

Company Registration No. 07569743 (England and Wales)

ROYAL WOOTTON BASSETT ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017

FRIDAY



A22 *A6YF7ECR*
26/01/2018 #142
COMPANIES HOUSE

ROYAL WOOTTON BASSETT ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 18
Statement on regularity, propriety and compliance	19
Statement of trustees' responsibilities	20
Independent auditor's report on the accounts	21 - 23
Independent reporting accountant's report on regularity	24 - 25
Statement of financial activities including income and expenditure account	26 - 27
Balance sheet	28
Statement of cash flows	29
Notes to the accounts including accounting policies	30 - 57

ROYAL WOOTTON BASSETT ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

M Sweet (Chair of Board of Trustees)
G Croxford (Chief Executive Officer (Ex-officio))
G Campbell
L Allen (Appointed 8 November 2017 and resigned 30 April 2017)
S Lazenby (Resigned 1 March 2017)
T Foot (Vice Chair)
L Warwick
S Wright (Resigned 30 April 2017)
M Warwick (Resigned 30 April 2017)
J Doidge (Resigned 9 February 2017)
O Thomas (Resigned 30 April 2017)
M Hopkins (Resigned 30 April 2017)
E Chowdhury (Resigned 30 April 2017)
E Nash (Resigned 30 April 2017)
J Bourne (Chair of Finance Committee)
J Hext (Chair of Standards Committee) (Appointed 1 May 2017)
D A Clarke (Chair of Academic Development Committee) (Appointed 1 May 2017)

Members

M Wilford (Appointed 1 May 2017)
S Woolnough (Appointed 1 May 2017)
A Bacon (Appointed 1 May 2017)
L Allen (Resigned 1 May 2017)
J Bourne (Appointed 1 September 2016)(Resigned 1 May 2017)
M Sweet (Resigned 1 May 2017)

RWBAT Executive Leadership Team

- Chief Executive Officer at RWBAT	G Croxford
- Headteacher at Lawn Manor	S Muir
- Deputy Headteacher at RWBA	S Paddock
- Deputy Headteacher at RWBA	A Ellis
- Deputy Headteacher at Lawn Manor	R Langdown
- HR Manager & marketing at Lawn Manor	E Newman
- Commercial Manager at RWBAT	J Stewart

Senior Leadership Team at schools

- Assistant Headteacher at RWBA	A Bell
- Assistant Headteacher at RWBA	S Britton
- Assistant Headteacher at RWBA	S Gillott
- Assistant Headteacher at RWBA	S McMullin
- Assistant Headteacher at RWBA	M Roberts
- Assistant Headteacher at RWBA	K Salmon
- Assistant Headteacher at Lawn Manor	J Hill
- Assistant Headteacher at Lawn Manor	J Delap
- Assistant Headteacher at Lawn Manor	H Maddock
- Assistant Headteacher at Lawn Manor	B Prevost

Company registration number 07569743 (England and Wales)

ROYAL WOOTTON BASSETT ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office	Lime Kiln Royal Wootton Bassett Swindon Wiltshire SN4 7HG	
Academies operated	Location	
Royal Wootton Basset Academy	Royal Wootton Bassett	G Croxford
Lawn Manor Academy	Swindon	S Muir
Independent auditor	Moore Stephens (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire SP1 2TJ	
Bankers	Lloyds Bank Plc Swindon Old Town Branch High Street Swindon Wiltshire SN1 3EN	
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS	

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

RWBAT operates two academies. Royal Wootton Bassett Academy for pupils aged 11 to 19 serving a catchment area in Royal Wootton Bassett. It has a pupil capacity of 1,750 and had a roll of 1,677 in the school census on October 2016. Lawn Manor Academy for pupils aged 11 to 16 serving a catchment area in Swindon. It has a pupil capacity of 1,000 and had a roll of 771 in the school census on October 2016.

Structure, governance and management

Constitution

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

Royal Wootton Bassett Academy Trust has Trustees who are also the Directors of the charitable company for the purposes of company law. The Charitable Company is known as Royal Wootton Bassett Academy Trust. RWBAT has three appointed members who are not trustees. Details of the Trustees who served during the year 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.

Trustees' indemnities

Professional indemnity insurance is in place through the Department of Education's Risk Protection Arrangement. The Academy Trust has purchased Professional Indemnity for directors and officers insurance (£5,000,000) and Fidelity Guarantee cover (£250,000 – Governors and Employees) included in Liabilities policy costing £45,223.

Method of recruitment and appointment or election of Trustees

The Members may appoint up to 8 Trustees. The Board of Trustees may appoint or co-opt Trustees to address skills or knowledge gaps as determined. Co-opted Trustees may also be appointed from employees but they are non voting Trustees, through such process as they may determine, provided that the total number of Trustees (including the CEO) who are employed by RWBAT does not exceed one third of the total number of Trustees. The CEO shall be treated for all purposes as being an ex officio Trustee. Parent Governors shall be elected by parents of registered pupils at the Academy. At least 2 Parent Governors shall serve on the Local Governing Body and be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent, carer or guardian of a pupil at the Academy at the time when he/she is elected.

Policies and procedures adopted for the induction and training of Trustees

RWBAT subscribes to Wiltshire Governor Services who offer the provision of Governor Procedures policies from Wiltshire Council and also makes use of periodic updates provided by Wiltshire Council. Induction training is provided for all Trustees and Governors and continual training is provided by Wiltshire Council and any other applicable external bodies.

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Organisational structure

The Trustees set strategic objectives and educational targets for RWBAT, with some of these functions delegated to sub-committees. While these committees may make recommendations all responsibility for any decisions remains with RWBAT. The strategic direction of RWBAT is overseen by a small group of Trustees working with the CEO.

The day to day operation of RWBAT is delegated to the CEO who, together with his Executive Leadership Team, is responsible for the management of teaching and support staff, facilities, health and welfare of pupils and delivery of teaching and learning.

Arrangements for setting pay and remuneration of key management personnel

The pay ranges for the CEO, Headteachers, Deputy Headteachers and Assistant Headteachers will be determined in accordance with the criteria specified in the Section 2, Part 2 – leadership group pay of the STPCD 2016.

A new Headteacher may be placed at any of the bottom four points of the ISR. A new Deputy or Assistant Headteacher may be placed at any of the bottom 3 points of the Leadership Pay Range.

Pay progression is subject to a review of performance taking into account Performance Intentions and the requirements necessary of a member of staff appointed on the Leadership Pay Range. The Local Governing Body Pay Panel has discretion to move a member of staff on the Leadership Pay Range by more than one point (to a maximum of two) if this is supported by the Academy Leadership Team.. Annual pay progression within the range for the post is not automatic. The Board of Trustees Pay Panel will consider whether to award one or two pay progression points to the CEO and Headteachers (to a maximum of two). Annual pay progression within the range for the post is not automatic.

Related parties and other connected charities and organisations

None.

Objectives and activities

Objects and aims

Success for each Academy in RWBAT will be achieved through delivering the following vision:

- To deliver a 21st Century Curriculum which engages, excites and delivers attainment for pupils to move beyond their potential
- To raise the levels of educational outcomes of all pupils across RWBAT
- To engage and empower communities to contribute to the life of their Academy within RWBAT
- To offer an inclusive Admissions Policy
- To commit to safeguarding and promoting the physical and emotional welfare of every pupil, inside and outside the school premises.
- To build an outstanding, professional workforce across all disciplines within RWBAT
- To conduct stringent and rigorous financial oversight and achieve value for money for all Academies in RWBAT
- To ensure governance and leadership professionals provide support, challenge, oversight, and guidance for each Academy through the tiered structure of the RWBAT Board.

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Objectives, strategies and activities

We will seek to:

- support and guide pupils in formulating and achieving realistic and appropriate personal development plans.
- achieve a smooth progression through and beyond the various phases of formal education.
- promote activities, which provide interaction between the Academy, business and the global community for the enrichment of pupils, curriculum and the community itself.
- encourage the involvement of parents for the benefit of pupil development.
- support an organisational and management structure that fosters effective curriculum development and delivery, facilitates communication and involves Trustees, LGB Governors, staff, pupils and parents in the development of each Academy.
- encourage and guide staff in broadening their perspectives, framing realistic career targets and supporting their achievement through stated school development plans.
- support all staff in fulfilling their designated roles.
- secure the maximum benefits from the financial resources available to RWBAT.

Equal Opportunities

The Trust will endeavor to attract, recruit and retain staff of high caliber by ensuring that the best possible candidates are appointed. The Trust supports the principle of equal opportunities and opposes discrimination on the basis of protected characteristics including age, sex, marriage and civil partnership, gender reassignment, race, disability, sexual orientation, religion or belief, pregnancy and maternity and part-time or fixed-term employment. Being a committed equal opportunities employer, Royal Wootton Bassett Academy Trust will take every possible step to ensure that all employees are treated equally and fairly. All policies and practices will conform with the principle of equal opportunities in terms of recruitment, selection, training, promotion, career development, discipline, redundancy and dismissal. The Trust aims to ensure that no job applicant receives less favourable treatment because of a protected characteristic.

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Consultation with employees

The Trust consults with employees on an individual or group basis on an employment matter which may affect them during their employment. This may be in consultation with senior management and union representatives if required. This will include return to work interview; adjustments to working hours and responsibilities; or referrals to occupational health for professional advice and support.

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Strategic report

Achievements and performance

CEO report for RWBAT

This was an extraordinary year for the academy. We started the year as a Single Academy Trust and ended the year as a Multi Academy Trust. Royal Wootton Bassett Academy Trust opened on May 1st with two schools Royal Wootton Bassett academy and Churchfields Academy. Churchfields closed at the end of July and we opened our first new academy on the same site. Our new school is Lawn Manor Academy.

The initial arrangement is sponsorship of the new school. This means that the trust keeps tight controls over the new school financially and educationally. We also put in a lot of support to enable the new school to flourish. LMA has made a very positive start with a new learning culture and pupils buying into the 'Lawn Manor Way'. The staff have taken the changes on board extremely well and there has been outstanding leadership from our Senior Leadership Team. Churchfields final results were a little disappointing not hitting the targets that we had hoped. Issues identified in English and Maths both caused percentages to fall. Changes have been planned in the preparation for next year. Maths was a tier of entry issue following flawed national guidance and English was an issue of not completing or even reaching the final 40 mark question. There was success in many other areas with particularly Art, PE and Media doing well. Science did well comparatively as did History and Geography. We look forward to a bright future for both staff and students at Lawn Manor Academy. LMA is developing very strong links with its feeder primary schools and has led Performing Arts days for all year 5 and 6 from the 4 main feeders. There is such a positive feel about the school with both staff and students clearly enjoying working together at this brand new school.

At RWBA, this was another record breaking year for the examination groups. Year 13 had a target average grade of a C but across all BTecs and A levels achieved an average grade of a B. This is a superb result for all our sixth formers and is a reflection of the dedication and hard work of students and staff. In Year 11 RWBA had their best results ever for the second year in a row. 77% of students gained a 9 – 4 pass in English and Maths, 54% gained a 9 – 5 pass in English and Maths. In old terms 76% gained 5A* - C including English and Maths. These are a superb set of results putting the school 4th in Wiltshire behind only 3 selective/ grammar schools.

There have been new developments in the 6th form at RWBA with the launch of our partnership with the Mad Dog rugby academy. Our rugby academy opened this year and has been a fantastic addition to the school and the 6th form offer. The school has had its usual biannual production which this year was The Wizard of Oz. This was a stunning production which involved students of all ages and many staff supporting and leading in different areas. The school continues to work constantly with the community and events such as our Harvest festival, our OAP Christmas lunch and our fundraising gives money to charities locally and nationally. The school has had success in a variety of areas from Music, Art, Drama and a vast range of sports to the national Maths challenge and Debating competitions.

Attendance at both schools is good with LMA having a vast team of student support staff to ensure that students are able to concentrate fully on their learning. Both schools are learning from each other and the Multi Academy Trust Leadership Team (MAT LT) which consists of Headteachers, Deputy Headteachers, the HR and Marketing manager and the Commercial manager meets fortnightly to ensure the new MAT moves forward at a rapid pace. Funding is still the single biggest issue and we hope the government will act to improve this for us soon. Despite the challenges of changing accountability measures, changes to curriculum, changes to examinations and the lack of funding we look forward to a bright future as a MAT – sharing our resources/talents and maximising the success of every individual.

George Croxford
CEO for RWBAT

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

A statement from the Chair of Board of Royal Wootton Bassett Academy Trust (RWBAT) 2016/17

The academic year 2016/17 has been both exciting and challenging with a significant strategic development taking place in the late spring of 2017. At a Full Governors Board Meeting of Royal Wootton Bassett Academy (RWBA) on 29th March 2017, the Governors resolved to enter into an agreement with the Secretary of State to operate as an Academy Trust called Royal Wootton Bassett Academy Trust (RWBAT) from 1st May 2017.

This decision was not made lightly but came after many months of investigations, serious and careful consideration of the constraints and limitations which are impacting across the education sector as a whole.

Our rationale for seeking this development sought to future proof Royal Wootton Bassett Academy through taking control of our own destiny, seeking to have input and impact without interference and continuing to build on the many existing pillars of excellence ensuring we continue to uphold commitments to the high regard for the development of each and every pupil through high expectations of attainment and achievement, supported with high expectations of discipline and behaviour. This coupled with high quality teaching and learning standards would be transferable to each and every Academy in RWBAT.

Our vision for RWBAT is to emulate the success, educationally and developmentally, we have achieved in RWBA and to subsequently offer this opportunity to other secondary and primary environments where we will offer learning opportunities which challenge, inspire each and every pupil to achieve their potential.

As a truly outward facing RWBAT, we have demonstrated RWBAT will continue to offer expertise and the dedication to deliver RWBAT through not seeking to operate an average Academy Trust, but becoming an **exceptional** Academy Trust with good and outstanding Academies as partners in our Academy Trust.

As a first step as an Academy Trust, we admitted Churchfields Academy, Swindon (to be known as Lawn Manor) into RWBAT. School to school support has always been part of the work of the leadership team of RWBA and by becoming a multi academy trust they are further enabled to expand their professional development in a structured manner. Rightly so, the Head, the leadership team, the teaching staff and the support staff are all to be congratulated on their willingness of being part of a multi academy trust.

Exceptional success for public examinations has continued for the pupils of RWBA in both GCSE and in the 6th Form. Destinations for our sixth form students reflect the strong commitment to and achievement of academic success, with 66% of students going on to Higher Education. Trends for the past five years illustrate our students have great success with entry to Oxbridge and Russell Group universities. Huge efforts are being directed at ensuring this success will translate into all academies that join RWBAT.

The performance objectives set for the Chief Executive Officer, Academy Headteachers and leadership team sought to build on maintaining outstanding status and raise achievements to deliver improved exam results in all academies.

However, despite developing strengths through RWBAT, the strongest challenges we all face are the financial constraints under which RWBAT has to operate in terms of education funding from Government. We have delivered 'more for less' for many years since 2010. We still await the national funding formula to be applied to even out the inequitable allocations of pupil funding across the nation.

As RWBAT we will be able to ensure education and development opportunities for staff in our Academies y are maintained as we seek additional opportunities for collaborations with other secondary and/or primary schools within our geographic area to achieve economies of scale through working alongside academies that share our vision and values.

We continue to maintain strength in a very competitive educational market despite holding 'Outstanding' Ofsted ratings. We continue to develop strategic developments such as the SCITT, OLEVI Doc and the North Wilts Teaching Alliance, all of which contribute to leading learning and teaching and raising teaching standards within the Trust. All of these developments continue to inspire and promote significantly improved outcomes for all pupils.

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Our commitment as a Trustee Board is to continue to raise the aspirations and development for all staff through continuous professional development which by being with a Trust this is further enhanced.

We continue to mitigate the risk of being unable to recruit teaching staff due to the national teaching shortage through recruitment from the SCITT and whilst also retaining staff.

Demand for places at the RWB Academy remains high due in part to the interaction with the local community through activities undertaken by both staff and students. Significant concentration at enhancing the education reputation of Lawn Manor is also taking place which will also impact on pupils accepting places in Lawn Manor.

As Trustees, we recognise and support the ongoing development of RWBAT through strong leadership, robust and diligent financial management, with innovative curriculum developments and school to school support will enable the CEO, Academy Heads and Leadership teams to continue to progress and offer success to all its staff and students.

Marion Sweet

Chair of Royal Wootton Bassett Trust

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 the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The bulk of RWBAT's income is obtained from the ESFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2017, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The academy received GAG income for the ESFA of £9,411,189 to spend on educational activities and supplies. Additional grants received from the ESFA were Pupil premium of £337,832 to be spent on students from lower income backgrounds.

Overall during the year, the trust has made a surplus on the restricted funds of £67,581 after the removal of depreciation, capital income, pensions scheme costs and transfers from capital and revenue. This has left the trust with overall surplus restricted funds of £945,784 and unrestricted funds of £190,073

The trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund is reduced by annual depreciation charges over the expected useful life of the assets concerned. The academy received a total of £58,576 of capital grants during the year. The fixed asset capital fund closing balance includes £392,463 of funds unspent at year end in relation to a capital windows replacement programme due for completion in January 2018.

The schools, on transfer to Academy status, inherited a liability in the Local Government Pension Scheme and this has grown for a variety of reasons all of which are outside the school's control. The current liability for the trust is £2,219,000 in comparison to £2,645,000 in 2016 (2016 relates to just RWBA). £797,000 was introduced on transfer of Lawn Manor into the Academy Trust as at 1 May 2017. The triennial valuation took place in summer 2016 and is the basis for the school's pension contribution rate for the next three years. The percentage includes an element towards repaying the liability as well as to support ongoing membership commitments. The pension actuary has reassured members that they do not deem the deficit to be a significant issue in the short term if the scheme has a maintained or growing membership.

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Reserves policy

The Board of Trustees review the reserves of the trust on an annual basis. This review encompasses the nature of income and expenditure streams by academy, the need to match income with commitments and the nature or reserves held. The trustees take into consideration the future plans of the trust, the uncertainty over future income streams and other key risks identified during the risk review process.

The trustees have determined that the appropriate level of cash reserves should represent one month's charitable activities resources expended (excluding depreciation). The reason for this is to provide a cushion against a fall in student numbers, and to allow for any development work or unforeseen building maintenance.

As at the year end the Academy Trust carried forward an overall surplus restricted funds of £945,784 and unrestricted funds of £190,073. The Academy Trust holds funds of £13,305,294 in the restricted fixed asset fund, £12,912,831 of which can only be realised by disposal of the tangible fixed assets. There is £392,463 unspent in this fixed asset fund in relation to Capital Improvement Fund grant money due to be received and spend in 2017/18.

Investment policy and powers

The trustees have authorised the use of short term deposit accounts and notice deposit accounts where cash held is surplus to immediate requirements. Any cash surpluses not required for operating activities may be placed on deposit at the most favourable rate available from providers that are covered by the Financial Services Compensation Scheme.

Principal risks and uncertainties

The Academy Trust has been through the process to assess business risk and to identify and implement strategies for addressing risks as determined in each Academy prior to entering into RWBAT. This process entails scoring of risks and prioritising in terms of their potential operational and financial impact, their likelihood of occurrence assessed and means of mitigation identified.

Comprehensive 'Due Diligence' was conducted on both RWBA and Lawn Manor prior to 1st May 2017 through a MAT Steering Group. In undertaking Governor resolutions to enter into RWBAT risks were considered by each of the existing Governing Bodies. The Trustees have reviewed the risks to which the Academy Trust is exposed and considered, in particular, those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust.

Financial and risk management objectives and policies

The trust has commenced its own policy adding to the regularly (annually) updated risk register for each academy. The RWBAT trustees' Finance Committee is responsible for overseeing the development and implementation of the trust's risk management strategy on behalf of the Board.

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The principal risks and uncertainties facing the trust fall into 5 main categories which are:

Financial – The trust has considerable reliance on the continued Government funding through the ESFA. In the last year 93.5% of incoming resources were ultimately Government funded and whilst this level of funding is expected to continue, there is no assurances that Government policy or practice will remain the same and the incoming National Funding Formula has provided uncertainty over future funding levels and terms.

Failures in governance and/or management – The risk in this area arises from the potential failure to effectively manage the finances of the trust, internal controls, compliance with regulations and legislation, statutory returns, etc. The trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational – The continuing success of the trust is dependent on continuing to attract students in sufficient numbers by maintaining the highest educational standards. To mitigate this risk trustees ensure that student success and achievement are closely monitored and reviewed.

Staffing – The success of the trust is reliant upon the quality of it's staff. Teaching quality and standards are monitored and reviewed and procedures are in place to ensure continued profession development using strategies such as Quality Assurance, 1-2-1, Professionalism, Outstanding T&L. The trust is also fully prepared for change to 'Progress 8' and 'Attainment 8'. Progress checked in all years against targets. Intervention as necessary.

ICT - The risk in this area arises from the potential failure of IT equipment which would impact on the teaching/ learning, management and support systems. It is also recognised that there is an ongoing need to develop the trust ICT infrastructure to keep ahead of the curve to enable students to gain experience on the most up to date software packages.

Plans for future periods

The Executive Leadership team of the Trust meet annually to review the key objectives and the annual school improvement plans.

The key strategic objectives for the next five years are:

- Maintain outstanding status of RWBA.
- Maintain excellent standards of teaching and learning.
- Clarify view of future curriculum offering.
- Drive RWBA PFI contract value for money.
- Develop and exploit Teaching School status.
- Develop the expansion RWBAT.

/

ROYAL WOOTTON BASSETT ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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.

A resolution proposing that Moore Stephens (South) LLP be reappointed as auditor of the charitable company will be put to the members.

A resolution proposing that Moore Stephens (South) LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 06 December 2017 and signed on its behalf by:



M Sweet

Chair of Board of Trustees

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

As RWBAT Trustees we acknowledge we have overall responsibility for ensuring that Royal Wootton Bassett 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 CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Royal Wootton Bassett Academy Trust and the Secretary of State for Education. He is 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 2 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M Sweet (Chair of Board of Trustees)	2	2
G Croxford (Chief Executive Officer (Ex-officio))	2	2
G Campbell	2	2
T Foot (Vice Chair)	1	2
L Warwick	2	2
J Bourne (Chair of Finance Committee)	2	2
J Hext (Chair of Standards Committee) (Appointed 1 May 2017)	2	2
D A Clarke (Chair of Academic Development Committee) (Appointed 1 May 2017)	2	2

The Multi-Academy Trust formed on 1st May 2017, prior to this the Royal Wootton Bassett Academy Board of Trustees met as follows:

Trustees	Meetings attended	Out of possible
L Allen (Parent) (Resigned 30 April 2017 and Re-appointed 8 November 2017)	2	4
M Warwick (Resigned 30 April 2017)	4	4
J Doidge (Resigned February 2017)	1	3
S Wright (Resigned 30 April 2017)	3	4
G Campbell	4	4
E Chowdhury (Resigned 30 April 2017)	3	4
T Foot (Vice Chair)	4	4
J Bourne	3	4
M Sweet (Chair of Board of Trustees)	4	4
O Thomas (Resigned 30 April 2017)	4	4
L Warwick	3	4
G Croxford (Chief Executive Officer (Ex-officio))	4	4
S Lazenby (Resigned 1 March 2017)	2	4
E Nash (Resigned 30 April 2017)	3	4
M Hopkins (Resigned 30 April 2017)	3	4

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

During the transition from a single academy trust to a multi academy trust, a process of evaluating the skills, experience and knowledge of the potential Trustees was undertaken. This resulted in individuals with a range of legal, financial, human resources, marketing and charity experience in addition to governor experience being appointed to lead the Trust in its developments. At this stage of RWBAT's development, embedding policies and processes which further the development of synergies across the Academies within RWBAT are paramount. In terms of ways of working, CPD, raising standards and data reporting via senior leadership teams and CEO reports these are providing excellent insights into the needs and areas of development in each Academy.

RWBAT Governance Review 2017

Setting vision, values and strategic direction.

RWBAT's purpose and vision was set for the academic year 2016/17 knowing that half-way through the academic year the transition to a Trust would take place which would then employ a tiered structure of governance to enable the sense of ownership of purpose, values and beliefs, for pupils and staff in the Trust's Academies to be supported with high aspirations for their education and personal development whatever their starting point.

The strong vision for RWBAT is to deliver a 21st Century Curriculum which engages, excites and delivers attainment for pupils whilst raising the levels of educational outcomes of all pupils across RWBAT is closely monitored through local governing board, committees of RWBAT, and of the RWBAT Board who meet regularly to ensure the strategic direction of RWBAT is being achieved. Each of these tiers of governance operates under a Scheme of Delegation and Financial Scheme of Delegated Authority which identifies the roles each level undertakes.

The '3 year strategic plan' of the Trust is published on the Academy website and illustrates the performance requirements we all subscribe to. Evaluations and reviews of priorities and plans ensure actions are recorded in the School Improvement Plan and the Self Evaluation Framework. Trustees and LGB Governors have a good understanding in these areas.

Improvement point- Trustees and LGB governors to monitor and assess the success factors in the SIP and SEF documents for all Academies. They will also seek to monitor developments through the Attainment and Achievement Committee of RWBAT.

Holding the Academy Headteacher to account.

Regular reporting by the Academy Head Teacher facilitates discussions and in depth analysis of the key performance indicators set. An in-depth skills audit of Trustees and LGB Governors ensures RWBAT holds sufficient and in depth knowledge and understanding to provide effective governance. Training and development opportunities have been identified and taken up by an increasing number of Trustees and LGB Governors this year. Contributions via in school days, Link Governors roles, etc., enables reviews and evaluations of strategy in action. Relationships between staff and Governors are based on trust and respect.

Improvement point – RWBAT Trustees and LGB Governors to build on the current progress of involvement across the Trust through seeking to build links to each Academy LGB and to seek to attend a wider range of RWBAT events.

Overseeing financial performance. Financial value for money and efficiencies are reviewed regularly through close scrutiny and analysis of ongoing itemised budgets, variances, and forecasts across the RWBAT Budget and Academies budgets. This also included addressing potential risk items which as subsequently recorded on the risk register. Through the work of the RWBAT standing committees clear insights are provided and remedial actions discussed and advised upon to the RWBAT Board.

Improvement point – Continue to develop Trustees and LGB's Governor as required and to ensure Governor experiences are broadened through interaction with other committee and other Academies.

The Governance Review conducted by Ofsted graded Governance as – 'Outstanding', The RWBAT continues to strive to achieve this grade for Trustees and LGB Governance across RWBAT.

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Finance and Premises Committee

The Finance Committee is a sub-committee of the Board of Trustees. Its purpose is to assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity.

The Finance Committee faced considerable challenges in seeking to support the Academy Trust to achieve value for money through robust and astute financial oversight. Despite planning and forecasting based on expected funding it has been a difficult year to deliver the required outcomes for the Academy Trust.

Challenges arose due to the budget constraints under which the Academy Trust operated due to the low level of education funding from Government. Costs outside the remit and control of the Academy Trust have increased, e.g. an increase in employers' contributions to the Local Government Pension Scheme, public sector pay rise of 1% per year and an increase in employers' national insurance contributions from April 2016 could have placed the Academy in auspicious circumstances.

Led by the CEO and the finance team, the LGB Governors have sought to make efficiency savings in all financial and budgetary areas to accommodate the constrained budget. The previous F&P have reviewed contracts for services to seek savings and efficiency. e.g. Removing the 6th Form from PFI which could offer significant savings.

The Finance Committee have asked Academy Trust staff to deliver 'more for less' whilst receiving reduced funding levels for each student and facing increased costs.

Due to the budget constraints imposed upon the Academy Trust, Trustees have needed to undertake a cautious approach to risk management for strategic developments. This approach could have impacted to the detriment of the Academy Trust if it was not for the confidence in the Leadership team to deliver a well managed budget in the face of extreme odds.

Exceptional close scrutiny through budget forecasts and variances have been undertaken on a monthly basis. Financial risk analysis has been diligently undertaken. Procurement processes have been implemented and monitored robustly to ensure budget compliance.

However, these aspects have been actively managed by the Academy Trust leadership and finance staff to achieve a level of financial robustness resulting in a small surplus for this year's accounts. Comments from our Auditors confirm value for money has been achieved through effective and progressive financial monitoring combined with a skilled Finance Manager advising and reporting to Governors with explanations on variances.

Attendance at Trust Finance Committee meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
M Sweet (Chair of Board of Trustees)	1	1
G Croxford (Chief Executive Officer (Ex-officio))	1	1
G Campbell	1	1
T Foot (Vice Chair)	1	1
J Bourne (Chair of Finance Committee)	1	1

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Prior to becoming a Multi-Academy Trust, attendance at the Royal Wootton Bassett Academy Finance and Premises Committee Meetings was as follows:

Trustees	Meetings attended	Out of possible
J Bourne (Chair of Finance Committee)	4	4
G Campbell	3	4
E Chowdhury (Resigned 30 April 2017)	3	4
G Croxford (Chief Executive Officer (Ex-officio))	4	4
T Foot (Vice Chair)	3	4
M Sweet (Chair of Board Trustees)	4	4
L Warwick	4	4
M Warwick (Resigned 30 April 2017)	4	4

The Academic Development Committee is a sub-committee of the main board of trustees. Its purpose is to:

This Committee exists to oversee the development of strategic initiatives which offer opportunities to improve all academies to further student attainment. The Committee evaluates strategic developments and activities such as the SCITT, Challenge Partners, NW Teaching Alliance and School Clusters, Olevi, Corporate CPD, etc.

The Committee also consider and report on the levels of interventions which each academy may require according to their needs. The remit of this Committee will develop further when other secondary and primary academies join RWBAT.

Trustees - no meeting held to date

D A Clarke (Chair of Academic Development Committee) (Appointed 1 May 2017)
M Sweet (Chair of Board of Trustees)
G Croxford (Chief Executive Officer (Ex-officio))
S Muir (Head Teacher at Lawn Manor)

The Standards Committee is a sub-committee of the main board of trustees. Its purpose is to:

This committee exists to ensure compliance with all statutory policies which support the delivery of Excellence in Education. Through monitoring and reviewing the reports on the quality of teaching and learning provided by the CEO, the Trustee can consider actions being taken to raise standards. Its further remit is to monitor and review school forecasts of performance outcomes whilst also reviewing the Trust's curriculum policy and making improvement recommendations to the Board. Through ensuring compliance with annual and half-year staff performance management process and timetable staff are supported and areas of staff development identified.

A key part of the Standards Committee is to monitor the implementation of the Safeguarding and Child Protection Policy and Procedures by reviewing the Safeguarding Audit and making recommendations to the Board. The Standards Committee also review the range of statutory policies related to SEND ensuring these are appropriately developed and targeted.

Continuous monitoring is also undertaken on behavioral indicators including; attendance, exclusions, child protection, bullying, racism, radicalisation incidents including political indoctrination (PREVENT strategy) through reports which indicate trends, patterns to ensure our values of Compassions, Respect and Ambition for all are upheld. Related to these values, the Standards Committee also oversees policies on the provision for Sex and Relationships Education, the policy and provision for collective acts of worship and Religious Education.

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Attendance at Trust Standards Committee meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Allen (Appointed 8 November 2017 and resigned 30 April 2017)	1	1
M Warwick (Resigned 30 April 2017)	1	1
J Hext (Chair of Standards Committee) (Appointed 1 May 2017)	1	1
D A Clarke (Chair of Academic Development Committee) (Appointed 1 May 2017)	1	1

Review of value for money

As accounting officer the Head Teacher 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 available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

1) Financial governance and oversight: The Board of Trustees has a strong oversight of the financial management of the budget. The Finance Committee meets twice a year to review the financial position, to receive reports and to challenge decisions. The Local Governing Bodies also meet on a termly basis to review performance. The Trustees have a Financial Scheme of Delegation that outlines responsibilities and delegated powers at the different levels of financial management. This also defines spending limits for each signatory and level of sign-off.

Our external auditors review our financial processes by a series of visits throughout the year that coincide with key financial reporting deadlines. They help in preparing our end-of-year accounts and financial reports for final presentation for approval by the Board of Trustees prior to the December deadline. Additionally Wiltshire Council Finance department visit to provide a financial controls assurance reports to the Responsible Officer and Trustees four times a year by testing our internal controls.

The Board of Trustees approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Trust remains a 'going concern'. The Board of Trustees also receives and approves the Annual Accounts and External Auditors Management Report.

2) Better purchasing: The bulk of the Trust's income is obtained from the DfE via the EFA in the form of recurrent grants. Royal Wootton Bassett Academy is part of a 3 school PFI agreement. As a result the premises, grounds and most fixed assets belong to White Horse Education Partnership, and managed by G4S. All large contracts are through the PFI therefore limiting Governors/Leadership input with regard to economies of scale and options appraisal related to purchasing. The PFI also limits income generation since lettings come under the remit of the PFI management company. The Finance Manager and Commercial Manager are always striving to achieve Best Value with all of their external suppliers, by adhering to the school's Purchasing Policy. In this year favourable supplier terms in place for RWBA have been negotiated and extended to also include Lawn Manor.

3) Benchmarking: The Trust leadership team and Trustees regularly review benchmarking data from a number of different sources (Auditors, EFA and other external data providers) to measure financial performance and operation against similar organisations.

4) Reviewing Controls and Managing Risk: Regular budget monitoring reports are produced by the Trust Finance Manager. These reports are distributed to the CEO, Headteacher, Trustees and Local Finance and Premises Committee members. Senior Curriculum leaders receive a monthly spending report for those areas within their remit. The installation of a new trust wide finance system will make real time financial budget monitoring data available to all budget holders whenever required.

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

5) Reviewing operation to maximise use of resources: The Trust Leadership Team review expenditure and make adjustments based on the effectiveness of strategies introduced in previous years, the curriculum offer, and any new strategies identified in the Academy Development Plans. At RWBA the PFI is a limiting factor and the Trustees are aware that budgetary constraints could affect staffing since this is effectively the only area available where savings might be made, and this area is considered when reviewing risk and future planning for the school.

6) Lessons learned: We continue to review options for further development and challenge to the trust, the staff and the students. Additionally the trust seeks to attract additional grant funding to support our aims and continued curriculum development to support high student achievement.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going 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 Royal Wootton Bassett Academy Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts.

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 period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. 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 local board of trustees;
- regular reviews by the Finance and Premises 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 not to appoint an internal auditor. However the Trustees have appointed Wiltshire Council Accounting and Budget Support, as Responsible Officer (RO).

The RO'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 including petty cash,
- Testing of bank reconciliations
- Procedures for budget monitoring,
- Collection and recording of income,
- Testing of fixed assets systems

ROYAL WOOTTON BASSETT ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Four times per year, the RO reports to the Board of Trustees through the finance committee on the operations of the systems of control and on the discharge of the financial responsibilities of the Board of Trustees. In the year no material control issues have been reported from these visits.

Review of effectiveness

As Accounting Officer the 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 Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 06 December 2017 and signed on its behalf by:



M Sweet
Chair of Board of Trustees



G Croxford
Chief Executive Officer (Ex-officio)

ROYAL WOOTTON BASSETT ACADEMY TRUST

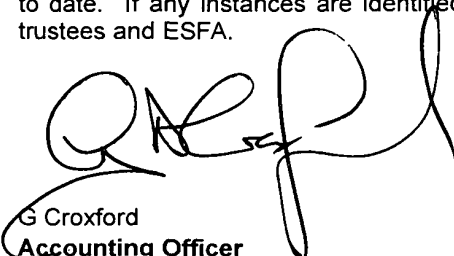
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2017

As accounting officer of Royal Wootton Bassett Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust's 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 2016.

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



G Croxford
Accounting Officer

06 December 2017

ROYAL WOOTTON BASSETT ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees (who also act as governors for Royal Wootton Bassett Academy Trust and are also the directors of Royal Wootton Bassett Academy Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under company law the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 06 December 2017 and signed on its behalf by:



M Sweet
Chair of Board of Trustees

ROYAL WOOTTON BASSETT ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL WOOTTON BASSETT ACADEMY TRUST

Opinion

We have audited the accounts of Royal Wootton Bassett Academy Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

Basis for opinion

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

Emphasis of matter

In forming our opinion, we have considered the adequacy of the disclosures made in note 21 of the financial statements concerning the uncertainty of the values surrounding the PFI charge over the next 15 years. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

ROYAL WOOTTON BASSETT ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL WOOTTON BASSETT ACADEMY TRUST (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report including the incorporated 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 the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated 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 accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

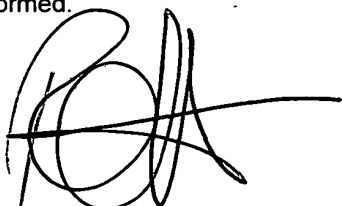
Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ROYAL WOOTTON BASSETT ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL WOOTTON BASSETT ACADEMY TRUST (CONTINUED)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert MacDonald (Senior Statutory Auditor)
for and on behalf of Moore Stephens (South) LLP

22/12/2017

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

ROYAL WOOTTON BASSETT ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ROYAL WOOTTON BASSETT ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Royal Wootton Bassett Academy Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Royal Wootton Bassett Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Royal Wootton Bassett Academy Trust's funding agreement with the Secretary of State for Education dated 23 March 2010 and the deed of variation dated 27 April 2017 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the Academy Trust;
- a review of Minutes of Committees and Board Meetings which may be relevant to regularity;
- consideration of discussions with key personnel, including the Accounting Officer and Governing Body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions.

ROYAL WOOTTON BASSETT ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ROYAL WOOTTON BASSETT ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore Stephens (South) LLP

Reporting Accountant

Moore Stephens (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Dated: 22/12/2017

ROYAL WOOTTON BASSETT ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	3	4,856	7,668	58,576	71,100	45,881
Donations - Transfer of existing academy into the trust	26	189,189	(401,014)	9,585,855	9,374,030	-
Charitable activities:						
- Funding for educational operations	5	-	10,389,055	-	10,389,055	9,010,766
Other trading activities	4	711,533	-	-	711,533	645,813
Investments	6	986	-	-	986	1,147
Total income and endowments		<u>906,564</u>	<u>9,995,709</u>	<u>9,644,431</u>	<u>20,546,704</u>	<u>9,703,607</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	735,838	10,536,766	225,857	11,498,461	9,603,813
Total expenditure	7	<u>735,838</u>	<u>10,536,766</u>	<u>225,857</u>	<u>11,498,461</u>	<u>9,603,813</u>
Net income/(expenditure)		170,726	(541,057)	9,418,574	9,048,243	99,794
Transfers between funds		-	(38,376)	38,376	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	1,469,000	-	1,469,000	(1,176,000)
Net movement in funds		<u>170,726</u>	<u>889,567</u>	<u>9,456,950</u>	<u>10,517,243</u>	<u>(1,076,206)</u>
Reconciliation of funds						
Total funds brought forward		19,347	(2,162,783)	3,848,344	1,704,908	2,781,114
Total funds carried forward		<u>190,073</u>	<u>(1,273,216)</u>	<u>13,305,294</u>	<u>12,222,151</u>	<u>1,704,908</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Income and endowments from:					
Donations and capital grants	3	-	4,383	41,498	45,881
Charitable activities:					
- Funding for educational operations	5	-	9,010,766	-	9,010,766
Other trading activities	4	645,813	-	-	645,813
Investments	6	1,147	-	-	1,147
Total income and endowments		<u>646,960</u>	<u>9,015,149</u>	<u>41,498</u>	<u>9,703,607</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	643,628	8,779,864	180,321	9,603,813
Total expenditure	7	<u>643,628</u>	<u>8,779,864</u>	<u>180,321</u>	<u>9,603,813</u>
Net income/(expenditure)		3,332	235,285	(138,823)	99,794
Transfers between funds		-	(68,768)	68,768	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	19	-	(1,176,000)	-	(1,176,000)
Net movement in funds		3,332	(1,009,483)	(70,055)	(1,076,206)
Reconciliation of funds					
Total funds brought forward		16,015	(1,153,300)	3,918,399	2,781,114
Total funds carried forward		<u>19,347</u>	<u>(2,162,783)</u>	<u>3,848,344</u>	<u>1,704,908</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	12		12,912,831		3,848,344
Current assets					
Stocks	13	8,907		6,622	
Debtors	14	1,224,585		476,654	
Cash at bank and in hand		1,467,377		1,035,519	
		<u>2,700,869</u>		<u>1,518,795</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,172,549)		(1,017,231)	
Net current assets			<u>1,528,320</u>		<u>501,564</u>
Net assets excluding pension liability			14,441,151		4,349,908
Defined benefit pension liability	19		(2,219,000)		(2,645,000)
Net assets			<u>12,222,151</u>		<u>1,704,908</u>
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			13,305,294		3,848,344
- Restricted income funds			945,784		482,217
- Pension reserve			(2,219,000)		(2,645,000)
Total restricted funds			<u>12,032,078</u>		<u>1,685,561</u>
Unrestricted income funds	17		<u>190,073</u>		<u>19,347</u>
Total funds			<u>12,222,151</u>		<u>1,704,908</u>

The accounts set out on pages 26 to 57 were approved by the board of trustees and authorised for issue on 06 December 2017 and are signed on its behalf by:



M Sweet
Chair of Board of Trustees

Company Number 07569743

ROYAL WOOTTON BASSETT ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20	20,355		496,220	
Cash funds transferred on conversion		588,742		-	
		<u>609,097</u>		<u>496,220</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		986		1,147	
Capital grants from DfE and EFA		58,576		33,248	
Capital funding from sponsors and others		-		8,250	
Payments to acquire tangible fixed assets		(228,335)		(95,990)	
Proceeds from sales of tangible fixed assets		-		4,950	
		<u>(168,773)</u>		<u>(48,395)</u>	
Cash flows from financing activities					
Finance costs		(8,466)		(7,608)	
		<u>(8,466)</u>		<u>(7,608)</u>	
Change in cash and cash equivalents in the reporting period		<u>431,858</u>		<u>440,217</u>	
Cash and cash equivalents at 1 September 2016		1,035,519		595,302	
Cash and cash equivalents at 31 August 2017		<u><u>1,467,377</u></u>		<u><u>1,035,519</u></u>	

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Royal Wootton Bassett Academy Trust is a charitable company limited by guarantee incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

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

Royal Wootton Bassett Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Academy combinations

The combination of an existing academy trust into the multi academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £9,374,030 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 combination of Lawn Manor (previously known as Churchfield Academy) to the multi 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 Donations – transfer existing academy into the trust in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 26.

1.4 Income

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

Grants receivable

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

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

Donated fixed assets

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

1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

Assets costing £ 1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	50 years
Property improvements	20 years
Plant and machinery	10 years
Computer equipment	3 years
Fixtures, fittings & equipment	10 years

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

1.7 Liabilities

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

1.8 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Royal Wootton Bassett Academy is currently involved in a PFI agreement for the building which it occupies. The academy does not receive ownership of the building built by a Contractor until the end of the Project Agreement. Whilst the PFI agreement remains between the Local Authority and the Contractor, the academy makes a contribution to the unitary charge via the Schools Agreement. The contributions are split into two sections, the basic annual payment calculated as a percentage of funding and the sixth form payments which are based on a service agreement only. The academy's contributions have been recognised as operating charges in the Statement of Financial Activities on a straight line basis over the life of the contract.

At the end of the PFI contract, the risks and rewards will transfer to the council. The council will then have the decision to transfer the building with its risks and rewards to the academy.

1.9 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.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock. The cost formula used is FIFO.

1.11 Taxation

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

1.12 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.13 Fund accounting

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

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

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

1.14 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and that is recognised in the statement of financial activities.

The school is an accredited provider of a School-centred Initial Teacher Training (SCITT) programme and receives funding from the National College of Teaching and Learning (NCTL). The academy trust also acts as an agent in distributing SCITT bursary funds from the NCTL. Payments received from NCTL and subsequent disbursements to the student teachers are excluded from the financial activities as the trust does not have control over the charitable application of the funds. The trust cannot use any of the allocation towards its own administration costs. The funds received, paid and any balances held are disclosed in note 25.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

On conversion to an academy trust, the assets and liabilities of the School are measured at fair value. This includes any buildings. The valuation of the buildings involves a significant degree of estimation, refer to note 12 for further detail of this estimation.

Critical areas of judgement

On conversion to an academy trust, the asset and liabilities of the Trust are measured at fair value. This includes any buildings. The valuation of the buildings involves a significant degree of estimation refer to Note 12 for further detail of this estimation.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donated fixed assets	-	-	-	8,250
Capital grants	-	58,576	58,576	33,248
Other donations	4,856	7,668	12,524	4,383
	<u>4,856</u>	<u>66,244</u>	<u>71,100</u>	<u>45,881</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

4 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
School bus income	228,293	-	228,293	233,827
Catering income	19,247	-	19,247	-
Music tuition	3,274	-	3,274	3,323
Trips income	220,616	-	220,616	141,273
Charity income	5,503	-	5,503	10,061
Other income	234,600	-	234,600	257,329
	<u>711,533</u>	<u>-</u>	<u>711,533</u>	<u>645,813</u>

Included within other income are exam fees income, lockers income, school trends income and staff subs/ book club income.

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	9,411,189	9,411,189	8,024,088
Other DfE / ESFA grants	-	416,453	416,453	276,839
	<u>-</u>	<u>9,827,642</u>	<u>9,827,642</u>	<u>8,300,927</u>
Other government grants				
Local authority grants	-	209,020	209,020	300,752
Other government grants	-	54,391	54,391	56,006
	<u>-</u>	<u>263,411</u>	<u>263,411</u>	<u>356,758</u>
Other funds				
SCITT income	-	298,002	298,002	353,081
	<u>-</u>	<u>298,002</u>	<u>298,002</u>	<u>353,081</u>
Total funding	<u>-</u>	<u>10,389,055</u>	<u>10,389,055</u>	<u>9,010,766</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Other investment income	986	-	986	1,147

7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
- Direct costs	7,323,153	225,857	2,098,177	9,647,187	8,246,439
- Allocated support costs	982,943	220,404	647,927	1,851,274	1,357,374
	8,306,096	446,261	2,746,104	11,498,461	9,603,813

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Fees payable to auditor for:		
- Audit	7,000	5,000
- Other services	4,400	3,400
Operating lease rentals	1,198,007	1,146,067
Depreciation of tangible fixed assets	225,857	185,271
Gain on disposal of fixed assets	-	(4,950)
Bank charges payable	8,466	7,608
Net interest on defined benefit pension liability	66,000	51,000

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7 Expenditure

(Continued)

Central services

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

- Finance and Business Services
- Human Resources Services
- School Improvement Services
- Admin and Support Services
- Governing and professional services
- Leadership and teaching services

These services will be expanded in 2017-18 with the inclusion of payroll services.

The trust has not made a charge for these services during the year, with all costs remaining within the individual academies, charging will begin in 2017-18.

The trust has developed a transparent methodology to both capture and recharge these costs on the basis of a set percentage of each academy's General Annual Grant funding each month.

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Direct costs - educational operations	485,896	9,161,291	9,647,187	8,246,439
Support costs - educational operations	249,942	1,601,332	1,851,274	1,357,374
	<u>735,838</u>	<u>10,762,623</u>	<u>11,498,461</u>	<u>9,603,813</u>
Analysis of costs			2017 £	2016 £
Direct costs				
Teaching and educational support staff costs			7,292,828	6,110,749
Staff development			30,325	27,716
Depreciation and amortisation			225,857	180,321
Technology costs			123,854	171,341
Educational supplies and services			238,192	202,407
Examination fees			181,824	142,634
PFI charges			1,056,794	1,006,667
Other direct costs			497,513	404,604
			<u>9,647,187</u>	<u>8,246,439</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities

(Continued)

Support costs

Support staff costs	982,943	618,247
Technology costs	6,500	5,248
Recruitment and support	19,927	18,071
Maintenance of premises and equipment	42,062	18,444
Cleaning	20,154	1,856
Energy costs	14,894	3,569
Rent and rates	92,247	85,813
Insurance	49,894	45,576
Security and transport	282,488	280,110
Catering	63,322	24,428
Finance costs	74,466	58,608
Other support costs	113,168	115,574
Legal and professional costs	89,209	81,830
	<u>1,851,274</u>	<u>1,357,374</u>

9 Staff costs

	2017 £	2016 £
Wages and salaries	6,344,216	5,314,693
Social security costs	560,322	432,737
Operating costs of defined benefit pension schemes	1,256,687	951,457
Apprenticeship levy	9,679	-
	<u>8,170,904</u>	<u>6,698,887</u>
Staff costs	8,170,904	6,698,887
Supply staff costs	106,627	30,109
Staff development and other staff costs	28,565	27,716
	<u>8,306,096</u>	<u>6,756,712</u>
Total staff expenditure	8,306,096	6,756,712

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

Staff numbers

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

	2017 Number	2016 Number
Teachers	126	111
Administration and support	121	92
Management	12	9
	<u>259</u>	<u>212</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	2	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	<u>5</u>	<u>3</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £953,371 (2016: £727,410).

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

10 Trustees' remuneration and expenses

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, travel and subsistence payments totalling £833 (2016: £5,364) were reimbursed to one trustee for the work performed as a Headteacher, not a trustee.

The value of trustees' remuneration was as follows:

G Croxford (headteacher and accounting officer) Salary £130,000 - £135,000 (2016: £120,000 - £125,000)
Employers Pension £20,000 - £25,000 (2016: £15,000 - £20,000)

S Lazenby (staff governor) Salary £10,000 - £15,000 (2016: £15,000 - £20,000)
Employers Pension £0 - £5,000 (2016: £0 - £5,000)

M Hopkins (staff governor) Salary £10,000 - £15,000 (2016: £5,000-£10,000)
Employers Pension £0 - £5,000 (2016: £0-£5,000)

E Nash (staff governor) Salary £20,000 - £25,000 (2016: £15,000-£20,000)
Employers Pension £0 - £5,000 (2016: £0-£5,000)

Other related party transactions involving the Trustees are set out within the related parties note.

11 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was included within the main school policy premium.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2016	3,799,581	10,026	615,875	93,455	4,518,937
Transfer on academy combination	8,989,751	-	27,030	45,228	9,062,009
Additions	145,425	-	67,897	15,013	228,335
At 31 August 2017	12,934,757	10,026	710,802	153,696	13,809,281
Depreciation					
At 1 September 2016	167,933	3,697	479,184	19,779	670,593
Charge for the year	119,624	1,003	93,601	11,629	225,857
At 31 August 2017	287,557	4,700	572,785	31,408	896,450
Net book value					
At 31 August 2017	12,647,200	5,326	138,017	122,288	12,912,831
At 31 August 2016	3,631,648	6,329	136,691	73,676	3,848,344

Included within land and buildings is Royal Wootton Bassett Academy's leasehold land and sixth form buildings, these assets were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding Agency as at the 31 August 2012. The total land on the site was valued at £1,748,309 and the sixth form buildings at £2,019,342. The main building was built separately on a PFI contract by Wiltshire Council, who recharge the payments from WHEP (the providers of the arrangement) to the academy.

Royal Wootton Bassett Academy's buildings are managed on a PFI contract which has a further 15 years to run, see note 21. The buildings, valued by EFA in the same valuation and basis as above in 2012, were valued at £18,586,192. The current insurance projected re-build cost of the two buildings is currently valued at £28,320,000.

Lawn Manor Academy's leasehold land and building were brought in as a donation from the existing academy into the multi-academy trust on 1 May 2017. The land and building was donated at the net book value as at 1 May 2017. The land was valued at £1,915,137. Other assets were also brought in on transfer which are disclosed in note 26. Lawn Manor Academy also have an on going capital project starting in August 2017 to install new windows and doors, costs of £132,537 have been incurred during the year.

13 Stocks	2017 £	2016 £
Stationery Stock	8,907	6,622

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

14 Debtors	2017 £	2016 £
Trade debtors	1,306	4,818
VAT recoverable	244,248	147,279
Other debtors	660,429	88,598
Prepayments and accrued income	318,602	235,959
	<u>1,224,585</u>	<u>476,654</u>
	<u><u>1,224,585</u></u>	<u><u>476,654</u></u>
15 Creditors: amounts falling due within one year	2017 £	2016 £
Trade creditors	126,355	361,176
Other taxation and social security	369,718	236,269
Other creditors	517	1,170
Accruals and deferred income	675,959	418,616
	<u>1,172,549</u>	<u>1,017,231</u>
	<u><u>1,172,549</u></u>	<u><u>1,017,231</u></u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

16	Deferred income	2017 £	2016 £
	Deferred income is included within:		
	Creditors due within one year	338,993	260,182
		<u> </u>	<u> </u>
	Deferred income at 1 September 2016	260,182	164,716
	Released from previous years	(260,182)	(164,716)
	Amounts deferred in the year	338,993	260,182
		<u> </u>	<u> </u>
	Deferred income at 31 August 2017	338,993	260,182
		<u> </u>	<u> </u>

Deferred income relates to income which was received in the year to 31 August 2017 but actually relates to the year ending 31 August 2018.

At the balance sheet date the Academy Trust was holding funds received in advance for the following:

Royal Wootton Bassett Academy

Trip Deposits for 2017/18	£77,146
SCITT Bursary Grants	£48,500
Teaching School 2017/18	£35,000
Rates Refund	£34,274
Pears Holocaust Donation	£21,000
School Bus 2017/18	£19,172
Locker Rental 2017/18	£16,515
NSS Bursary 2017/18	£ 6,000
Free Time Grant Income	£ 7,627
16-19 Bursary Grant	£ 5,398
Other Deferred Income	£47,653

Churchfields

Rates Refund	£9,508
Ski Trip	£8,756
Achievement For All Income	£2,013
Staff contributions	£ 431

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	515,828	9,784,959	(9,357,033)	(38,376)	905,378
Other DfE / ESFA grants	-	438,669	(396,938)	-	41,731
Other government grants	-	263,411	(263,411)	-	-
SCITT activities	(33,611)	298,002	(266,773)	-	(2,382)
Other restricted funds	-	7,668	(6,611)	-	1,057
	<u>482,217</u>	<u>10,792,709</u>	<u>(10,290,766)</u>	<u>(38,376)</u>	<u>945,784</u>
Funds excluding pensions	(2,645,000)	(797,000)	(246,000)	1,469,000	(2,219,000)
	<u>(2,162,783)</u>	<u>9,995,709</u>	<u>(10,536,766)</u>	<u>1,430,624</u>	<u>(1,273,216)</u>
Restricted fixed asset funds					
Transferred on conversion	-	9,585,855	(85,037)	-	9,500,818
DfE / ESFA capital grants	3,817,025	58,576	(131,425)	38,376	3,782,552
SCITT Assets	31,319	-	(9,395)	-	21,924
	<u>3,848,344</u>	<u>9,644,431</u>	<u>(225,857)</u>	<u>38,376</u>	<u>13,305,294</u>
Total restricted funds	<u>1,685,561</u>	<u>19,640,140</u>	<u>(10,762,623)</u>	<u>1,469,000</u>	<u>12,032,078</u>
Unrestricted funds					
General funds	19,347	901,061	(730,335)	-	190,073
Other funds	-	5,503	(5,503)	-	-
	<u>19,347</u>	<u>906,564</u>	<u>(735,838)</u>	<u>-</u>	<u>190,073</u>
Total funds	<u>1,704,908</u>	<u>20,546,704</u>	<u>(11,498,461)</u>	<u>1,469,000</u>	<u>12,222,151</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

(Continued)

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

Restricted General Funds are those which supplied for a specific duty and the funds spent only in accordance with the agreement or restriction placed upon each. Within the restricted general funds is the income and expenditure for the school-centred initial teacher training (SCITT) programme. The school is an accredited provider and receive funding from the National College of Teaching and Learning (NCTL) in the forms of bursary and salary grants. The scheme also receives money from students in the form of tuition fees.

Restricted Fixed Asset Funds are those assets which have been capitalised as a result of donation from the original school on conversion to a multi academy and assets purchased from one of the other funds since gaining academy status and transferred.

Unrestricted funds are all other sources of income generated by the academy through trading or fundraising and to which no restrictions apply regarding the way they are spent.

Under the funding agreement with the Secretary of State, the Academy Trust was no subject to a limit of the amount of GAG that it could carry forward at August 2017.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

(Continued)

Movements in funds - previous year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	259,142	8,024,088	(7,708,029)	(59,373)	515,828
Other DfE / ESFA grants	-	276,839	(276,839)	-	-
Other government grants	-	356,758	(356,758)	-	-
SCITT activities	(61,442)	330,580	(293,354)	(9,395)	(33,611)
Other restricted funds	-	26,884	(26,884)	-	-
	<u>197,700</u>	<u>9,015,149</u>	<u>(8,661,864)</u>	<u>(68,768)</u>	<u>482,217</u>
Funds excluding pensions	(1,351,000)	-	(118,000)	(1,176,000)	(2,645,000)
	<u>(1,153,300)</u>	<u>9,015,149</u>	<u>(8,779,864)</u>	<u>(1,244,768)</u>	<u>(2,162,783)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	3,909,615	33,248	(162,676)	36,838	3,817,025
SCITT Assets	8,784	-	(9,395)	31,930	31,319
Private sector capital sponsorship	-	8,250	(8,250)	-	-
	<u>3,918,399</u>	<u>41,498</u>	<u>(180,321)</u>	<u>68,768</u>	<u>3,848,344</u>
Total restricted funds	<u>2,765,099</u>	<u>9,056,647</u>	<u>(8,960,185)</u>	<u>(1,176,000)</u>	<u>1,685,561</u>
Unrestricted funds					
General funds	16,015	636,899	(633,567)	-	19,347
Other funds	-	10,061	(10,061)	-	-
	<u>16,015</u>	<u>646,960</u>	<u>(643,628)</u>	<u>-</u>	<u>19,347</u>
Total funds	<u>2,781,114</u>	<u>9,703,607</u>	<u>(9,603,813)</u>	<u>(1,176,000)</u>	<u>1,704,908</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds (Continued)

Total funds analysis by academy

	Total £
Fund balances at 31 August 2017 were allocated as follows:	
Royal Wootton Basset Academy	616,183
Lawn Manor Academy	519,674
Total before fixed assets fund and pension reserve	1,135,857
Restricted fixed asset fund	13,305,294
Pension reserve	(2,219,000)
Total funds	12,222,151

Total cost analysis by academy

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 £
Royal Wootton Basset Academy	6,270,056	562,112	1,927,209	645,782	9,405,159
Lawn Manor Academy	1,022,772	240,832	201,293	222,549	1,687,446
	<u>7,292,828</u>	<u>802,944</u>	<u>2,128,502</u>	<u>868,331</u>	<u>11,092,605</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	12,912,831	12,912,831
Current assets	174,927	2,000,942	525,000	2,700,869
Creditors falling due within one year	15,146	(1,055,158)	(132,537)	(1,172,549)
Defined benefit pension liability	-	(2,219,000)	-	(2,219,000)
	<u>190,073</u>	<u>(1,273,216)</u>	<u>13,305,294</u>	<u>12,222,151</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	3,848,344	3,848,344
Current assets	98,661	1,420,134	-	1,518,795
Creditors falling due within one year	(79,314)	(937,917)	-	(1,017,231)
Defined benefit pension liability	-	(2,645,000)	-	(2,645,000)
	<u>19,347</u>	<u>(2,162,783)</u>	<u>3,848,344</u>	<u>1,704,908</u>

19 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 and of the LGPS 31 March 2016.

Contributions amounting to £173,372 (2016: £109,349) were payable to the schemes at 31 August 2017 and are included within creditors.

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.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £772,060 (2016: £667,917).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The 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 the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates during the year was 23.60% per cent for employers and 5% - 6 % per cent for employees at Royal Wootton Bassett Academy. The agreed contribution rates during the year was 27.50% per cent for employers and 5% - 6 % per cent for employees at Lawn Manor Academy.

The estimated value of employer contributions for the forthcoming year is £439,000. The academy trust has agreed to pay the default contributions rates, no lump sum contributions will be made for the next few years, these future rates are as follows:

Royal Wootton Bassett Academy

Period	Employer Contribution Rate
2017/2018	25.3%
2018/2019	26.9%

Lawn Manor Academy

Period	Employer Contribution Rate
2017/2018	26.7%
2018/2019	25.9%

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.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

Contributions made	2017 £	2016 £
Employer's contributions	299,000	220,000
Employees' contributions	77,000	63,000
Total contributions	376,000	283,000
Principal actuarial assumptions	2017 %	2016 %
Rate of increase in salaries	2.7	4.1
Rate of increase for pensions in payment	2.4	2.1
Discount rate for scheme liabilities	2.5	2.0

Sensitivity Analysis

Change in assumptions at 31st August 2017

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	11%	1,095
0.5% increase in the Salary Increase Rate	2%	163
0.5% increase in the Pension Increase Rate	10%	917

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

	2017 Years	2016 Years
Retiring today		
- Males	22.5	22.3
- Females	24.9	24.5
Retiring in 20 years		
- Males	24.1	24.1
- Females	26.7	26.9

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2017 Fair value £	2016 Fair value £
Equities	5,206,460	2,382,000
Bonds	1,026,640	496,000
Cash	146,520	33,000
Property	953,380	397,000
Total market value of assets	7,333,000	3,308,000
Present value of scheme liabilities - funded	(9,552,000)	(5,953,000)
Net pension asset / (liability)	(2,219,000)	(2,645,000)

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. as at 31 August 2016 for the year to 31 August 2017). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £958,000 (2016: £236,000)

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Operating costs/(income)		
Current service cost (net of employee contributions)	180,000	67,000
Past service cost	-	-
Total operating charge	180,000	67,000
Finance costs/(income)		
Expected return on pension scheme assets	(88,000)	(105,000)
Interest on pension liabilities	154,000	156,000
Net finance costs/(income)	66,000	51,000
Total charge/(income)	246,000	118,000

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2017 £	2016 £
Actuarial (gains)/losses on assets: actual return less expected	(645,000)	(236,000)
Experience (gains)/losses on liabilities	(824,000)	1,412,000
(Gains)/losses arising from changes in assumptions	-	-
Total (gains)/losses	<u>(1,469,000)</u>	<u>1,176,000</u>
Cumulative (gains)/losses to date	<u>(1,469,000)</u>	<u>-</u>

Movements in the present value of defined benefit obligations

	2017 £	2016 £
Obligations at 1 September 2016	(5,953,000)	(4,070,000)
Obligations acquired on conversion	(3,778,000)	-
Current service cost	(479,000)	(287,000)
Interest cost	(154,000)	(156,000)
Contributions by employees	(77,000)	(63,000)
Actuarial gains/(losses)	824,000	(1,412,000)
Benefits paid	65,000	35,000
At 31 August 2017	<u>(9,552,000)</u>	<u>(5,953,000)</u>

Movements in the fair value of scheme assets

	2017 £	2016 £
Assets at 1 September 2016	3,308,000	2,719,000
Assets acquired on conversion	2,981,000	-
Expected return on assets	88,000	105,000
Actuarial gains/(losses)	645,000	236,000
Contributions by employers	299,000	220,000
Contributions by employees	77,000	63,000
Benefits paid	(65,000)	(35,000)
At 31 August 2017	<u>7,333,000</u>	<u>3,308,000</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

History of experience gains and losses

	2017 £	2016 £
Present value of defined benefit obligations	(9,552,000)	(5,953,000)
Fair value of share of scheme assets	7,333,000	3,308,000
Surplus / (deficit)	(2,219,000)	(2,645,000)
Experience adjustment on scheme assets	645,000	236,000
Experience adjustment on scheme liabilities	824,000	(1,412,000)

20 Reconciliation of net income to net cash flows from operating activities

	2017 £	2016 £
Net income for the reporting period	9,048,243	99,794
Adjusted for:		
Net surplus on conversion to academy	(9,374,030)	-
Capital grants from DfE/ESFA and other capital income	(58,576)	(41,498)
Investment income receivable	(986)	(1,147)
Finance costs payable	8,466	7,608
Defined benefit pension costs less contributions payable	180,000	67,000
Defined benefit pension net finance cost	66,000	51,000
Depreciation of tangible fixed assets	225,857	185,271
(Loss)/profit on disposal of fixed assets	-	(4,950)
(Increase) in stocks	(2,285)	(2,464)
(Increase)/decrease in debtors	(747,931)	61,387
Increase in creditors	155,318	74,219
Stocks, debtors and creditors transferred on conversion	520,279	-
Net cash provided by operating activities	20,355	496,220

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	1,207,314	1,139,634
Amounts due in two and five years	4,437,741	4,343,297
Amounts due after five years	10,783,108	11,533,780
	<u>16,428,163</u>	<u>17,016,711</u>

The RWBA buildings are provided on a PFI contract which at 31 August 2017 had a further 15 years to run. This is an estimate of the future costs and based on 15 years times the basic annual payment, this may change due to the calculation being based on funding, pupil numbers and RPI which vary each year. The basic annual payment and affordability gap paid for the 12 months to 31 August 2017 was £1,078,311 and the cost for the year to 31 August 2018 is expected to be £1,078,311.

22 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the accounts	<u>392,463</u>	<u>-</u>

In relation to the CIF project on Window installations at Lawn Manor Academy.

23 Related party transactions

Owing to the nature of the Academy Trust's operations 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 at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

25 Agency arrangements

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the trust brought forward £6,206, received £10,578 and disbursed £11,386 from the fund. An amount of £5,398 has been included in deferred income relating to undistributed funds that are repayable to ESFA.

The academy distributes SCITT bursary funds to student teachers as an agent for NCTL. During the accounting period ending 31 August 2017 the trust received £297,000 and disbursed £248,500. An amount of £48,500 has been included in deferred income relating to undistributed funds that are repayable to NCTL.

26 Transfer due to Academy combination

On 1 May 2017 the Lawn Manor Academy was transferred into the multi-academy trust and all the operations and assets and liabilities were transferred to Royal Wootton Bassett Academy Trust from the existing academy for £9,374,030 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 values 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 as donations – transfer from existing academy.

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.

Academy	Location	Date of conversion
Lawn Manor Academy	Swindon	1 May 2017

	2017
Net assets transferred:	£
Leasehold land and buildings	8,989,751
Other tangible fixed assets	72,258
Cash	588,742
LGPS pension surplus/(deficit)	(797,000)
Current assets	725,230
Current liabilities	(204,951)
	<u>9,374,030</u>

ROYAL WOOTTON BASSETT ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

26 Transfer due to Academy combination

(Continued)

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2017
	£	£	£	£
Fixed assets funds	-	-	9,585,855	9,585,855
Revenue funds	189,189	395,986	-	585,175
LGPS pension funds	-	(797,000)	-	(797,000)
	<u>189,189</u>	<u>(401,014)</u>	<u>9,585,855</u>	<u>9,374,030</u>