<u>318,999</u>		<u>301,226</u>
Total funds			<u><u>5,526,691</u></u>		<u><u>1,544,376</u></u>

The financial statements on pages 25 to 51 were approved by the Trustees, and authorised for issue, on 6 Dec 2018 and are signed on their behalf, by:


Alison Mackintosh
Chair of Trustees


Anne Siggins
Accounting Officer

Whinless Down Academy Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	20	373,983	614,220
Cash flows from investing activities:			
Interest from investments		593	73
Purchase of tangible fixed assets		(471,330)	(36,571)
Capital grants from DfE Group		241,373	14,942
Net cash used in investing activities		(229,364)	(21,556)
Cash flows from financing activities:			
Repayments of borrowings		(26,105)	-
Cash inflows from new borrowing		14,495	-
Net cash used in financing activities		(11,610)	-
Change in cash and cash equivalents in the Year		133,009	592,664
Cash and cash equivalents brought forward		592,664	-
Cash and cash equivalents carried forward	21	725,673	592,664

The notes on pages 28 to 51 form part of these financial statements.

Whinless Down Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2018

1. Accounting policies

Whinless Down Academy Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Astor Avenue, Dover, Kent, CT17 0FS. The principal of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

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

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.

Whinless Down Academy Trust constitutes a public benefit entity as defined by FRS 102.

The academy trust's functional and presentational currency is Pounds Sterling.

The academy trust's financial statements are presented to the nearest pound.

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.

1.3 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.

Whinless Down Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2018

1. Accounting policies (continued)

1.4 Income

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

Grants are included in the Statement of financial activities 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.

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

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.

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

1.5 Expenditure

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

Expenditure on 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.

Whinless Down Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2018

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Premises leased from local authorities

Land, buildings and playing fields occupied under 125 year leases from a local authority are recognised as a fixed asset in the academy trust balance sheet at fair value.

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

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

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

Long-term leasehold land	-	Not depreciated
Long-term leasehold property	-	3% straight-line
Plant and machinery	-	25% straight-line
Computer equipment	-	33.3% straight line

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

1.7 Operating leases

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

1.8 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.

1.9 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.

Whinless Down Academy Trust
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Notes to the financial statements
For the year ended 31 August 2018

1. Accounting policies (continued)

1.10 Cash at Bank and in hand

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

1.11 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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. 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 notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.13 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)

1.14 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 trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, 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.

1.15 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Vale View Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Charitable activities - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 22.

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Notes to the financial statements
For the year ended 31 August 2018

1. Accounting policies (continued)

1.16 Critical accounting estimates and areas of 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.

Multi-employer defined benefit pension scheme

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 23, 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £7,168,965 at the reporting date (see note 13). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

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Notes to the financial statements
For the year ended 31 August 2018

1. Accounting policies (continued)

Critical areas of judgment:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the governors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the governors, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 23 for further details.

Land and property

Long term leasehold land and property comprises land and property occupied on a 125 year lease granted from Kent County Council to the Whinless Down Academy Trust for use of the land and buildings at Priory Fields School, St Martin's School and Vale View Primary School.

The Vale View Primary School site was transferred to the Academy Trust, with the agreement of the ESFA, at a value as at 1 January 2018 of £797,743. The property was valued by the local authority on a depreciated cost basis as at 31 March 2017. This valuation has been used as an approximation of the fair value of the land and property.

Under the Priority School Building Programme, the ESFA have constructed a new building at Priory Fields School and donated this as a gift to the Academy Trust. The Trustees have valued this building following advice from the ESFA at £4,900,000 as an approximation of fair value. The donation value from the ESFA was £4,573,386 and £326,614 was self funded by the Academy Trust.

1.17 14 month period ended 31 August 2017

The results for the 14 month period ended 31 August 2017 comprise 13 months activity.

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Notes to the financial statements
For the year ended 31 August 2018

2. Income from donations and capital grants

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer on conversion from local authority	47,385	(464,000)	797,743	381,128	2,204,489
Donation from ESFA under Priority School Building Programme	-	-	4,573,386	4,573,386	-
	<u>47,385</u>	<u>(464,000)</u>	<u>5,371,129</u>	<u>4,954,514</u>	<u>2,204,489</u>
Donations	13,646	-	-	13,646	2,183
Capital Grants	-	-	241,373	241,373	14,942
	<u>13,646</u>	<u>-</u>	<u>241,373</u>	<u>255,019</u>	<u>17,125</u>
	<u>61,031</u>	<u>(464,000)</u>	<u>5,612,502</u>	<u>5,209,533</u>	<u>2,221,614</u>
Total 2017	<u>344,971</u>	<u>(1,248,000)</u>	<u>3,124,643</u>	<u>2,221,614</u>	

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,029,258	3,029,258	2,736,306
Other DfE/ESFA grants	-	508,159	508,159	400,210
	<u>-</u>	<u>3,537,417</u>	<u>3,537,417</u>	<u>3,136,516</u>
Other government grants				
Other Government Grants	-	176,682	176,682	172,468
	<u>-</u>	<u>176,682</u>	<u>176,682</u>	<u>172,468</u>
	<u>-</u>	<u>3,714,099</u>	<u>3,714,099</u>	<u>3,308,984</u>
Total 2017	<u>-</u>	<u>3,308,984</u>	<u>3,308,984</u>	

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Notes to the financial statements
For the year ended 31 August 2018

4. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	593	-	593	73
	<u>593</u>	<u>-</u>	<u>593</u>	<u>73</u>
Total 2017	73	-	73	
	<u>73</u>	<u>-</u>	<u>73</u>	

5. Other incoming resources

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Breakfast, afterschool club and photos	32,230	-	32,230	25,425
School trips income	16,834	-	16,834	7,188
Other incoming resources	15,079	-	15,079	29,652
Parent pay top up	4,928	-	4,928	-
	<u>69,071</u>	<u>-</u>	<u>69,071</u>	<u>62,265</u>
	<u>69,071</u>	<u>-</u>	<u>69,071</u>	<u>62,265</u>
Total 2017	62,265	-	62,265	
	<u>62,265</u>	<u>-</u>	<u>62,265</u>	

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Notes to the financial statements
For the year ended 31 August 2018

6. Charitable activities

	Total funds 2018 £	Total funds 2017 £
Direct costs - educational operations		
Wages and salaries	2,103,501	1,976,883
National insurance	177,238	128,697
Pension cost	348,960	203,735
Educational supplies	133,211	128,709
	<u>2,762,910</u>	<u>2,438,024</u>
Support costs - educational operations		
Wages and salaries	289,657	245,508
National insurance	18,048	49,251
Pension cost	297,502	339,864
Depreciation	228,693	115,122
FRS102 Pension finance expense	52,000	32,000
Other occupancy costs	127,708	119,874
Equipment & services	55,019	26,869
Maintenance of premises and equipment	60,930	42,103
Cleaning	20,821	9,974
Rates	15,521	21,072
Light and heat	42,665	34,209
Insurance	-	232
Catering costs	126,557	115,875
Professional fees	64,493	72,981
Staff development and other staff expenses	45,506	33,602
Loss on disposal of fixed asset	1,475,951	-
	<u>2,921,071</u>	<u>1,258,536</u>
	<u><u>5,683,981</u></u>	<u><u>3,696,560</u></u>

7. Expenditure

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Activities:					
Direct costs	2,629,699	-	133,211	2,762,910	2,438,024
Support costs	605,207	200,914	2,114,950	2,921,071	1,258,536
	<u>3,234,906</u>	<u>200,914</u>	<u>2,248,161</u>	<u>5,683,981</u>	<u>3,696,560</u>
Total 2017	<u><u>2,943,938</u></u>	<u><u>159,616</u></u>	<u><u>593,006</u></u>	<u><u>3,696,560</u></u>	

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Notes to the financial statements
For the year ended 31 August 2018

8. Net income/(expenditure)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	228,693	115,122
Auditors' remuneration - audit	11,500	10,450
Auditors' remuneration - other services	4,600	-
Governance Internal audit costs	1,600	-
	<u>245,793</u>	<u>125,572</u>

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Notes to the financial statements
For the year ended 31 August 2018

9. Staff costs

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,391,872	2,220,513
Social security costs	195,286	177,948
Pension costs	646,462	543,599
	<u>3,233,620</u>	<u>2,942,060</u>
Agency staff costs	1,286	1,878
	<u><u>3,234,906</u></u>	<u><u>2,943,938</u></u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	42	32
Administration and support	90	72
Management	8	7
	<u>140</u>	<u>111</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	1	1
In the band £80,001 - £90,000	1	1

The above employee participated in the Teachers' Pension Scheme. Contributions during the year ended 31 August 2018 amounted to £24,360 (2017: £24,729).

d. Key management personnel

The key management personnel of the Academy Trust comprise the senior management team. The total salaries received by key management personnel for their services to the Academy Trust was £381,295 (2017: £368,204). Employer pension contributions were a total of £64,180 (2017: £61,907) and employer national insurance contributions were a total of £44,145 (2017: £42,461).

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Notes to the financial statements
For the year ended 31 August 2018

10. Trustees' remuneration and expenses

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

		2018 £	2017 £
M Noden	Remuneration	35,000-40,000	35,000-40,000
	Pension contributions paid	5,000-10,000	5,000-10,000
A Siggins	Remuneration	85,000-90,000	85,000-90,000
	Pension contributions paid	10,000-15,000	10,000-15,000
K Wratten	Remuneration	-	5,000-10,000
	Pension contributions paid	-	0-5,000

During the Year, no Trustees received any benefits in kind (2017 - £NIL).

During the Year ended 31 August 2018, expenses totalling £311 (2017 - £233) were reimbursed to 2 Trustees (2017: 1).

11. 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.

12. Pension finance expense

	2018 £	2017 £
Interest income on pension scheme assets	40,000	26,000
Interest on pension scheme liabilities	(92,000)	(58,000)
	<u>(52,000)</u>	<u>(32,000)</u>

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Notes to the financial statements
For the year ended 31 August 2018

13. Tangible fixed assets

	Long-term leasehold property £	Plant and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2017	3,070,915	14,294	61,063	3,146,272
Additions	4,900,000	144,716	-	5,044,716
Disposals	(1,525,531)	-	-	(1,525,531)
Inherited on conversion	797,743	-	-	797,743
At 31 August 2018	<u>7,243,127</u>	<u>159,010</u>	<u>61,063</u>	<u>7,463,200</u>
Depreciation				
At 1 September 2017	90,162	1,255	23,705	115,122
Charge for the Year	203,217	5,278	20,198	228,693
On disposals	(49,580)	-	-	(49,580)
At 31 August 2018	<u>243,799</u>	<u>6,533</u>	<u>43,903</u>	<u>294,235</u>
Net book value				
At 31 August 2018	<u>6,999,328</u>	<u>152,477</u>	<u>17,160</u>	<u>7,168,965</u>
At 31 August 2017	<u>2,980,753</u>	<u>13,039</u>	<u>37,358</u>	<u>3,031,150</u>

Included in land and buildings is leasehold land at cost of £469,222 which is not depreciated.

Long-term leasehold land and property comprises land and property occupied on a 125 year lease granted from Kent County Council to the Whinless Down Academy Trust for use of the land and buildings at Priory Fields School, St Martin's School and Vale View Primary School.

Under the Priority School Building Programme, the ESFA have constructed a new building at Priory Fields School and donated this as a gift to the Academy Trust, being the long-term leasehold property additions in the year of £4,900,000.

14. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>4,248</u>	<u>6,827</u>

15. Debtors

	2018 £	2017 £
Trade debtors	27,481	5,023
Other debtors	51,308	21,634
Prepayments and accrued income	101,932	75,037
	<u>180,721</u>	<u>101,694</u>

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Notes to the financial statements
For the year ended 31 August 2018

16. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other loans	26,538	25,922
Trade creditors	159,503	48,691
Other taxation and social security	-	11,479
Other creditors	176,814	12,134
Accruals and deferred income	129,350	101,796
	<u>492,205</u>	<u>200,022</u>
	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	56,516	-
Resources deferred during the year	76,546	56,516
Amounts released from previous years	(56,516)	-
	<u>76,546</u>	<u>56,516</u>
Deferred income at 31 August 2018	<u>76,546</u>	<u>56,516</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2018/19 financial year in respect of free school meals and parental contributions towards school trips and other activities.

17. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Other loans	<u>187,711</u>	<u>199,937</u>
Creditors include amounts not wholly repayable within 5 years as follows:		
	2018 £	2017 £
Repayable by installments	<u>77,943</u>	<u>100,895</u>

On conversion the Academy Trust inherited a loan from Kent County Council in respect of future building developments for Priory Fields School. Loan interest is charged at 0.5%.

Vale View Primary School inherited a loan from Kent County Council on conversion to an Academy Trust in respect of lighting upgrades. Loan interest is charged at 0%.

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Notes to the financial statements
For the year ended 31 August 2018

18. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	301,226	130,695	(658)	(112,264)	-	318,999
Restricted funds						
General Annual Grant (GAG)	-	3,029,258	(2,999,838)	(27,224)	-	2,196
Other DfE/ESFA grants	-	508,159	(508,159)	-	-	-
Other government grants	-	176,682	(176,682)	-	-	-
Pension reserve	(1,788,000)	(464,000)	(294,000)	-	673,000	(1,873,000)
	<u>(1,788,000)</u>	<u>3,250,099</u>	<u>(3,978,679)</u>	<u>(27,224)</u>	<u>673,000</u>	<u>(1,870,804)</u>
Restricted fixed asset funds						
Assets held for depreciation	3,031,150	5,371,129	(1,704,644)	271,393	-	6,969,028
Devolved capital funding	-	21,498	-	(8,700)	-	12,798
Condition Improvement Funding	-	219,875	-	(123,205)	-	96,670
	<u>3,031,150</u>	<u>5,612,502</u>	<u>(1,704,644)</u>	<u>139,488</u>	<u>-</u>	<u>7,078,496</u>
Total restricted funds	<u>1,243,150</u>	<u>8,862,601</u>	<u>(5,683,323)</u>	<u>112,264</u>	<u>673,000</u>	<u>5,207,692</u>
Total of funds	<u>1,544,376</u>	<u>8,993,296</u>	<u>(5,683,981)</u>	<u>-</u>	<u>673,000</u>	<u>5,526,691</u>

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

GAG represents funds to be used to cover the normal running costs of the Academy Trust.

Other DfE/ESFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

Other government grants represents grants provided for specific purposes, such as SEN funding which is used to support pupils with special education needs.

The restricted fixed asset fund represents the long term leasehold property and other assets and associated borrowings which were donated upon conversion to academy status, the value of fixed assets purchases since conversion including depreciation to the balance sheet date.

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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Notes to the financial statements
For the year ended 31 August 2018

18. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Priory Fields School	128,730	196,045
St Martin's School	127,613	105,181
Vale View Primary School	64,852	-
Total before fixed asset fund and pension reserve	321,195	301,226
Restricted fixed asset fund	7,078,496	3,031,150
Pension reserve	(1,873,000)	(1,788,000)
Total	5,526,691	1,544,376

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Priory Fields School	1,474,684	466,685	86,036	1,746,019	3,773,424	2,491,030
St Martin's School	664,343	142,775	36,243	129,567	972,928	1,090,408
Vale View Primary School	490,672	79,245	15,648	123,371	708,936	-
	2,629,699	688,705	137,927	1,998,957	5,455,288	3,581,438

Statement of funds - prior year

	Balance at 28 June 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General Funds	-	407,309	(8,710)	(97,373)	-	301,226

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18. Statement of funds (continued)

Restricted funds

General Annual Grant (GAG)	-	2,736,306	(2,812,050)	75,744	-	-
Other DfE/ESFA grants	-	172,468	(172,468)	-	-	-
Other government grants	-	400,210	(400,210)	-	-	-
Pension reserve	-	(1,248,000)	(188,000)	-	(352,000)	(1,788,000)
	-	<u>2,060,984</u>	<u>(3,572,728)</u>	<u>75,744</u>	<u>(352,000)</u>	<u>(1,788,000)</u>

Restricted fixed asset funds

Assets held for depreciation	-	3,109,701	(115,122)	36,571	-	3,031,150
Devolved capital funding	-	14,942	-	(14,942)	-	-
	-	<u>3,124,643</u>	<u>(115,122)</u>	<u>21,629</u>	<u>-</u>	<u>3,031,150</u>
Total restricted funds	-	<u>5,185,627</u>	<u>(3,687,850)</u>	<u>97,373</u>	<u>(352,000)</u>	<u>1,243,150</u>
Total of funds	-	<u>5,592,936</u>	<u>(3,696,560)</u>	<u>-</u>	<u>(352,000)</u>	<u>1,544,376</u>

19. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	7,168,965	7,168,965
Current assets	798,977	2,196	109,468	910,641
Creditors due within one year	(292,267)	-	(199,937)	(492,204)
Creditors due in more than one year	(187,711)	-	-	(187,711)
Provisions for liabilities and charges	-	(1,873,000)	-	(1,873,000)
	<u>318,999</u>	<u>(1,870,804)</u>	<u>7,078,496</u>	<u>5,526,691</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	3,031,150	3,031,150
Current assets	301,226	399,959	-	701,185
Creditors due within one year	-	(200,022)	-	(200,022)
Creditors due in more than one year	-	(199,937)	-	(199,937)
Provisions for liabilities and charges	-	(1,788,000)	-	(1,788,000)
	<u>301,226</u>	<u>(1,788,000)</u>	<u>3,031,150</u>	<u>1,544,376</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	3,309,315	1,896,376
Adjustment for:		
Depreciation charges	228,693	115,122
Interest from investments	(593)	(73)
Decrease/(increase) in stocks	2,579	(6,827)
Increase in debtors	(79,027)	(101,694)
Increase in creditors	312,567	399,959
Capital grants from DfE and other capital income	(241,373)	(14,942)
Defined benefit pension scheme obligation inherited	464,000	1,248,000
Defined benefit pension scheme cost less contributions payable	241,000	156,000
Defined benefit pension scheme finance cost	32,000	32,000
Assets from local authority on conversion	(797,743)	(3,109,701)
Loss on disposal of fixed assets	1,475,951	-
Donated asset	(4,573,386)	-
Net cash provided by operating activities	373,983	614,220

21. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	725,673	592,664
Total	725,673	592,664

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22. Conversion to an academy trust

On 1 January 2018 Vale View Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Whinless Down Academy Trust from Kent County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Charitable activities - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Long-term leasehold property - Vale View Primary School	-	-	797,743	797,743
Salix loan inherited from LA school - Vale View Primary	(14,495)	-	-	(14,495)
Budget surplus on LA funds - Vale View Primary School	61,880	-	-	61,880
LGPS pension (deficit)	-	(464,000)	-	(464,000)
Net assets	<u>47,385</u>	<u>(464,000)</u>	<u>797,743</u>	<u>381,128</u>

The above net assets include £61,880 that were transferred as cash.

Long-term leasehold property comprises property occupied on a 125 year lease granted from Kent County Council to Whinless Down Academy Trust for the use of buildings at Vale View Primary School.

23. 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 Kent 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.

Notes to the financial statements
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23. Pension commitments (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- 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.

The employer's pension costs paid to TPS in the period amounted to £209,883 (2017 - £198,979).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £242,000 (2017: £244,000), of which employer's contributions totalled £189,000 (2017: £190,000) and employees' contributions totalled £53,000 (2017: £54,000). The agreed contribution rates for future years are 20% for employers and 5.5% - 12.5% for employees.

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23. Pension commitments (continued)

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	2.70 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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	23.1	23.0
Females	25.2	25.1
Retiring in 20 years		
Males	25.3	25.2
Females	27.5	27.4

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate +0.1%	(122,000)	(96,000)
Discount rate -0.1%	126,000	99,000
Mortality assumption - 1 year increase	121,000	94,000
Mortality assumption - 1 year decrease	(117,000)	(91,000)
Long term salary increase - 1 year increase	20,000	21,000
Long term salary increase - 1 year decrease	(20,000)	(21,000)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,263,000	812,000
Gilts	14,000	8,000
Corporate bonds	165,000	111,000
Property	229,000	142,000
Cash and other liquid assets	57,000	37,000
Absolute return fund	126,000	44,000
Total market value of assets	1,854,000	1,154,000

The actual return on scheme assets was £60,000.

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23. Pension commitments (continued)

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

	2018 £	2017 £
Current service cost	(430,000)	(346,000)
Past service cost	(1,000)	-
Interest income	40,000	26,000
Interest cost	(92,000)	(58,000)
Inherited on conversion	(464,000)	-
	<u>(947,000)</u>	<u>(378,000)</u>
Total	<u>(947,000)</u>	<u>(378,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	2,942,000	-
Transferred in on existing academies joining the trust	-	1,998,000
Current service cost	430,000	346,000
Interest cost	92,000	58,000
Employee contributions	53,000	54,000
Actuarial (gains)/losses	(653,000)	486,000
Benefits paid	(36,000)	-
Inherited on conversion	899,000	-
	<u>3,727,000</u>	<u>2,942,000</u>
Closing defined benefit obligation	<u>3,727,000</u>	<u>2,942,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	1,154,000	750,000
Interest income	40,000	26,000
Actuarial losses	20,000	134,000
Employer contributions	189,000	190,000
Employee contributions	53,000	54,000
Benefits paid	(36,000)	-
Administration cost	(1,000)	-
Inherited on conversion	435,000	-
	<u>1,854,000</u>	<u>1,154,000</u>
Closing fair value of scheme assets	<u>1,854,000</u>	<u>1,154,000</u>

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24. Operating lease commitments

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	3,412	5,119
Between 1 and 5 years	-	3,412
	<hr/>	<hr/>
Total	3,412	8,531
	<hr/> <hr/>	<hr/> <hr/>

25. 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.

26. 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.

Mrs Sheila Wilding was a Member of Whinless Down Academy Trust during the year until 22 November 2017, in addition to being a director of Knights Educational Limited. During the period to her resignation £400 was paid by Whinless Down Academy Trust to Knights Educational Limited, for educational support services.

27. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.