

Woodkirk Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2014

Company Registration Number:
07720181 (England and Wales)

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Woodkirk Academy Trust

Reference and Administrative Details

MEMBERS

D Fisher
I West
S Alleston
A Grayson
J Westwood

APPOINTED

27th July 2011
27th July 2011
27th July 2011
21st March 2012
21st March 2012

GOVERNORS AND TRUSTEES

APPOINTED

Community Representatives

D Fisher
I West (Vice Chair)
S Alleston (Chair)
W Bartholomew
N Bilton
J Elliott
A Grayson
A Rawlins
J Westwood

27th July 2011
27th July 2011
27th July 2011
21st September 2011
21st September 2011
21st September 2011
21st September 2011
21st September 2011
21st September 2011

Parent Representatives

S Anderson
G Beacon
K Grey
S Holt - resigned 1 April 2014
N Thornton

21st September 2011
21st September 2011
21st September 2011
21st September 2011
21st September 2011

Staff Representatives

R Aiston
J Standage
L Zwalf

21st September 2011
21st September 2011
21st September 2011

Ex Officio

JB White (Headteacher)

21st September 2011

COMPANY SECRETARY

SG Sutcliffe FCA

PRINCIPAL AND REGISTERED OFFICE

Rein Road, Tingley, Wakefield WF3 1JQ

COMPANY REGISTRATION NUMBER

07720181 (England and Wales)

Woodkirk Academy Trust

Reference and Administrative Details

INDEPENDENT AUDITORS

Saffery Champness
Chartered Accountants
Mitre House
North Park Road
Harrogate HG1 5RX

BANKERS

National Westminster Bank plc
89A Queen Street
Morley
Leeds LS27 8XR

RESPONSIBLE OFFICER

Financial Services to Schools
Resources Directorate
Merrion House
Leeds LS2 8DT

SOLICITORS

Wrigleys
19 Cookridge Street
Leeds LS2 3AG

Governors' Report

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014.

The financial statements have been prepared in accordance with the accounting policies on pages 24 to 26 of the attached financial statements, and comply with the company's memorandum and articles of association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 "SORP 2005").

Structure, Governance and Management

Constitution

The academy was incorporated on the 27th July 2011 and started trading on the 1st September 2011.

The academy trust is a company limited by guarantee (reg.7720181) and an exempt charity. The company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors act as the trustees for the charitable activities of Woodkirk Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Woodkirk Academy. Details of the governors who served throughout the year are included in the Reference and Administrative details on page 3.

In January 2012 the academy set up a wholly owned subsidiary company called Woodkirk Academy Services Ltd (reg.7918414) with objective of pursuing non charitable activities. The subsidiary company is currently dormant and did not trade during the financial year ended 31st August 2014.

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. The members of the company are listed in the Reference and Administrative Details on page 3.

Principal Activities

To advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing the school by offering a broad and balanced curriculum.

Governors (including recruitment, appointment and induction and training)

The Members may appoint up to 20 governors. The governors were appointed at the first Members' meeting held on the 21st September 2011 and all were previously governors of Woodkirk High School. The governors are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. Governors are appointed for a fixed term of four years, except for the Headteacher. Subject to remaining eligible, any governor may be reappointed or re-elected. The governors who were in office at the 31st August 2014 served throughout the year and are listed on page 3. The governing body is comprised of representatives of the local community, academy staff and parents of students. Parent governors are nominated by parents of the academy students and staff governors are nominated by the staff of Woodkirk Academy. Both are due for re-election in 2015.

Governors' Report continued

The full governing body meets at least four times per annum to discuss strategic matters, operational developments and financial and budget performance. The academy also has four committees, meeting at least once a term. These committees have specific responsibility for Strategic Review, Teaching and Learning, Personnel and Finance & Property Management. Each of the governors takes specific responsibility for key areas of management and teaching departments.

The training and induction provided for new governors will depend on their existing experience. Where necessary, training is provided on charity, educational, legal and financial matters. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. The academy complies with the School Standards and Framework Act 1998 and all governors are required to confirm their eligibility to act as a governor and to declare any business interest of theirs or their close family, which may conflict with the interests of the academy.

During the year under review the governors held four full governing body meetings and thirteen committee meetings. Attendance during the year for the full governing body was as follows;

Meetings attended

S Alleston (Chair)	4
I West (Vice Chair)	4
D Fisher	4
A Grayson	4
J Westwood	4
R Aiston	4
S Anderson	4
W Bartholomew	3
G Beacon	4
N Bilton	3
J Elliott	3
K Grey	4
S Holt	1
A Rawlins	2
J Standage	4
N Thornton	1
JB White (Headteacher)	4
L Zwalf	3

Woodkirk Academy Trust

Governors' Report continued

Risk Management

The Governing Body is ultimately responsible for the management of risk. The day to day management of risk is delegated to the Risk sub-committee, which is chaired by a governor and comprises of representatives of the academy's Senior Leadership Team and senior officers.

The first meeting of the Risk Committee was held in September 2012 and in February 2013 it presented the Risk Register to the Strategic Review Committee. The Risk Register identifies risks to which the academy is exposed. These have been assessed to determine the probability of occurrence and the likely impact and have been categorised as High, Medium or Low. The Risk Committee will continue to meet on a regular basis in order to review the Risk Register and assess the systems and procedures that are in place for the management of risks. The Governing Body recognises that its approach to risk management is developing and continued work is required to embed risk management throughout the organisation. The Governing Body are satisfied however that there are and have been sound systems of internal controls in place. The Risk Committee has met once during the year to 31 August 2014 and it is currently in the process of drawing up a Business Continuity Plan for the Academy.

Fraud

Woodkirk Academy does not tolerate fraud and action is taken to reduce the risk of fraud through the control systems. There have been no reported cases of fraud during the year.

Public Benefit

The governors have had regard to the Charity Commission guidance on public benefit in exercising their duties.

Connected Organisations, including Related Party Relationships

Woodkirk Academy currently has no related party relationships.

Auditors

In so far as the Governors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware,
- The governors have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

Saffery Champness have expressed their willingness to remain in office as auditors to the company.

Objectives and Activities of Woodkirk Academy

Woodkirk Academy's objectives are to enrich the learning needs of the community, to provide life-long access to educational opportunities and to maximise the potential of all who learn here.

The Academy's aims are to:

- Encourage a positive and caring environment where the opportunities for learning are opened up for students and staff of all ages, backgrounds and cultures.
- Promote understanding and respect for others.
- Help all members of the school community develop an understanding of what it means to be trusted, valued, trusting and caring.
- Promote the principle of equal value.

Governors' Report continued

- Develop confidence, competence and social responsibility in all students by:
 - Placing the individual at the centre of all learning activities.
 - Providing access for all to a full range of opportunities.
 - Providing for continuity and progression in all learning experiences.
 - Creating a clean, safe, secure and stimulating learning environment.
 - Encouraging students, staff, parents and members of the community to work together to maximise achievement.
 - Delivering a broad and balanced curriculum that fulfils and extends the National Curriculum.
 - Developing links between the curriculum and the community.

Strategic report

Achievements and Performance

The Academy achieved outstanding examination results for the 2013/14 academic year, the best in the history of Woodkirk School.

Key Stage 4

- 77% of students who sat GCSE or equivalent examinations were awarded a minimum of 5 A*-C, including English and Mathematics (national 54%).
- 79% of students achieved at least an A*-C in both GCSE English and Mathematics with 88% achieving A*-C in English (national 62%) and 87% in Mathematics (national 62%).
- 74% of all the grades achieved across all subjects were in the A*-C category.
- 96% of students achieved at least 5 A*-G grades.
- 91% of students made at least the expected progress in English (national 70%), with 43% making more than expected progress (national 32%).
- 84% of students made at least the expected progress in Mathematics (national 65%) with 42% making more than expected progress (national 29%).

Key stage 5

- The A Level pass rate for the 2013/14 cohort of students was 98% with 42% of all grades being in the A*- B category.
- 92% of students were awarded three or more Level 3 qualifications.
- The average point score per student was 749.
- The average score per entry was 211.

These impressive results enabled the vast majority of students to progress onto their chosen post 16 destination.

The number of students in the Sixth Form is 352 and this is the highest ever recorded at the Academy.

Attendance figures for the Academy during 2013/14 were the best ever at 95.8% (national 94.9%), an increase over the previous year's figure of 94.6%.

Persistent absenteeism was also better at 2.8% (national 5.8%) compared to the previous year.

The Academy was inspected by Ofsted in November 2013 and was judged as Good overall.

Governors' Report continued

Principal Risks and Uncertainties

The main risks to Woodkirk Academy have been identified as;

- Changes in Government legislation, particularly with regard to funding.
- Inadequate budgetary forecasting.
- Inadequate measurement and comparison of budgets to actual financial performance.
- Inaccurate or inappropriate information provided to trustees and senior management which is thus not suitable to adequately monitor the performance of the academy.
- ICT systems that is not suitable for the Academy's needs.
- Failure to maintain the high educational standards and reputation that the academy enjoys.
- Demographic trends or competition from other educational establishments affecting pupil numbers, resulting in a potential loss of funding.

As a result of the risk management processes established at Woodkirk Academy the Governing Body is satisfied that the major risks have been identified and adequately mitigated where necessary. The Governing Body recognises that systems and procedures can only provide reasonable but not absolute assurance that major risks have been adequately managed and that this is a continuous ongoing process.

The key controls in place are:

- Regular Governing Body and Committee meetings with detailed agendas.
- Detailed and comprehensive terms of reference and contract procedure rules in place for the governing body and its committees.
- A fully costed School Improvement Plan in line with the budget allocations.
- An established organisational structure with clear lines of delegation and reporting.
- Formal written policies and procedures which include clear authorisation and approval levels.
- Comprehensive financial planning, budgeting and management accounting systems.
- A Disaster Recovery Plan which incorporates off- site storage of ICT system backups.
- Risk management advice and support by external consultants.

Extra-Curricular Activities

Experiential learning is given high priority at Woodkirk, with over 120 sessions being conducted after school each week. Two thirds of these are aimed at supplementing and extending academic activities, with the other third having sport, music, performing arts and other interests as their focus.

The Academy also runs an extensive range of educational trips, which in 2013/14 included visits to the USA, Italy, Netherlands and Poland. A total of 111 educational visits were conducted last year, of which 11 were residential. These involved 3,235 students taking part.

Students and staff raised substantial funds for several charities. In 2013/14 a total of £7,137 was donated to Martin House Hospice, Macmillan Nurses, Blind Veterans, Children in Need, British Heart Foundation, and Neuro-blastoma Children's Cancer Alliance.

Woodkirk Academy Trust

Governors' Report continued

Volunteers

A number of parents and community representatives help in fundraising activities as members of the "Friends " group, several of whom also serve on the Governing Body. Members of the community also offer their services to assist in providing supervision on residential trips and visits out of school.

The Governors are aware of and have had due regard to the public benefit guidance published by the Charity Commission.

Building developments

The Academy has undertaken significant building works over the past year, including:

- Fire protection compartmentation in Yellow Block.
- Improvements to the middle yard area including entrances to Science & Humanities.
- Replacement of external doors.
- Improvements to the outside areas around the Sixth Form entrance including external seating.
- New lighting system in the Drama Studio.
- New lighting and sound system in the main hall.

Plans for the future

These include:

- Continue to develop Teaching and Learning through the new performance management, quality assurance systems and appropriate and personalised provisional development programme.
- Continue to develop post 16 provision.
- Develop the work of the Academy as part of the Leeds City Teaching School Alliance including the sharing of good practice, training and certification of NTE colleagues and providing good quality in service training.
- Continue to explore the possibilities of improving the playing fields and sports facilities for the school and local community.
- Continue to develop teacher assessment and feedback to students.
- Continue to implement strategies and programmes to enhance literacy and numeracy across the whole school.
- Continue to explore the most cost effective methods to use the Pupil Premium to support vulnerable students.
- Continue to improve the site and estate.
- Continue to develop leadership at all levels.
- To form a multi academy trust with three local primary schools.
- To explore the possibility of becoming a sponsor to an under achieving academy.

Woodkirk Academy Trust

Governors' Report continued

Going Concern

After making appropriate enquiries, the Governors have a reasonable expectation that Woodkirk Academy Trust has adequate resources to continue in operational existence for the foreseeable future. On 14 July 2014 the Resources (Finance & Property) Committee of Governors approved the budget for 2014/15. This was presented to the full governing body for approval on 20 September 2014. The budget forecasts an in year surplus and continued solvency through adequate cash backed reserves. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key Financial Performance Indicators and financial review

- Woodkirk Academy has had a successful financial period. Net outgoing resources were £86k, with net current assets at 31st August 2014 of £1,548k.
- A further £104k was invested in tangible fixed assets total as a result of additions to furniture, equipment and computers & IT.
- As at the 31st August 2014 Woodkirk Academy had cash reserves of £1,913k which includes deferred income of £3k.
- Woodkirk Academy's income is mainly derived from the Department for Education (DFE) and the Local Education Authority (LEA) in the form of the recurrent and capital grants, the use of which is restricted to particular purposes. The grants received from the DFE and the LEA during the period ended the 31st August 2014 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also received grant for the acquisition of fixed assets from the DFE. 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 assets fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Reserves Policy

Woodkirk Academy has three categories of reserves:

- Restricted Funds, which is the General Annual Grant used to carry out the principal objects of the organisation,
- Fixed Asset Reserve used to finance fixed assets and
- Unrestricted Reserves which is used under the direction of the Members and which has been delegated to the Governing Body.

The unrestricted reserves of £1,109k are freely available for general purposes. However the Governors intend that the main purpose of these funds will be to mitigate against any residual risks that have been identified in the academy's Risk Register. The most significant of these is a reduction in capital maintenance funding which could prevent significant maintenance and refurbishment being carried out. The Governors approved last year the transfer of £1,000,000 to a designated Building Maintenance Fund. In the year ended 31 August 2014 an amount of £500,000 was released to General Funds to enable further refurbishment work to be carried out.

The restricted funds of £10,545k include the Fixed Assets Reserve of £10,862k and pension liability of £770k.

Woodkirk Academy Trust

Investment Policy

A return on working capital should be optimised whilst allowing easy access of the funds. In balancing risk against return the academy policy is geared towards avoiding risk rather than to maximise return.

The academy has an interest bearing deposit account into which funds are placed that are not immediately needed. This is a short term deposit account which allows instant access to the funds.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 9th December 2014 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'Dennis Fisher', with a stylized flourish at the end.

Dennis Fisher
Trustee

Woodkirk Academy Trust

Governance Statement

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Woodkirk 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 mis-statement or loss.

The governing body has delegated the day-to-day responsibility to the Headteacher as accounting officer, this includes:

- Ensuring financial controls conform to the requirements of both propriety and good financial management.
- Are in accordance with the requirements and responsibilities assigned to it in the funding agreement between Woodkirk Academy Trust and the Secretary of State for Education.
- Responsibility for reporting to the governing body any material weaknesses or breakdowns in internal control.

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and regulations.

The Resources (Finance & Property) Committee is a sub-committee of the main governing body. Its purpose is to monitor the budget plan and to protect the resources of the academy, whilst seeking to maximise their effectiveness in delivering the educational priorities as set out in the School Development Plan.

Governor	Meetings attended	Out of a possible
Ian West	4	4
Jack Westwood	4	4
Nigel Bilton	4	4
Bill Bartholomew	4	4
Judith Elliott	4	4
Janet Standage	3	4
Graham Beacon	4	4
Dennis Fisher	4	4
Jonathan White	4	4

Governance Statement continued

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. Therefore it can 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.
- To manage such risks efficiently, effectively and economically.

The system of internal control has been in place in Woodkirk Academy for the year ended 31st August 2014 and up to the date of the approval of the annual report and financial statements.

As the Accounting Officer, the Headteacher must ensure that financial controls conform with the requirements of both good propriety and financial management and are in accordance with the requirements and responsibilities assigned to the Accounting Officer in the Funding Agreement between Woodkirk Academy and the Secretary of State for Education. The Accounting Officer is also responsible for reporting any material weaknesses or breakdowns in internal control.

Capacity to Handle Risk

The governing body has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy's significant risks that has been in place for the year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body.
- Regular reviews by the Resources (Finance & Property) Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The governing body has considered the need for an internal audit function and has decided not to employ an internal auditor. Instead the governors have appointed Leeds City Council's Financial Services to Schools, to act as the Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

Governance Statement continued

The RO reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

The RO has carried out two visits during the year to 31 August 2014 and one subsequent to the year end. It has submitted reports to the Governing Body. The latest visit took place on the 6 & 7 November 2014 and the report will be considered by governors at the next planned Resources (Finance & Property) Committee. To date there have been no material control issues identified.

Review of Effectiveness

As the Accounting Officer, the Headteacher Mr JB White, 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 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 Resources (Finance & Property) Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on 9 December 2014 and signed on its behalf by:



Dennis Fisher
Trustee



Jonathan White
Accounting Officer

Woodkirk Academy Trust

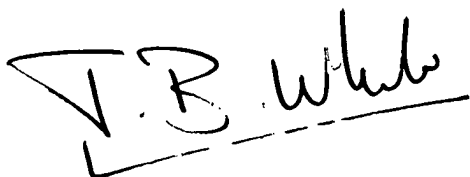
Statement on Regularity, Propriety and Compliance

As the Accounting Officer of Woodkirk Academy Trust I have considered my responsibility to notify the Academy Trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trust governing body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to-date.

Signed

A handwritten signature in black ink, appearing to read 'J.B. White', written over a horizontal dashed line.

Jonathan White
Accounting Officer

Statement of Trustees' Responsibilities

The governors (who act as Charity Trustees of Woodkirk Academy Trust Limited and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the governing body on 9 December 2014 and signed on its behalf by:



Dennis Fisher
Trustee

Woodkirk Academy Trust

Independent Auditor's Report on the Financial Statements to the Governing Body of Woodkirk Academy Trust Limited

We have audited the financial statements on pages 22 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees;
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Accounts Direction 2013/14 issued by the EFA.
- Have been prepared in accordance with the requirements of the Companies Act 2006; and grants made by EFA/DfE have been applied for the purposes intended.

Woodkirk Academy Trust

Independent Auditor's Report on the Financial Statements to the Governing Body of Woodkirk Academy Trust Limited (continued)

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Saffery Champness

Alison Robinson
Senior Statutory Auditor
For and on behalf of

Saffery Champness
Chartered Accountants
Statutory Auditors
Harrogate Office
Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

18th December 2014

Woodkirk Academy Trust

Independent Reporting Auditor's Assurance Report on Regularity to Woodkirk Academy Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 18 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the academy trust during the period 1 September 2013 to 31 August 2014 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 Woodkirk Academy Trust and the EFA in accordance with the terms of our engagement letter. Our review work has been undertaken so that we might state to Woodkirk Academy Trust and the EFA 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 Woodkirk Academy Trust and the EFA, for our work, for this report, or for the conclusions we have formed.

Respective responsibilities of Woodkirk Academy Trust's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Woodkirk Academy Trust's funding agreement with the Secretary for State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2013, 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 Academies Accounts Direction 2014. 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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies' Accounts Direction 2014 issued by the EFA. 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.

Woodkirk Academy Trust

Independent Reporting Auditor's Assurance Report on Regularity to Woodkirk Academy Trust Limited and the Education Funding Agency (continued)

Opinion

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 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Alison Robinson
Senior Statutory Auditor

For and on behalf of

Saffery Champness
Chartered Accountants
Statutory Auditors
Harrogate Office
Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

18th December 2014

Statement of Financial Activities for the year ended 31 August 2014

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted	Restricted Funds		Total	Total
		Funds	General	Fixed Asset	2014	2013
	Note	£000	£000	£000	£000	£000
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Activities for generating funds	3	13	-	-	13	10
Investment income	4	14	-	-	14	21
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	9,356	66	9,422	9,279
Other income	5	514	85	-	599	521
Total incoming resources		541	9,441	66	10,048	9,831
Resources expended						
<i>Charitable activities</i>						
Academy's educational operations	6,7	363	9,571	437	10,371	9,933
<i>Governance costs</i>	8	-	15	-	15	14
Total Resources expended		363	9,586	437	10,386	9,947
Net incoming /(outgoing) resources before transfers		178	(145)	(371)	(338)	(116)
Transfers						
Gross transfers between funds	16	(500)	396	104	-	-
Net outgoing)/(incoming) resources before other recognised gains and losses		(322)	251	(267)	(338)	(116)
Other recognised gains and losses						
Actuarial Gains on defined benefit pension schemes	16,26	-	252	-	252	168
Net movement in funds		(322)	503	(267)	(86)	52
Reconciliation of funds						
Total funds brought forward at 1 September 2013		1,431	(820)	11,129	11,740	11,688
Total funds carried forward at 31 August 2014	16	1,109	(317)	10,862	11,654	11,740

All of the Academy's activities derive from the continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Woodkirk Academy Trust

Balance Sheet as at 31 August 2014

Company Number 07720181

	Notes	2014 £000	2014 £000	2013 £000	2013 £000
Fixed assets					
Tangible assets	12		10,876		11,211
Total fixed assets			10,876		11,211
Current assets					
Stock	13	-		10	
Debtors	14	300		321	
Cash at bank and in hand		1,913		1,666	
		2,213		1,997	
Liabilities					
Creditors					
Amounts falling due within one year	15	(665)		(527)	
Net current assets			1,548		1,470
Total assets less current liabilities			12,424		12,681
Net assets excluding pension liability			12,424		12,681
Pension scheme liability	26		(770)		(941)
Net assets including pension liability			11,654		11,740
Funds of the Academy					
Restricted Funds					
Fixed asset funds	16		10,862		11,129
General funds	16		453		121
Pension reserve	16		(770)		(941)
Total Restricted Funds			10,545		10,309
Unrestricted Funds					
General funds	16		1,109		1,431
Total Unrestricted Funds			1,109		1,431
Total Funds			11,654		11,740

The financial statements on 22 to 40 were approved by the Governors, and authorised for issue on 9 December 2014 and signed on their behalf by:

Signed



Dennis Fisher
Trustee

Cash Flow Statement for the year ended 31 August 2014

	Notes	2014 £000	2013 £000
Net cash inflow from Operating Activities	20	271	405
Returns on investments and servicing of finance	21	14	21
Net Capital expenditure	22	(38)	(86)
Increase in cash in the year	23	247	340
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2013		1,666	1,326
Net funds at 31 August 2014		1,913	1,666

Notes to the Financial Statements for the year ended 31 August 2014

1 Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations

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

Other income

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

Donated Services and gifts in kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Notes to the Financial Statements for the year ended 31 August 2014 (continued)

1 Statement of Accounting Policies

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance Costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £500 or more individually or as a group are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet.

Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

- Long leasehold buildings are assumed to have a life of 50 years from the date of construction. Depreciation is charged based upon the depreciated replacement cost basis at the date of acquisition by the academy, which was 1st September 2011.
- Leasehold land over the term of the 125 year lease
- Fixtures, fittings and equipment 10% - 33.33%
- ICT equipment 25%-33% straight line
- Motor Vehicles 20% straight line

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

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

1 Statement of Accounting Policies

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.

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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 quinquennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust may hold unspent GAG from previous academy financial years amounting to such percentage, if any, as the Secretary of State may specify prior to the beginning of the academy financial year. No such notice has been issued by the Secretary of State and therefore there is no restriction on the carried forward amount.

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
3 Activities for generating funds				
Hire facilities	13	-	13	10
Total	13	-	13	10
4 Investment Income				
Short term deposits	14	-	14	21
Total	14	-	14	21

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
5 Funding for Academy's educational operations				
DfE/EFA revenue grants				
General Annual Grant (note 2)	-	8,828	8,828	8,637
Capital grants	-	66	66	251
Start Up Grants	-	-	-	-
Other DfE/EFA grants	-	431	431	298
	-	9,325	9,325	9,186
Other Government Grants				
Local Authority grants	-	97	97	93
sub total	-	9,422	9,422	9,279
Other Income				
Catering	500	-	500	409
Music	-	12	12	11
Salary recovery	-	62	62	56
School Fund	-	-	-	6
Other	14	11	25	39
sub total	514	85	599	521
Total	514	9,507	10,021	9,800

6 Resources Expended	Staff Costs £000	Non Pay expenditure Premises Other £000 £000		Total 2014 £000	Total 2013 £000
Costs of generating voluntary income					
Educational operations:					
Direct costs	6,910	417	697	8,024	7,677
Allocated support costs	889	648	810	2,347	2,256
	7,799	1,065	1,507	10,371	9,933
Governance costs including allocated support costs	-	-	15	15	14
Total	7,799	1,065	1,522	10,386	9,947

Net Incoming/Outgoing resources for the year include:

Fees payable to Auditor for:

Audit	12	12
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Notes to the Financial Statements for the period ended 31 August 2014 (continued)

	Unrestricted Funds	Restricted Funds		2014	2013
		General	Fixed Asset	Total	Total
	£000	£000	£000	£000	£000
7 Charitable Activities – Academy’s educational operations					
Direct costs					
Teaching and educational support staff costs	-	6,910	-	6,910	6,609
Depreciation	-	-	417	417	400
Educational supplies	-	487	-	487	411
Examination fees	-	193	-	193	227
Staff development	-	17	-	17	30
	-	7,607	417	8,024	7,677
Allocated support costs					
Support staff costs	18	874	-	892	908
Depreciation	1	-	20	21	10
Recruitment and support	-	18	-	18	16
Maintenance of premises and equipment	-	564	-	564	543
Cleaning	-	35	-	35	36
Rent and rates	-	25	-	25	25
Insurance	-	78	-	78	85
Security and transport	-	30	-	30	20
Catering	326	-	-	326	287
Bank interest and charges	-	3	-	3	6
Other support costs	18	337	-	355	320
	363	1,964	20	2,347	2,256
Total	363	9,571	437	10,371	9,933
8 Governance costs					
Legal and professional fees	-	3	-	3	1
Auditor’s remuneration for:					
- Audit of Financial Statements	-	12	-	12	12
Responsible Officer audit	-	-	-	-	1
Total	-	15	-	15	14

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

	2014	2013
	Total	Total
	£000	£000
9 Staff costs		
Staff costs during the year were:		
Wages and salaries	6,182	6,051
Social security costs	458	465
Other pension costs	915	893
	7,555	7,409
Supply teacher costs	213	109
Total	7,768	7,518

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

	2014	2013
	No.	No.
Charitable Activities		
Teachers	109	104
Administration and support	82	84
Management	9	10
	200	198

The number of employees whose emoluments fell within the following bands was:

£60,001 to £70,000	0	1
£80,001 to £90,000	1	1
£120,001 to £140,000	1	1

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for those staff amounted to £29,234 (2013:£39,175).

10 Governors' remuneration and expenses

The Headteacher and Staff Governors only receive remuneration in respect of services they provide carrying out their roles as employees of the Academy and not as Governors. The other Governors received no remuneration or reimbursement in expenses during the year ended 31 August 2014.

	2014	2013
JB White (Headteacher & highest paid Director)	£120,001 - £125,000	£120,001 - £125,000
R Aiston (Staff Trustee)	£45,001 - £50,000	£45,001 - £50,000
L Zwalf (Staff Trustee)	£45,001 - £50,000	£45,001 - £50,000
J Standage (Staff Trustee)	£20,001 - £25,000	£20,001 - £25,000

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

11 Governors' and Officers' Insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £2,650 (2013: £3,554). The cost of this insurance is included in the total insurance costs.

	Leasehold Land & Buildings	Furniture & Equipment	Computer Equipment	Motor Vehicle	2014 Total
	£000	£000	£000	£000	£000
12 Tangible Fixed Assets					
Cost					
At 1 September 2013	11,786	67	136	8	11,997
Additions	-	44	60	-	104
At 31 August 2014	11,786	111	196	8	12,101
Depreciation					
At 1 September 2013	742	13	30	1	786
Charge in year	373	21	44	1	439
At 31 August 2014	1,115	34	74	2	1,225
Net book values					
At 31 August 2014	10,671	77	122	6	10,876
At 31 August 2013	11,044	54	106	7	11,211

	2014 £000	2013 £000
13 Stock		
Clothing	-	10
Catering	-	-
Total	-	10

14 Debtors		
Trade debtors	87	8
Prepayments	63	62
Other debtors	150	251
Total	300	321

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

	2014 £000	2013 £000
15 Creditors: amounts falling due within one year		
Trade creditors	338	177
Other taxation and social security	130	132
Accruals and deferred income – see note below	197	218
Total	665	527
 Deferred Income		
Deferred income at 1 September 2013	108	129
Resources deferred in the year	3	108
Amounts released from previous years	(108)	(129)
Deferred income at 31 August 2014	3	108

At the balance sheet date the academy was holding funds received in advance for educational visits booked for the 2014/15 academic year.

16 Funds	Balance at 1 September 2013 £000	Incoming Resources £000	Resources expended £000	Gains, losses & transfers £000	Balance at 31 August 2014 £000
Restricted General Funds					
General Annual Grant	121	8,826	(8,971)	477	453
Other DfE/EFA Grants	-	432	(432)	-	-
Local Authority Grants	-	98	(98)	-	-
Other Income	-	85	(85)	-	-
Pension Reserve	(941)	-	-	171	(770)
Total	(820)	9,441	(9,586)	648	(317)
 Restricted Fixed Asset Funds					
DfE/EFA capital grants	721	66	-	-	787
Capital expenditure from GAG	183	-	-	104	287
Assets at conversion	10,225	-	(437)	-	9,788
Total	11,129	66	(437)	104	10,862
 Total Restricted Funds	10,309	9,507	(10,023)	752	10,545
 Unrestricted General Funds					
General Funds	431	541	(363)	-	609
Designated for Building Fund	1,000	-	-	(500)	500
Total Unrestricted Funds	1,431	541	(363)	(500)	1,109
Total Funds	11,740	10,048	(10,386)	252	11,654

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

16 Funds

Restricted General Funds have arisen from unspent income and grants received. These funds may only be used for education purposes. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Restricted Fixed Asset Funds represents the value of tangible fixed assets acquired at conversion on 1 September 2011 plus capital grants received and capital expenditure funded from GAG income since that date, less depreciation charged. These funds are not available for distribution.

Unrestricted General Funds have arisen from funds transferred at conversion plus surpluses created from the school fund, catering services and trading activities. These funds may be used towards meeting the charitable objectives of the academy at the discretion of the trustees.

17 Analysis of Net Assets between funds

Fund balances at 31 August 2014 are represented by:

	Restricted General Fund £000	Restricted Fixes Asset Fund £000	Unrestricted General Fund £000	Total Funds 2014 £000	Total Funds 2013 £000
Tangible Fixed Assets	-	10,876	-	10,876	11,211
Current Assets	1,104	-	1,109	2,213	1,997
Current Liabilities	(650)	(15)	-	(665)	(527)
Pension Scheme Liabilities	(770)	-	-	(770)	(941)
Total Net Assets	(316)	10,861	1,109	11,654	11,740
				2014 £000	2013 £000

18 Capital Commitments

Contracted for but not provided in the Financial Statement

19 Financial Commitments

Operating Leases

Other

Expiring within two and five years inclusive

36 **36**

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

	2014	2013
20 Reconciliation of net income to net cash inflow from Operating Activities		
(Deficit)on continuing operations after depreciation of assets at valuation	(338)	(116)
Depreciation (note 12)	439	410
Capital grants from DfE and other capital income	(66)	(251)
Interest receivable (note 5)	(14)	(21)
FRS17 pension cost less contributions payable (note 26)	81	102
Decrease in stocks	10	5
Decrease /(Increase) in debtors	21	419
(Decrease)/Increase in creditors	138	(143)
Net cash inflow from operating activities	271	405

	2014 £000	2013 £000
21 Returns on investment and servicing of finance		
Interest received	14	21
Net cash inflow from returns on investment and servicing of finance	14	21

	2014 £000	2013 £000
22 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(104)	(337)
Capital grants from DfE/EFA	66	251
Net cash outflow from capital expenditure and financial investment	(38)	(86)

	At 1 September 2013 £000	Cash Flows £000	At 31 August 2014 £000	At 31 August 2013 £000
23 Analysis of changes in net funds				
Cash in hand and at bank	1,666	247	1,913	1,666
Total	1,666	247	1,913	1,666

24 Contingent Liabilities

The Academy has no contingent liabilities (2013: Nil).

25 Members' Liability

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

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

26 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme is a statutory contributory, defined benefit scheme, governed by the Teachers' Pension Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pension Regulations require an annual account, the Teachers' Pension Budgeting and Valuation, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

26 Pension and similar obligations (continued) - Teachers' Pension Scheme

The valuation of the TPS was relating to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated costs of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with proceeds from the notional investments held at the valuation date) was £163,240 million.

The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%. From 1 January 2007, the SCR was assessed at 19.75% and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected. In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

26 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2014 was £268,000 (2013: £243,000), of which employer's contribution was £196,000 (2013: £175,000) and employee's contributions £72,000 (2013: £68,000). The agreed contribution rates for future years are 15.6% for employers and between 5.5% and 7.5% for employees.

	At 31 August			At 1 September
	2014	2013	2012	2011
Principal Actuarial Assumptions				
Rate of increase in salaries	3.6%	4.7%	4.7%	5.1%
Rate of increase for pensions in payment/inflation	2.1%	2.8%	2.2%	2.6%
Discount rate for scheme liabilities	3.7%	4.5%	4.1%	5.4%
Inflation assumption (CPI)	2.1%	2.8%	2.2%	2.6%

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

	At 31 August	
	2014	2013
<i>Retiring today</i>		
Males	22.5	22.1
Females	25.4	24.3
<i>Retiring in 20 years</i>		
Males	24.7	23.9
Females	27.7	26.2

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

	At 31 August 2014		At 31 August 2013	
	Expected return	Fair value £000	Expected return	Fair value £000
Equities	7.5%	2,086	7.9%	1,651
Property	6.8%	92	7.4%	68
Government Bonds	2.9%	286	3.4%	258
Corporate Bonds	3.3%	144	4.1%	129
Cash	1.1%	108	0.9%	86
Other	7.5%	61	7.9%	69
Total market value of assets		2,777		2,261
Present value of scheme liabilities		(3,547)		(3,202)
Deficit in the scheme		(770)		(941)

The actual return on the scheme assets was £281,000 (2013: £251,000).

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

26 Pension and similar obligations (continued)

Woodkirk employs a building block approach in determining the rate of return on Fund Assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with the widely accepted capital markets principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 August 2014.

	2014 £000	2013 £000
Total expenditure recognised in the Statement of Financial Activities		
Current service cost (net of employee contributions)	215	204
Total operating charge	215	204
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	160	116
Interest on pension liabilities	(151)	(121)
Pension finance costs	9	(5)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £53,000 loss (2013: £306,000 loss).

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

	2014 £000	2013 £000
Opening balance at 1 September 2013	3,202	2,778
Current service cost	287	272
Interest cost	151	121
Employee contributions	72	68
Actuarial (gain)/loss	(132)	(33)
Benefits paid	(33)	(4)
At 31 August 2014	3,547	3,202

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

	2014	2013
Opening balance at 1 September 2013	2,261	1,771
Expected return on assets	160	116
Actuarial gain/(loss)	121	135
Employer contributions	196	175
Employee contributions	72	68
Benefits paid	(33)	(4)
At 31 August 2014	2,777	2,261

The estimated value of the employer contributions for the year ended 31 August 2014 is £268,000 (2013: £243,000).

Notes to the Financial Statements for the period ended 31 August 2014 (continued)

26 Pension and similar obligations - Local Government Pension Scheme (continued)

The four year history of experience adjustments is as follows:

	2014	2013	2012	2011
	£000	£000	£000	£000
Defined benefit obligation at end of year	(3,547)	(3,202)	(2,778)	(1,915)
Fair value of plan assets at end of year	2,777	2,261	1,771	1,423
Deficit	(770)	(941)	(1,007)	(492)
Experience adjustments on share of scheme assets	121	135	12	-
Experience adjustments on share of scheme liabilities	-	-	-	-

27 Related Party Transactions

There were no related party transactions.