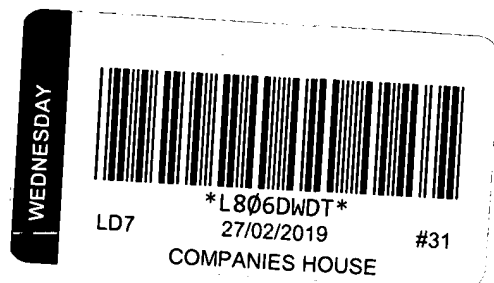


BEECHES LEARNING AND DEVELOPMENT TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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BEECHES LEARNING AND DEVELOPMENT TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

A Frith
A Bell
D Grieve (appointed 18 January 2018)
S Tanner (resigned 18 January 2018)
J Watson
N Walker

Trustees

A Bell
D Edwards (resigned 9 October 2018)
A Frith
A Gillespie
L Green
R Keshvara
L Owolabi (appointed 9 October 2018)
N Walker
C Whieldon

Company registered number

07769232

Company name

Beeches Learning and Development Trust

Principal and registered office

Burnham Grammar School, Hogfair Lane, Berkshire, SL1 7HG

Chief executive officer

Dr A Gillespie

Senior management team

A J Gillespie, Executive Headteacher
Burnham Grammar School:
N Adamson, Deputy Head (resigned 31 December 2017)
C Burrows, Deputy Head (appointed 1 June 2018)
J Cathcart, Deputy Head
P Bainbridge, Assistant Head (appointed 1 June 2018)
C Burrows, Assistant Head (until 31 May 2018 - see above)
A Lennon, Assistant Head
D Williams, Assistant Head
P Bainbridge, Associate Assistant Head (until 31 May 2018 - see above)
L Bola, Associate Assistant Head (appointed 1 September 2018)
J John, Associate Assistant Head (appointed 1 September 2018)
D Rowdene, Finance Director
Dorney School:

<p>BEECHES LEARNING AND DEVELOPMENT TRUST (A company limited by guarantee)</p>
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

J Downs, Acting Headteacher (appointed 1 March 2018)
H Rademacher, Headteacher (resigned 30 April 2018)
J Downs, Deputy Head (until 28 February 2018 - see above)
S Jelany-Lee, Acting Deputy Head (appointed 1 March 2018)
L Williams, School Business Manager

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

Bankers

Lloyds Bank, 25 Gresham Street, London, EC2V 7HN

Solicitors

Veale Wasbrough Vizards, Barnards Inn, 86 Fetter Lane, London, EC4A 1AD

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Burnham Grammar School converted from a Single Academy Trust to a Multi Academy Trust (MAT) on 1st June 2017. The company was renamed Beeches Learning and Development Trust and Dorney School joined the MAT on this date.

The Trust therefore operates 1 primary academy (Dorney School) and 1 secondary academy (Burnham Grammar School) in South Buckinghamshire. Its academies have a combined pupil capacity of 1288. Burnham Grammar School had a roll of 1085 (1076 Jan 17) in the school census in January 2018, Dorney School had a roll of 197 in January 2018 (197 Jan 17). The combined roll was 1282 as at 31st August 2018.

It is of note that for purposes of comparison, figures relating to the year 2017-18 contain a complete year of Dorney School's trading figures. For the equivalent figures relating year to 31st August 2017, only three months of Dorney School was included (1st June 2017-31st August 2017).

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association dated 1st June 2017 are the primary governing documents of the Academy Trust. The trustees of Beeches Learning & Development Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Beeches Learning & Development Trust.

Details of the Trustees who served during the period are included in the Reference and Administrative Details on page 2. Hereafter they will be referred to as "the Trustees" whilst governors of each academy's Local Governing Body will hereafter be referred to as "the Governors". "Member" shall refer to the members of the Academy Trust as set out on page 2 who exercise the powers set out in the Articles of Association such as the appointment of Trustees.

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

Subject to the provisions of the Companies Act 2006 s236, every Trustee or other officer of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

Method of Recruitment and Appointment or Election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

<p style="text-align: center;">BEECHES LEARNING AND DEVELOPMENT TRUST (A company limited by guarantee)</p>

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

- Up to 9 trustees and
- A minimum of 2 parent trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A

It is currently the policy of the Academy Trust that at least two Parent Governors of the respective schools should sit on each Local Governing Body and thus none are required on the Academy Trust.

The term of office for any governor is 4 years. The Executive Headteacher's term of office runs parallel with his/her term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of each academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the Academy Trust.

Organisational Structure

Each academy within the Trust has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team.

The Trustees have considered their role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the Academy Trust and monitor its progress towards these objectives.

The Trustees have approved a scheme of delegation which sets out, for each member academy, a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. Each Headteacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

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

The Executive Headteacher assumes the Accounting Officer role.

Arrangements for setting pay and remuneration of key management personnel

The Trustees make pay decisions in accordance with the 'key principles of public life': objectivity openness and accountability. It recognises the requirement for a fair and transparent policy to determine the pay and grading for all staff employed by the Trust having regard to the conditions of service under which staff are employed and relevant statutory requirements. Pay decisions will take account of the resources available to the Trust. The staffing structure will support each school's School Development Plan. The Trustees and local Governors will exercise their discretionary powers using fair, transparent and objective criteria in order to secure a consistent approach in school pay decisions.

The Headteacher's and Executive Headteacher's review committee will agree performance objectives relating to school leadership and management and pupil progress with the Headteacher, taking account of the advice of an external appointed adviser. The objectives will be agreed as early as possible in the Autumn Term; The

<p style="text-align: center;">BEECHES LEARNING AND DEVELOPMENT TRUST (A company limited by guarantee)</p>

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

Headteacher Review Committees will review the performance of the Headteacher and Executive Headteacher annually against the performance objectives and may award one or two points within the ISR where objectives have been met and where either has demonstrated sustained high quality of performance, with particular regard to leadership, management and pupil progress. The Trustees have delegated, via the Personnel Committee, to the Executive Headteacher and Headteacher the agreement of performance objectives relating to school leadership and management and pupil progress with the Deputy Headteachers and Assistant Headteachers and Finance Directors. Objectives will be agreed and reported to the Personnel Committee(s) as early as possible in the Autumn Term; On the advice of the Executive Headteacher the Personnel Committee(s) will review performance.

Related Parties and other Connected Charities and Organisations

The Academy Trust incorporates Burnham Grammar School which is the lead school in the Burnham Teaching Partnership (Burnham Grammar School Teaching Alliance).

There is also another separate entity called the Burnham Grammar School Fund, which is a registered Charity (number 1094537). Apart from some overlap in directors, it is operated separately from the trust with its own bank account. Its financial affairs are thus not covered by these accounts, but by separate accounts which are filed with the Charities Commission. Its purpose is to advance the education of students at Burnham Grammar School by raising funds to provide additional facilities and services which lie beyond the strict statutory obligations of the school.

Dorney School also have a charity arm called "Dorney School Parent Teacher Association" (registered Charity number 282226) as above apart from overlapping members, it is operated separately from the trust with its own bank account. Its financial affairs are thus not covered by these accounts, but by separate accounts, which are filed with the Charities Commission. Its purpose is to advance the education of pupils at Dorney School by raising funds to provide additional facilities and services, which lie beyond the strict statutory obligations of the school.

Objectives and Activities

Objects and Aims

The principal object and activity of the Beeches Learning and Development Trust is the operation of Burnham Grammar School and Dorney School to provide a broad and balanced education for pupils in the Burnham and Dorney areas and beyond. The Trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the trust.

In accordance with the articles of association, the Academy Trust has adopted a "Scheme of Government" approved by the Secretary of State for Education.

A "master funding agreement" and "supplemental funding agreement" for Burnham Grammar School were put in place with the Department for Education by virtue of a "deed of variation" with effect from 1 June 2017 when the Academy Trust formally known as Burnham Grammar School became Beeches Learning & Development Trust. At the same time, a "supplemental funding agreement" for Dorney School was also entered into with the Department for Education. The trustees of the Academy Trust have also put in place a Scheme of Government and Terms of Reference for Local Governing Bodies as part of the wider governance / delegation framework.

The Scheme of Government specifies, amongst other things, that the Academies will be at the heart of their communities promoting community cohesion and sharing facilities; the basis for admitting students to the Academies, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis of charging pupils.

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

Objectives, Strategies and Activities

Aims and Vision of the Trust

The Trust's vision is to build an ethos of:

For Students:

- Focus on nurturing the individual
- Developing a Growth Mindset that is at the heart of all we do
- Embracing Challenge – every lesson, every day
- Learning in context
- Developing students' broader skills to thrive in both current and future learning environments
- Raising aspirations to make dreams a reality
- Developing the skills of Responsible Learning

For Staff:

- Developing the current and the next generation of teachers through exceptional CPD
- Developmental Performance Management
- Bespoke, tailored & targeted CPD to maximise teacher development & impact
- To provide opportunities for cross phase development and experience
- Nationally recognised development programmes through IIP Gold and IIP Champion status

For the community

- Preserving the ethos and 'flavour' of member schools where sensible & possible
- Building links between students, teachers, schools and the communities they serve
- Exceptional and challenging outreach programmes to put learning into context with priority given to MAT schools

BLDT Development

- The BLDT Academy Trust will build its capacity through a target to operate between 5 & 10 academies, recruited from a mix of sponsorships, new provision and conversions.

Activities For Achieving Objectives

The main activities for achieving objectives the academy will undertake will be:

- Developing a new teaching and learning policy and implementing this effectively in all BLDT Academies.
- The Trust will review and develop its curriculum provision in each school to enhance creativity, engagement and aspiration.
- The accountability of the Trust will be strengthened by the development of new policies and procedures and implementation of a new self-evaluation framework.
- BLDT Trust secures value for money and consistent quality of support services through a combination of centrally procured and provided services. Services that are centrally procured by the Academy Trust, but paid for directly by the academies are legal services and audit services. Services that are directly provided or procured by the Academy Trust and paid for by the Trust, on behalf of its academies include: group leadership, business and administration. The BLDT Academy Trust charges for these tailored services and payment comes from the individual academy's monthly ESFA income.

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



BGS School Aims, Vision & Ethos

Motto	Embracing Challenge		
Vision	Inspirational learning to support every student to embrace and overcome challenges in every lesson, every day to transform their own lives and those of others		
We will do this by:	At BGS we: <ul style="list-style-type: none">Valuing BGS Learners as individuals & recognising & celebrating their successes (<i>How we treat students and staff</i>)Supporting BGS Learners to aim high, take risks and always learn from their mistakes through targeted effort (<i>Raising aspirations & belief</i>)Providing inspirational learning experiences to empower BGS Learners to embrace and overcome challenges in all areas of school life, every day (<i>Providing the experiences and therefore skills and outcomes to make aspirations a reality</i>)		
These are the aims that staff and students must fulfil for our vision to become a reality:	<ul style="list-style-type: none">Responsible Learners – take responsibility for and develop a love and passion for their learningHappy, Healthy and Safe – ensuring that students and staff are happy and informed and supported to make positive lifestyle choices to benefit both physical and mental health.Active Citizens – students and staff play an active role in contributing to the school's success and positively influence our local, national and international communitiesPrepared for the Future –the development of student and staff aspirations, expectations and the broader skills to succeed in their chosen careers and wider lifeCaring Individuals – actively show respect & consideration for themselves, each other and the environment.		
These are the values that guide our conduct every day:	All Members of the BGS community show respect and consideration for: <div>OurselvesOthersOur Environment</div>		
For our school to fulfil its aims & for students to be the best they can be & fulfil their aspirations & dreams we need:			
Governors & Leaders who: <ul style="list-style-type: none">Put students at heart of all we doAre ambitious for the school to be a beacon of best practiceValue contributions from all members of the BGS communityModel & look for opportunities to promote the BGS aims &ethosCommitted to the development & well-being of all staff & students	Staff who: <ul style="list-style-type: none">Get to know students as individualsHave a passion for their roles & subjectsActively model learningProvide engaging & exciting learning experiencesEmbrace the challenge to do betterDevelop peers & the next gen of teachers	Parents who: <ul style="list-style-type: none">Support the school's values & ethosContribute to the school development dialogueValue & promote the importance of effortCelebrate their child's individual successesModel learning habits at home	Students who: <ul style="list-style-type: none">Embrace opportunities & challengeHave the courage to try their bestDevelop Responsible Learning habitsSeek advice & act & reflect on feedbackRespect themselves, each other and our environment

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

Key Aims of Dorney

Dorney School's vision: **Respect, Collaborate, Grow**

By collaborating together through **respectful** relationships we strive to offer a rich and varied curriculum that deepens learning, encourages **growth** and develops all to be confident, positive contributors to our society.

The aim is to achieve this by:

- Developing a shared "**growth** mindset" language.
- Ensuring all staff and pupils develop as **respectful** and responsible learners
- Ensuring children acquire knowledge and life skills to become valuable and responsible citizens.
- Developing and maintaining connections to other parts of our community and beyond so that we can **collaborate**.
- Encouraging challenge for **all** – so that we all continually learn and **grow**.

Priorities for the Trust in the Coming Year

The Trust has undertaken self-evaluation activities to correctly identify objectives for the next year. These objectives are:

1. Further develop the strategic vision of the Trust incorporating the principles of Responsible Learning at its heart
2. Further develop the strategic Primary School outreach programmes to support local schools and market the Trust
3. Review and develop our centralised services, including staffing, to provide greater consistency, efficiency and value for money
4. To further refine the key criteria for schools to join the Trust, including the non-negotiables, and to identify local schools to consult with
5. To further develop common approaches and protocols across Trust schools with regards to:
 - a. CPOMs and Child Protection Procedures
 - b. Recruitment
 - c. Performance Management & Pay
 - d. Responsible Learning & CPD strategies
 - e. SDP & SEF proformas, tracking and evaluation procedures

Priorities for BGS in the Coming Year

1. Define, communicate & promote our expectations of Responsible Learning to staff, students, governors & parents
2. Develop Curriculum Map overviews for each subject, including aspects of the 6th form Enrichment Programme, to maximise the impact & efficiency of teaching & learning & assessment to secure Inspirational Learning & limit teacher workload
3. Developing high aspirations for and by every student which become a reality
4. a. Further develop & refine tracking & intervention systems to link to clear & consistently applied rewards & code of conduct systems that promote the School Aims, particularly Responsible Learning habits
4. b. Promoting Equality & Diversity at BGS
5. Improving awareness & support around issues of mental health
6. a. Staff & Governor CPD - Redesign & Development
6. b. Improving Staff Wellbeing
7. a. Refurbishment of the 6th form common room
7. b. PSBP2 & CIF Site Development & Refurbishment Project

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

Priorities for Dorney in the Coming Year

1. To improve outcomes for all pupils through quality first teaching with a focus on clear and appropriate learning objectives & success criteria in every lesson.
To narrow the attainment gap between vulnerable groups of pupils and their peers. See Data Narrative PPM's for details.
2. Utilise the principles of Responsible Learning to ensure there is appropriate challenge across the entire ability range and support for each pupil in every lesson, with a particular focus on learning at GDS, English, mathematics and science.
3. To ensure all pupils are safe and well cared for, feel listened to and supported. (Safe Guarding Provision) by the introduction of CPOMS and the review and consistent application of the procedures of our Child Protection policy
4. To use the principles of Responsible Learning to develop consistently outstanding development and use of key learning skills and vocabulary to ensure that optimum learning takes place.
5. To develop CPD and Staff Wellbeing programmes to ensure a stable, secure and effective staff team who are supported by careful consideration of workload and personal development to sustainably deliver an increasingly outstanding quality of education.
6. To improve admission numbers in all year groups through the development of marketing and promotional activities and materials that are reviewed and developed. n
7. To improve educational provision through sustainable development of resources.

The Trust's Aims are being reviewed and edited in the autumn term of 2018.

Public Benefit

In setting the objectives, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an Academy Trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- o Raising money for local, national and International charities.
- o 6th form Contribution to the Community Scheme.
- o Sports Leader programmes that provide sporting activities to local Primary Schools.
- o Science College support of local Primary Schools

Strategic report

Achievements and performance

Key Performance Indicators

Burnham Grammar School opened as an academy converter in October 2011. Its inspection in November 2012 judged its Overall Effectiveness to be Good. This was confirmed by the latest inspection on 28th February 2017. On 1st June 2017, Burnham Grammar School converted to a Multi Academy Trust, incorporating Dorney School which is a local primary.

Dorney School – Student Performance KS2 SAT results 2018 (Year 6)

The terms 'expected' and 'exceeded' are in relation to externally marked scaled SATs scores where 80 is the lowest possible scaled score and 120 is the highest. A scaled score of 100 or more means that the child has

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

met the expected standard; a child awarded a scaled score of 110 or more is judged to have exceeded the expected standard and demonstrated a higher than expected knowledge of the curriculum for their age. Further information on scaled scores can be found here:

<https://www.gov.uk/government/publications/2017-key-stage-2-scaled-score-conversion-tables>

	National Expected 2018	Dorney Expected 2018	National Exceeded 2017*	Dorney Exceeded 2018
Reading	75%	83%	25%	42%
Writing	78%	80%	18%	20%
Maths	76%	75%	23%	21%
SPAG	78%	79%	31%	33%
RWM	64%	67%	5%	17%

Dorney is pleased to note that our results are above National in most areas

*Validated figures for 2018 results are due in December 2018

Burnham Grammar School – Student GCSE Performance 2018

The results in GCSE exams at KS4 were as follows:

Subject	2017 Grades		2018 Grades	
	5-9	4-9	5-9	4-9
English Language	95%	100%	93%	100%
English Literature	92%	99%	96%	99%
Maths	92%	100%	94%	99%
All Subjects (A*-B & A*-C in 2017)	83%	96%	92%	98%

	2015	2016	2017	2018
5 A*-C (4-9) inc Eng & Ma	97.9%	96.6%	100%	99.4%

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

Progress Measures at GCSE

National Measures of KS2 to 4 Progress	2016	2017	2018
Progress 8	+0.17	+0.36	+0.44

Burnham Grammar School Performance at A level

Attainment at A Level

	A*	A	B	C	D	E	U	X
2018	12.8%	38.0%	68.9%	89.5%	98.3%	99.8%	100.0%	100.0%
2017	12.1%	30.5%	61.8%	84.0%	94.3%	100.0%	100.0%	100.0%
2016	10.0%	28.9%	62.4%	85.3%	95.3%	98.9%	100.0%	100.0%

Progress at A level

	2016	2017	2018
Level 3 Progress at A level	-0.15	-0.25	+0.22

School Absence Data – Burnham Grammar School – Spring Census

	2017/18	2016/17
Authorised	3.67%	3.05%
Unauthorised	0.09%	0.39%
Total	3.76%	3.44%

School Absence Data – Dorney School – Spring Census

NB Dorney joined the MAT as at 01st June 2017; hence no data available until Spring 2018.

	2017/18	2016/17
Authorised	3.39%	-
Unauthorised	0.39%	-
Total	3.7 %	-

Going Concern

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

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

Financial review

The statement of Financial activities on page 25 splits income and expenditure between:

- ii. Restricted Funds – which represent operating income and expense in the year.
- iii. Restricted Fixed Asset funds – which represents capital expenditure & depreciation.

The term 'Restricted' simply refers to financial transactions in the furtherance of the Trust's stated objectives. There were no other 'unrestricted' financial transactions.

The Restricted Funds representing operating income and expense in the year included (across both schools):

- i. Income of £5,668,000 received from government sources (the Educational Funding Agency and Local Authority) plus £516,000 from other sources such as renting out of school premises, school trips, before and after school clubs, teacher training programme and MAT funding plus investment income of £1,000 gives a total operational income for the year of £6,185,000
- ii. Expenditure of £6,011,000 and £206,000 of LGPS pension costs due to change in actuarial assumptions (see note 23) = total expenditure of £6,217,000 of which staff costs were 78% of non-material expenditure.

Operational ("Restricted Funds") expenditure exceeded corresponding income in the year by £32,000. The net movement in Restricted Funds in the year, after all pension movements, was a surplus £391,000.

- i. On 1st June 2017, Burnham Grammar School converted from a Single Academy Trust to a Multi Academy Trust and this year is the first year to contain a full year of Dorney's trading figures. Comparative figures are therefore not like for like.
- ii. The Schools Direct Programme, also known as Initial Teacher Training, is a partnership between Burnham Grammar School and Reading, Roehampton, and Middlesex Universities to offer University students teaching experience and training in one of nine local schools. In 2017/18 this programme generated £77,000 of income; associated expenditure is included within restricted funds.

Pupil numbers across the trust remain healthy and are levelling out at or near full capacity for years from reception to year 11. Focus on the post 16 cohort must be maintained to ensure retention of current pupils as well as recruitment of those from other establishments. The anticipated increase in our Government Funding Per Pupil due to the national funding formula system will go some way to remedying the current funding disparity between schools; with Buckinghamshire schools currently being some of the least funded in the country. This should help to ease the pressure of constantly increasing costs per employee. Efficiency measures are constantly reviewed to ensure that the Trust's overall position to balance operational income and expenditure is closely managed. The incorporation of Dorney School into the MAT in June 2017 continues to enhance the existing economies of scale due to the increased pupil numbers and ability to share resources.

The Trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Taken together, the sum of the restricted funds column and the Restricted Fixed Asset Funds column shows that income exceeded expenditure by £416,000 and that reserves in the year thus increased by the same amount to £3,748,000

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity

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FOR THE YEAR ENDED 31 AUGUST 2018

problem. The employer contributions are currently being assessed but as per the latest Pension accounting disclosure, it is anticipated the employer contribution rate will remain at 22.8% until March 2021.

Overall, the Trust has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Trust has or can make available to spend for any or all of the Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Trust and is to be spent at the Trustees' discretion in furtherance of any of the Trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees and local governors will keep this level of reserves under review at each financial meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Trust.

Total reserves at the end of the period are as follows (£000):

(£000)	2018	2017	Movement
Fixed Assets	4,608	4,597	11
Net Current Assets	966	785	181
Provisions for Liabilities and Charges	(1826)	(2,050)	(224)
Net Assets	3,748	3,332	416

Assuming that the Trust cannot sell its fixed assets and that the cash flow impact of the pension scheme liability is spread over many years, it is thus the Net Current Assets which are most important to monitor and manage over the short to medium term in order to ensure that the Trust has sufficient financial resources to operate on a day to day basis and that it has a sufficient contingency of available reserves to meet any unexpected or once-off costs such as might be needed to, for example, fund unexpected emergency maintenance work. It can be seen from the table that during the year, the Net Current Assets increased by £181,000 to £966,000

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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

Investment Policy

It should be noted that the Academy Trust has substantial power with regards to investments due to cash balances held. Investment policies are determined at trust level, which is agreed by the Trustees. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be decided by the Trustees. At 31 August 2018, no investments were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is currently under review. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2018.

Plans for future periods

The Trust will continue to strategically market its services and will pursue all appropriate opportunities to expand the MAT in the forthcoming periods.

The Trust will continue to focus on strategic teacher training programmes and CPD to assist in the recruitment and retention of staff.

The Trust has established and is further developing its procurement strategy to realise cost savings and increased effectiveness across the Trust.

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and its Trustees did not act as custodian trustee during the current or previous period.

Auditor

Insofar 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.

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



A Frith
Chair of Trustees

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Bell	6	6
D Edwards	3	6
A Frith	6	6
A Gillespie	6	6
L Green	4	6
R Keshvara	5	6
N Walker	5	6
C Whieldon	5	6

Each academy has its own local governing body which includes the following local committees: (although in Dorney school, some of these committees are combined due to the size).

- Full governing body
- Teaching & learning
- Finance committee
- Audit committee
- Curriculum committee
- Personnel & pay review
- Premises, H&S & trips

The Finance Committee is a sub-committee of the main board of Trustees. Its purpose is to receive financial monitoring reports from individual academies and consider individual academy budget proposals for authorisation. The committee was established in June 2017.

A Trust Audit Committee was also established in June 2017.

Its purpose is to:

- monitor the integrity of the financial statements;
- review internal financial controls and review the Trust's internal control and risk management systems;
- make recommendations to the Governing Body in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor; and
- review the auditor's independence and objectivity.

<p style="text-align: center;">BEECHES LEARNING AND DEVELOPMENT TRUST (A company limited by guarantee)</p>

GOVERNANCE STATEMENT (continued)

No significant issues to note were dealt with during the period.

Review of Value for Money

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

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

- Changing payroll provider which more than halved the cost
- Began the 3 year tender process for both cleaning and catering
- Changed H&S consultant provider which provided better value
- Purchased a minibus with a donation from the Burnham Grammar School Fund which has enabled the students to engage in more trips and sports fixtures and reducing the need for transport hire
- Moving to online BACS payment system vastly reducing the time and cost to pay suppliers

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance 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.

BEECHES LEARNING AND DEVELOPMENT TRUST
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GOVERNANCE STATEMENT (continued)

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 Landau Baker Limited, the external auditors, to perform additional checks throughout the year over and above those performed for the purpose of their audit which they report on to the trustees.

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

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

On a bi-annual basis, Landau Baker the **auditor** reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Board can confirm that the auditor has delivered their schedule of work as planned, provided details of any material control issues arising as a result of the their work. During the current and previous period, there were no material control issues noted and thus no remedial action was required to be taken.

Review of Effectiveness


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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit 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 board of trustees on 17 December 2018 and signed on their behalf, by:


A Frith
Chair of Trustees


A Gillespie
Accounting Officer

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


A Gillespie
Accounting Officer

Date: 17 December 2018

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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

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

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

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

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

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

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

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



A Frith
Chair of Trustees

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEECHES LEARNING AND DEVELOPMENT TRUST**

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in

BEECHES LEARNING AND DEVELOPMENT TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEECHES LEARNING AND DEVELOPMENT TRUST**

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEECHES LEARNING AND DEVELOPMENT TRUST**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



FOR LANDAU BAKER LIMITED

Carly Pinkus (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
17 December 2018

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 26 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Beeches Learning and Development Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF BEECHES LEARNING AND DEVELOPMENT TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

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

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

APPROACH

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

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

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

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

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

CONCLUSION

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

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

17 December 2018

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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

	Note	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME FROM:					
Donations and capital grants	2	8	148	156	2,920
Charitable activities	3	5,691	-	5,691	5,071
Teaching schools	27	77	-	77	70
Other trading activities	4	408	-	408	379
Investments	5	1	-	1	1
TOTAL INCOME		6,185	148	6,333	8,441
EXPENDITURE ON:					
Charitable activities		6,172	130	6,302	5,416
Teaching schools	27	45	-	45	39
TOTAL EXPENDITURE	8	6,217	130	6,347	5,455
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfers between Funds	19	(32) (7)	18 7	(14) -	2,986 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(39)	25	(14)	2,986
Actuarial gains on defined benefit pension schemes	23	430	-	430	463
NET MOVEMENT IN FUNDS		391	25	416	3,449
RECONCILIATION OF FUNDS:					
Total funds brought forward		(1,275)	4,607	3,332	(117)
TOTAL FUNDS CARRIED FORWARD		(884)	4,632	3,748	3,332

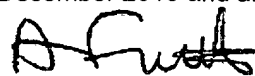
All of the academy's activities derive from acquisitions in the current financial year.

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07769232

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	2017 £000
FIXED ASSETS				
Tangible assets	16		4,608	4,597
CURRENT ASSETS				
Debtors	17	192		201
Cash at bank and in hand		1,681		1,425
		<u>1,873</u>		<u>1,626</u>
CREDITORS: amounts falling due within one year	18	<u>(907)</u>		<u>(841)</u>
NET CURRENT ASSETS			<u>966</u>	<u>785</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,574</u>	<u>5,382</u>
Defined benefit pension scheme liability	23		<u>(1,826)</u>	<u>(2,050)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>3,748</u></u>	<u><u>3,332</u></u>
FUNDS OF THE ACADEMY				
Restricted income funds:				
Restricted income funds	19	942		775
Restricted fixed asset funds	19	4,632		4,607
		<u></u>		<u></u>
Restricted income funds excluding pension liability		5,574		5,382
Pension reserve		<u>(1,826)</u>		<u>(2,050)</u>
Total restricted income funds			<u><u>3,748</u></u>	<u><u>3,332</u></u>
TOTAL FUNDS			<u><u>3,748</u></u>	<u><u>3,332</u></u>

The financial statements on pages 26 to 49 were approved by the Trustees, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:


A Frith
Chair of Trustees

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	<u>249</u>	<u>646</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(141)	(38)
Capital grants from DfE Group		122	23
Capital funding received from sponsors and others		26	-
Net cash provided by/(used in) investing activities		<u>7</u>	<u>(15)</u>
Change in cash and cash equivalents in the year		256	631
Cash and cash equivalents brought forward		<u>1,425</u>	<u>794</u>
Cash and cash equivalents carried forward	22	<u><u>1,681</u></u>	<u><u>1,425</u></u>

All of the cash flows are derived from acquisitions in the current financial year.

BEECHES LEARNING AND DEVELOPMENT TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Beeches Learning and Development Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

BEECHES LEARNING AND DEVELOPMENT TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

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

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

1.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

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1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold property	-	125 years
Furniture and fixtures	-	15% straight-line basis
Motor vehicles	-	20% straight-line basis
Computer equipment	-	33% straight-line basis

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

1.6 Debtors

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

1.7 Cash at Bank and in hand

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

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1. ACCOUNTING POLICIES (continued)

1.8 Liabilities and provisions

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.10 Taxation

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

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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1. ACCOUNTING POLICIES (continued)

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

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

1.12 Fund accounting

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

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

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

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2018 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Donations	8	-	8	-
Capital Grants	-	148	148	23
Transferred from local authority on conversion	-	-	-	2,897
	<u>8</u>	<u>148</u>	<u>156</u>	<u>2,920</u>
<i>Total 2017</i>	<u>(314)</u>	<u>3,234</u>	<u>2,920</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

Beeches Learning and Development Trust

	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA grants			
GAG	5,499	5,499	4,878
Pupil Premium	78	78	69
Other ESFA Grants	41	41	17
Start up Grants	-	-	80
	<u>5,618</u>	<u>5,618</u>	<u>5,044</u>
Other government grants			
SEN	26	26	27
Local Authority Grants	24	24	-
	<u>50</u>	<u>50</u>	<u>27</u>
Other funding			
MAT Funding	23	23	-
	<u>23</u>	<u>23</u>	<u>-</u>
	<u>5,691</u>	<u>5,691</u>	<u>5,071</u>
<i>Total 2017</i>	<u>5,071</u>	<u>5,071</u>	

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4. OTHER TRADING ACTIVITIES

	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Letting income	54	54	60
Trips Income	269	269	288
Other income	72	72	31
Catering income	13	13	-
	<u>408</u>	<u>408</u>	<u>379</u>
<i>Total 2017</i>	<u>379</u>	<u>379</u>	

5. INVESTMENT INCOME

	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Investment income	1	1	1
	<u>1</u>	<u>1</u>	
<i>Total 2017</i>	<u>1</u>	<u>1</u>	

6. DIRECT COSTS

	Educational Activities £000	Total 2018 £000	Total 2017 £000
Educational supplies	148	148	90
Other staff costs	65	65	37
Examination fees	135	135	108
Technology costs	11	11	21
Educational Consultancy	25	25	30
Other direct costs	203	203	218
Teaching supply costs	145	145	41
Wages and salaries	3,207	3,207	2,851
National insurance	290	290	286
Pension cost	518	518	454
	<u>4,747</u>	<u>4,747</u>	<u>4,136</u>
<i>Total 2017</i>	<u>4,136</u>	<u>4,136</u>	

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7. SUPPORT COSTS

	Educational Activities £000	Total 2018 £000	Total 2017 £000
Pension finance cost	52	52	46
Other staff costs	7	7	32
Technology costs	82	82	46
Support staff supply costs	22	22	90
Maintenance of premises and equipment	64	64	47
Cleaning	99	99	81
Energy costs	73	73	62
Rent and rates	47	47	30
Insurance	42	42	28
Security & transport	25	25	9
Catering	46	46	21
Legal and professional	48	48	62
Governance costs	14	14	14
Travel and subsistence	41	41	57
Other support costs	142	142	116
Wages and salaries	360	360	259
National insurance	29	29	23
Pension cost	232	232	161
Depreciation	130	130	96
	1,555	1,555	1,280
<i>Total 2017</i>	<i>1,280</i>	<i>1,280</i>	

8. EXPENDITURE

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Educational Activities:					
Direct costs	4,160	-	587	4,747	4,136
Support costs	642	283	630	1,555	1,280
Teaching schools	-	-	45	45	39
	4,802	283	1,262	6,347	5,455
<i>Total 2017</i>	<i>4,164</i>	<i>47</i>	<i>1,244</i>	<i>5,455</i>	

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9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total 2018 £000	Total 2017 £000
Educational Activities	4,747	1,555	6,302	5,416
<i>Total 2017</i>	<i>4,136</i>	<i>1,280</i>	<i>5,416</i>	

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets:		
- owned by the charity	130	96
Auditors' remuneration - audit	8	8
Auditors' remuneration - other services	6	6

11. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	3,542	3,094
Social security costs	319	309
Operating costs of defined benefit pension schemes	750	615
	4,611	4,018
Supply teacher costs	167	131
Staff restructuring costs	24	15
	4,802	4,164

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11. STAFF COSTS (continued)

Staff restructuring costs comprise:

	2018	2017
	£000	£000
Redundancy payments	24	15

b. Staff numbers

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

	2018	2017
	No.	No.
Teacher	55	53
Leadership	11	11
Support staff	36	47
	102	111

c. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1

d. Key management personnel

The key management personnel of the academy 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 was £609,311 (2017: £414,049)

12. CENTRAL SERVICES

No central services were provided by the academy to its academies during the year and no central charges arose.

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

13. TRUSTEES' REMUNERATION AND EXPENSES

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

		2018	2017
		£000	£000
Dr A Gillespie	Remuneration	100-105	95-100
	Pension contributions paid	15-20	15-20

During the year ended 31 August 2018, expenses totalling £1,093 (2017 - £NIL) were reimbursed to 1 Trustee (2017 - 0).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees 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 2018 was £1,624 (2017 - £15,197)

15. PENSION FINANCE COST

	2018	2017
	£000	£000
Interest income on pension scheme assets	47	30
Interest on pension scheme liabilities	(99)	(76)
	(52)	(46)

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**NOTES TO THE FINANCIAL STATEMENTS
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16. TANGIBLE FIXED ASSETS

	Leasehold property £000	Furniture and fixtures £000	Motor vehicles £000	Computer equipment £000	Total £000
Cost					
At 1 September 2017	4,556	48	-	280	4,884
Additions	-	110	16	15	141
At 31 August 2018	4,556	158	16	295	5,025
Depreciation					
At 1 September 2017	90	16	-	181	287
Charge for the year	51	14	3	62	130
At 31 August 2018	141	30	3	243	417
Net book value					
At 31 August 2018	4,415	128	13	52	4,608
At 31 August 2017	4,466	32	-	99	4,597

17. DEBTORS

	2018 £000	2017 £000
Trade debtors	9	10
Other debtors	109	99
Prepayments and accrued income	74	92
	192	201

18. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	259	212
Other taxation and social security	91	86
Other creditors	331	180
Accruals and deferred income	226	363
	907	841

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18. CREDITORS: Amounts falling due within one year (continued)

	2018 £000	2017 £000
Deferred income		
Deferred income at 1 September 2017	329	143
Resources deferred during the year	188	329
Amounts released from previous years	(329)	(143)
Deferred income at 31 August 2018	<u>188</u>	<u>329</u>

At the balance sheet date the academy trust was holding funds received in advance from the ESFA and other non-grant income.

19. STATEMENT OF FUNDS

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Restricted funds						
Restricted Funds - all funds	775	6,185	(6,011)	(7)	-	942
Pension reserve	(2,050)	-	(206)	-	430	(1,826)
	<u>(1,275)</u>	<u>6,185</u>	<u>(6,217)</u>	<u>(7)</u>	<u>430</u>	<u>(884)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	4,607	148	(130)	7	-	4,632
Total restricted funds	<u>3,332</u>	<u>6,333</u>	<u>(6,347)</u>	<u>-</u>	<u>430</u>	<u>3,748</u>
Total of funds	<u>3,332</u>	<u>6,333</u>	<u>(6,347)</u>	<u>-</u>	<u>430</u>	<u>3,748</u>

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed in the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by other trading activities and reduced by expenditure incurred in

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19. STATEMENT OF FUNDS (continued)

the operation of these trading activities.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	<i>Total 2017 £000</i>
Burnham Grammar	855	716
Dorney School	87	59
Total before fixed asset fund and pension reserve	<u>942</u>	<u>775</u>
Restricted fixed asset fund	4,632	4,607
Pension reserve	(1,826)	(2,050)
Total	<u><u>3,748</u></u>	<u><u>3,332</u></u>

Dorney School joined the MAT on 1 June 2017. The 2017 fund balance above relates to a 3 month period.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2018 £000	<i>Total 2017 £000</i>
Burnham Grammar	3,629	496	128	1,089	5,342	5,170
Dorney School	531	146	20	178	875	219
	<u>4,160</u>	<u>642</u>	<u>148</u>	<u>1,267</u>	<u>6,217</u>	<u>5,389</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 31 August 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
Restricted funds						
Restricted Funds - all funds	460	5,521	(5,206)	-	-	775
Pension reserve	(2,046)	(314)	(153)	-	463	(2,050)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	1,468	3,234	(95)	-	-	4,607

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 31 August 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Restricted funds						
Restricted Funds - all funds	460	11,706	(11,217)	(7)	-	942
Pension reserve	(2,046)	(314)	(359)	-	893	(1,826)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	1,468	3,382	(225)	7	-	4,632
	(118)	14,774	(11,801)	-	893	3,748

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**NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	4,608	4,608
Current assets	1,849	24	1,873
Creditors due within one year	(907)	-	(907)
Provisions for liabilities and charges	(1,826)	-	(1,826)
	(884)	4,632	3,748

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Restricted funds 2017 £000</i>	<i>Restricted fixed asset funds 2017 £000</i>	<i>Total funds 2017 £000</i>
Tangible fixed assets	-	4,597	4,597
Current assets	1,616	10	1,626
Creditors due within one year	(841)	-	(841)
Provisions for liabilities and charges	(2,050)	-	(2,050)
	(1,275)	4,607	3,332

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £000	2017 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(14)	2,986
Adjustment for:		
Depreciation charges	130	96
Assets transferred on conversion	-	(3,186)
Decrease/(increase) in debtors	9	(28)
Increase in creditors	66	334
Capital grants from DfE and other capital income	(148)	(23)
Defined benefit pension scheme cost less contributions payable	154	107
Defined benefit pension scheme finance cost	52	46
Net gain on assets and liabilities from local authority on conversion	-	314
Net cash provided by operating activities	249	646

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22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£000	£000
Cash in hand	1,681	1,425
Total	1,681	1,425

23. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2018.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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23. PENSION COMMITMENTS (continued)

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £429,000 (2017 - £372,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £220,000 (2017 - £170,000), of which employer's contributions totalled £173,000 (2017 - £134,000) and employees' contributions totalled £47,000 (2017 - £36,000). The agreed contribution rates for future years are 22.8% for employers and 5.5-6.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	24.0	23.9
Females	26.1	26.0
Retiring in 20 years		
Males	26.3	26.2
Females	28.5	28.3

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23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	1,040	971
Gilts	234	200
Corporate bonds	243	192
Property	145	129
Cash and other liquid assets	119	59
Alternative assets	16	19
Hedge funds	92	82
Absolute Return Portfolio	93	84
Total market value of assets	<u>1,982</u>	<u>1,736</u>

The actual return on scheme assets was £59,000 (2017 - £167,000).

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

	2018 £000	2017 £000
Current service cost	(326)	(240)
Interest income	47	30
Interest cost	(99)	(76)
Admin expenses	(1)	(1)
Total	<u>(379)</u>	<u>(287)</u>
Actual return on scheme assets	<u>59</u>	<u>167</u>

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

	2018 £000	2017 £000
Opening defined benefit obligation	3,786	3,303
Upon conversion	-	556
Current service cost	326	240
Interest cost	99	76
Employee contributions	47	36
Actuarial gains	(418)	(350)
Benefits paid	(32)	(75)
Closing defined benefit obligation	<u>3,808</u>	<u>3,786</u>

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23. PENSION COMMITMENTS (continued)

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

	2018 £000	2017 £000
Opening fair value of scheme assets	1,736	1,257
Upon conversion	-	242
Expected return on assets	-	2
Interest income	47	28
Actuarial gains	12	113
Employer contributions	173	134
Employee contributions	47	36
Benefits paid	(32)	(75)
Admin expenses	(1)	(1)
	<u>1,982</u>	<u>1,736</u>
Closing fair value of scheme assets	<u>1,982</u>	<u>1,736</u>

24. OPERATING LEASE COMMITMENTS

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

	2018 £000	2017 £000
Amounts payable:		
Within 1 year	21	15
Between 1 and 5 years	1	15
	<u>22</u>	<u>30</u>
Total	<u>22</u>	<u>30</u>

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.

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26. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

27. TEACHING SCHOOL TRADING ACCOUNT

	2018 £000	2018 £000	2017 £000	2017 £000
INCOME				
DIRECT INCOME				
NCTL School Grant	77		70	
TOTAL INCOME		77		70
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	45		39	
TOTAL EXPENDITURE		45		39
SURPLUS FROM ALL SOURCES		32		31
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		31		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		63		31