
DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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DE ASTON SCHOOL ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members	E Beigton (resigned 31 December 2016) R Wilson G Smith S Porter (appointed 1 January 2017)
Governors	E Beigton, Headteacher and Accounting Officer (until resignation) (resigned 31 December 2016) H Belcher (resigned 7 October 2016) J Curtis I C Davey R Dickinson (appointed 3 January 2017, resigned 27 March 2017) H Downie (appointed 28 November 2016) R A de Smit G Killey J P G Matthews A Neal (appointed 17 October 2016) S Porter, Headteacher and Accounting Officer (from appointment) (appointed 1 January 2017) A J Robson G J Smith, Chair of Resources S M Williams (appointed 30 September 2016) R Wilson, Chair of Governors
Company registered number	07533362
Company name	De Aston School Academy Trust
Principal and registered office	De Aston School Willingham Road Market Rasen Lincolnshire LN8 3RF
Senior management team	E Beigton, Headteacher until 31/12/2016 S Porter, Headteacher from 01/01/2017 M Bray, Deputy Headteacher P Williams, Deputy Headteacher J Galloway, Assistant Headteacher A Quinlan, Assistant Headteacher S A Healy, Assistant Headteacher V Davies, Assistant Headteacher

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Independent auditors	Streets Audit LLP Chartered Accountants Statutory Auditors Tower House Lucy Tower Street Lincoln Lincolnshire LN1 1XW
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Bankers	Lloyds 202 High Street Lincoln LN5 7AP
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The trust operates an academy for pupils ages 11 to 18 serving a catchment area around the rural Lincolnshire town of Market Rasen. The trust also serves children from further afield with a 65 place Boarding House. It has a pupil capacity of 1,282 and had a roll of 931 in the school census in October 2016.

Structure, governance and management

CONSTITUTION

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

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors act as the trustees for the charitable activities of De Aston School, Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as De Aston School Academy Trust.

Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details.

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.

GOVERNORS' INDEMNITIES

A full insurance indemnity is taken out with the Academy's insurance company; each member has cover of £2,000,000. This is reviewed annually to protect against potential risk.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The Governing Body is made up of: up to one Member Governor; up to four Foundation Governors; up to three Staff Governors; a minimum of two Parent Governors; up to four Community Governors; up to one Sponsor Governor; one Headteacher as ex officio Governor; up to two Co opted Governors.

The Members (currently S Porter, R Wilson and G Smith) may appoint up to one Governor (Member Governor).

Two Foundation Governors may be appointed by the Dean and Chapter of Lincoln Cathedral and two by the Justices of the Peace for Lincolnshire Magistrates Bench.

The Staff Governors shall be elected by staff employed by the Academy. A Staff Governor must have been employed by the Academy for at least one year and hold a permanent contract. The Governing Body makes all necessary arrangements for, and determine all other matters relating to, an election of Staff Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Staff Governors which is contested shall be held by secret ballot.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected. The Governing Body makes all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

The Community Governors may be appointed by the Governing Body provided that the person who is appointed as a Community Governor is: a person who lives or works in the community served by the Academy; or a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

The Sponsor Governor may be appointed by Lindum Group Ltd.

The Headteacher shall be treated for all purposes as being an ex officio governor.

The Governing Body may appoint up to two Co opted Governors.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

At De Aston School, the governing body and Head teacher believe it is essential that all new governors receive a comprehensive induction package covering a broad range of issues and topics. We are committed to ensure that the new governors are given the necessary information and support to fulfil their role with confidence. We see this as an investment, leading to more effective governance and retention of governors.

We want to make new governors feel welcome to their governing body.

New governors will:

- be welcomed to the governing body by the chair
- be invited by the head teacher to visit the school to experience its atmosphere and understand its ethos
- have the opportunity to tour the school and meet staff and children
- receive an informal briefing on the school from the head teacher to explain the partnership between the head teacher, school and governing body
- have the opportunity to meet informally with an existing governor who will then act as their mentor. They will explain how the governing body and its committees work
- be encouraged to join the committee(s) of their choice
- be accompanied by their mentor to their first full governing body meeting (if required)
- have the opportunity to review their first meeting with the mentor
- be given background material on the school and current issues
- be encouraged to ask questions about their role and/or the school
- be encouraged to access training including Induction training for governors.

New governors will receive and be encouraged to read:

- The Department for Education and Skill's "Guide to the Law for Governors"
- School Prospectus
- Ofsted Report and Action Plan (if appropriate in the last 4 years)
- School Improvement Plan
- Last Head teachers report to governing body
- List of staff, responsible areas and job titles (Head of Year etc)
- List of governors' names and responsible areas (committee member etc)
- Map/Plan of the school

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- List of School Holidays
- Copy of the minutes of the last two governing body meetings (not the confidential minutes)
- Copy of the school budget
- Copy of the latest school newsletter
- Dates of forthcoming governing body meetings and committees
- School Profile (a side of A4 describing the school's current development issues)

Areas that the head teacher will cover include:

- Background to the school
- Current issues facing the school
- Visiting the school
- The relationship between the head teacher and governing body

Areas that the mentor will cover include:

- An overview of the governor's role
- How the full governing body and committee meetings are conducted
- How to propose agenda items
- Governor training

ORGANISATIONAL STRUCTURE

The governing body's role in the Academy is, essentially, a strategic one. Acting on the advice of the Headteacher the Governing Body sets aims and objectives for the school and policies and targets which will achieve these aims and objectives. It also monitors the progress of the school towards the achievement of the aims and objectives, in the light of that progress, review the strategic framework it has established.

To facilitate the working of the Governing Body some of its functions are delegated to committees, the Head teacher and Senior Leadership Team. The committees are: School Admissions; Pupil Discipline; Staff Discipline and Dismissal; Staff Discipline and Dismissal Appeal; Formal Complaints; Academic Standards & QA; Resources; Student Welfare & Boarding and Pay Group.

The School Admissions Committee is responsible for matters relating to Admission to the Academy. The committee meets as demand requires.

The Pupil Discipline Committee is responsible for matters relating to permanent exclusions. The committee meets as demand requires.

The Staff Discipline and Dismissal Committee is responsible for matter relating to staff discipline and dismissal. The committee meets as demand requires.

The Staff Discipline and Dismissal Appeal Committee is responsible for matter relating to appeals against the decisions of the Staff Discipline and Dismissal Committee. The committee meets as demand requires.

The Formal Complaints Committee is responsible for resolving any formal complaints received by the Academy. The committee meets as demand requires.

The Academic Standards & QA Committee is responsible for: curriculum visits; exam results; INSET training; pupil progress; SEN and Gifted & Talented students; staffing QA reviews; target setting and monitoring; and teaching and learning. The committee meets four times per year.

The Resources Committee is responsible for: boarding house income/expenditure; devolved capital; financial

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

standards; performance management; premises issues including health & safety; reviewing the budgets; sport centre management; staff discipline/capability; staffing numbers and vacancies; staff structure; staff welfare; and youth centre management. The committee meets four times per year.

The Student Welfare and Boarding Committee is responsible for: attendance; behaviour; boarding improvement plan; boarding standards; extended schools; extra curricular; every child matters; healthy schools; inter agency liaison; and complaints. The committee meets three times per year.

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Pay Group is responsible for achieving the aims of the Pay Policy in a fair and equitable manner. The committee meets at least once per year.

The Headteacher is responsible for: monitoring monthly expenditure; miscellaneous financial decisions; entering into contracts/agreements provided they are under £49,999; appointment of staff; dismissal of staff; suspension of staff (except the Headteacher); establishing and implementing the curriculum policy; standards of teaching; individual children's education; implementing the performance management policies; ensuring all pupils take part in a daily act of collective worship; ensuring that health and safety regulations are followed; ensuring the school meets for 380 sessions in a school year; ensuring that the school lunch nutritional standards are met; school prospectus; ensuring the provision of free school meals for eligible students; additional needs services; ensuring delivery of services provided; and acting as the Academy's Accounting Officer.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The school is connected to a charity The Spital Charity and the De Aston School Foundation (charity number 1021793). The Spital Charity and the De Aston School Foundation (short name as agreed with the Charity Commission – The Spital Charity Trustees) owns all the academy land and buildings and leases it to the Academy on a 125 year lease.

The De Aston School Fund is a connected charity (charity number 1047658) which is used for raising money for school related activities and charities.

Objectives and Activities

OBJECTS AND AIMS

De Aston School challenges all its students to achieve their personal best, in order that their success in school will prepare them for success in later life. The school has adopted the motto "Believe. Strive. Achieve."

Our students come to school to:

- Be safe, achieve and enjoy being here, following a curriculum that addresses individual needs;
- Make progress towards their social, moral and spiritual potential and so become good citizens of the twenty-first century;
- Develop a commitment to learning which will stay with them throughout life;
- Be equipped to take their place in the worlds of work and education;
- Learn the importance of respecting others, themselves and the environment.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

OBJECTIVES, STRATEGIES AND ACTIVITIES

Overarching school priority: every child, every lesson making exceptional progress

Key Priorities with specific links to committees of the Governing Body and Senior Leaders

1. Leadership and Management (Resources and Chairs & Vice Chairs)

Ensure leadership is securely outstanding by:

- i. Progress to the next stage of effective succession planning, transition and governor development, in order that high standards in leadership and governance are maintained and improved;
- ii. Ensuring that leaders focus proportionately on the progress of all year groups.
- iii. Improving monitoring arrangements which secure accuracy of assessment and intervention in Y12 and Y13, preventing fails at A' level and promoting good progress;
- iv. Creating a sustainable vision for the future of Boarding, as an integral part of the school.
- v. Managing the financial challenges by reducing costs and outgoings at all levels whilst maintaining core purposes and aims of the school.
- vi. Commission and conduct a successful Ofsted inspection of the school's religious character before the end of the summer term.

2. Teaching, Learning and Assessment (Academic Standards & QA)

Ensure teaching is outstanding by:

- i. Ensuring that the quality of teaching and learning is both challenging and consistently good and that a growing number of learning experiences are outstanding;
- ii. Utilising the potential of the Teaching Alliance to improve professional development and raise the standard of teaching;
- iii. Securing 'growth mindset' teaching that has consistently high expectations and ensures excellent outcomes for all learners (including low prior attainers, disadvantaged learners and the most able);
- iv. Ensuring the new assessment systems are used to maximise up to 7 years progression in skills, knowledge and understanding;
- v. Ensuring disadvantaged learners benefit from outstanding teaching.
- vi. Ensuring all teachers set the most able learners, including the most able disadvantaged, suitably challenging tasks that enable them to secure their skills, knowledge and understanding to enable them to make more than expected progress.

3. Personal development, Behaviour and Welfare (Boarding and Student Welfare)

Ensure behaviour, safety and attendance are securely outstanding by:

- i. Further developing a cohesive, outstanding, systematic anti-bullying programme, which includes boarders;
- ii. Maintaining the reductions in permanent exclusions without compromising standards;
- iii. Systemising a programme to develop resilience in our learners, helping support their mental health and readiness to learn, emphasising a 'growth mind-set' approach;
- iv. Further increasing attendance, with particular emphasis on:
 - a. Diminishing differences in the attendance of disadvantaged learners in school and those who are not in this group nationally;
 - b. Diminishing differences in the attendance of some learners with special educational needs and those who are not in this group nationally;

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- c. Reducing persistent absence at 10%;
- d. Reducing absence and persistent absence within both Y12 and Y13 with specific focus on the absence of females, disadvantaged learners and learners with special educational needs in the Sixth Form
- v. Continuing to reduce the difference in exclusion figures for disadvantaged learners and those who are not in this group nationally and learners with special educational needs and those who do not in this group nationally;
- vi. Further promoting good behaviour on buses and tackling the behaviour of a small minority of young people where behaviours do not meet our expectations;
- vii. Ensure that tutor sets standards enhance the climate for learning, supporting outstanding progress;
- viii. Secure improvements in uniform standards.
- ix. Review and strengthen behaviour procedures to help ensure a consistent, effective approach to students with behavioural difficulties.
- x. Review the administration of key pastoral paper work to achieve greater efficiency.
- xi. Plan for the effective use of the additional time given to the tutorial period from September 2017.
- xii. Effective implementation of Class Charts as the main whole school system for positive/negative behaviours and detention organisation.
- xiii. Review and implement a new pastoral reward system for use by HoY for September 2017 (replacing the monetary-based Learn to Earn).

4. Outcomes and Achievement (Academic Standards & QA)

Ensure outcomes are outstanding by:

- i. Increasing progress and attainment in science and mathematics by the end of Y11;
- ii. Maintaining high levels of progress and attainment in English in the context of more challenging new specifications;
- iii. Diminishing the differences between our disadvantaged learners and others nationally, such that all disadvantaged learners make progress above the national non-disadvantaged group;
- iv. Further improving literacy and numeracy intervention for those below national expectations on entry to the school;
- v. Securing exceptional progress for the most able learners, particularly those who are disadvantaged;
- vi. Further improving outcomes for learners with special educational needs;
- vii. Improving the proportion of disadvantaged students who sustain their destination when they leave school;
- viii. Securing stronger academic progress for children in need.
- ix. Improve outcomes in ICT and computing.
- x. Ensuring outcomes for French and Geography by the end of Y11 match expectations for progress and attainment

5. Sixth Form, including effectiveness of study programmes (Academic Standards & QA)

Ensure the Sixth Form is outstanding by:

- i. Improving and sustaining progress and attainment in the Sixth Form by:
 - a) Ensuring all A' level subjects tackle any identified underperformance on specific grade boundaries to ensure better than expected progress;
 - b) Improving outcomes in the Sixth Form, such that no subject is below 0 in value-added terms and an increasing number of subjects have significantly positive value-added scores using L3 VA formulae;
 - c) Continuing to develop the Sixth Form curriculum to maximise achievement, meet learners' needs, and secure strong progress;
 - d) Ensuring there is a meaningful reward system in place for 6th form that motivates learners to make progress in their courses and has an effect this year and beyond.
 - e) Ensuring that study time is used effectively to enable sustained progress with effect this year and

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- beyond
- ii. Developing apprenticeship education and explore possible provision
- 6. Boarding (Boarding and Student Welfare)

Ensure Boarding is outstanding by:

- i. Ensuring risk assessments, documentation and record-keeping in boarding are exemplary;
- ii. *Improving cohesion of documentation on significant incidents and cases which straddle school and boarding;*
- iii. Continuing to develop the boarding accommodation so that it more closely reflects the quality of the rest of the school;
- iv. Ensuring leadership transition in boarding is effective.

Other important aspects of improvement work for the year

- 1. Sustain and further improve achievement in English, by:
 - a. Ensuring consistently good and challenging teaching;
 - b. Ensuring progress in Y12 supports strong outcomes by the end of Y13.
 - c. Ensuring examination reformation does not lead to detriment in outcomes (progress minimum +0.5).
- 2. Improve and sustain outcomes in science, by:
 - a. Ensuring consistently good and challenging teaching;
 - b. Ensuring the most able learners, disadvantaged learners, children in need and girls, make good progress in all of the sciences;
 - c. Revising learning programmes to secure greater progress from Y7;
 - d. Ensure a greater percentage of the cohort achieves 2 EBacc sciences (target 65%);
 - e. Ensuring progress in Y12 supports strong outcomes by the end of Y13.
- 3. Improve and sustain outcomes in mathematics, by:
 - a. Ensuring consistently good and challenging teaching;
 - b. Ensuring that outcomes for all pupil groups are consistently good within the context of the new more challenging specification, with particular reference to; disadvantaged learners (low and high groups), Children in Need, and those with low prior attainment;
 - c. Diminish gaps in progress from starting point between disadvantaged learners and others nationally;
 - d. Ensuring progress in Y12 supports strong outcomes by the end of Y13.
 - e. Ensuring the success of those learners taking resit maths, such that progress exceeds the national;
 - f. Ensuring examination reformation does not lead to detriment in outcomes (progress minimum +0.5).
- 4. Ensure all other relevant subjects and options tackle any identified underperformance on specific grade boundaries or for specific groups.
- 5. Further develop links with prestigious universities.
- 6. Engage parents more effectively with Parent View.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The academy's public benefit is enshrined in its charitable objects, which state De Aston School's principal objective is to provide education for students of different abilities between the ages of 11 and 18.

Achievements and performance

REVIEW OF ACTIVITIES

Ofsted Inspection Jan 2017

The school was rated : GOOD

Religious Inspection of Moral and Spiritual Character July 2017

The school was rated : GOOD

Outcomes 2017

Y11 outcomes in 2016 were very positive, in fact significantly positive in a number of national measures, taking the school into the top quartile for progress in these measures. SEN results were positive. The outcomes in some core subject areas like English but the school in the top 10% for progress with 89% achieving EBacc English. 2017's outcomes were an aberration because of a particular set of circumstances that are outlined below. There is every indication that the school will see positive progress and attainment for the GCSE Y11 cohort in 2018. This will be the righting of the ship after a rogue year group with extremely challenging circumstances leaving.

2016 Y13 results were in line with national expectations. There was one A level subject that gained significantly positive value added (and five A* grades along at the same time) that being English Literature. The outcomes in 2017 were very similar in terms of average grade and again in line with national, though a little better on progress. This time five subjects gained significant progress at A level and again there were A* grades in a range including three in English Literature, the subject with the most A*. Other taught subjects that will be significantly positive are Finance Diploma, Geography and Media. So, many aspects of 2017 match 2016 but in 2017 the fail rate dropped dramatically to just one fail in A level mathematics, that being the only one in the entire 6th form, representing a huge improvement on 2016 and previous years when fail rates at A level were stubbornly high.

KS5 is stable and in line with national outcomes with an ambition to be better than national. Some subjects are achieving significant progress. Outcomes for this year look likely to be as good.

KS4 has been gaining momentum over the last few years with outstanding outcomes in 2016 and a fall back in an aberrant year 2017, ready to come back to positive outcomes again in 2018 and beyond. The attainment and progress in current Year 11 looks likely to put us back on track.

Review of priorities and performance

- *Improving monitoring arrangements which secure accuracy of assessment and intervention in Y12 and Y13, preventing fails at A* level and promoting good progress.*
Met - there was only one fail at A Level this year. This was a borderline U/E grade student.

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- *Securing 'growth mindset' teaching that has consistently high expectations and ensures excellent outcomes for all learners (including low prior attainers, disadvantaged learners and the most able).*
Partially met. Growth mindset teaching and learning is embedded in school but given the context of the Y11 it was too late to change their outcomes, especially in the context of a failure of pastoral consistency over four years.
- *Ensuring disadvantaged learners benefit from outstanding teaching.*
Met for post-16. Not met for Year 11 in terms of outcomes.
- *Ensuring all teachers set the most able learners, including the most able disadvantaged, suitably challenging tasks that enable them to secure their skills, knowledge and understanding to enable them to make more than expected progress.*
Not met in terms of outcomes with Y11. At 6th form many subjects achieved A grades and some achieved A* grades (English Literature 3A*, Maths 1A*, Sociology 1A*).
- *Increasing progress and attainment in science and mathematics by the end of Y11.*
Not met. Both science and mathematics are likely to be significantly negative.
- *Maintaining high levels of progress and attainment in English in the context of more challenging new specifications.*
Met for post-16. A level English Literature for the second year running has achieved significantly positive value-added and also the highest number of A* grades, 8 A* grades in last two years). Post-16 GCSE English has again been successful for the last two years; all of the students this year reached their target grade. Not met for Year 11. In the context of the new specifications for language and literature and the very challenging year group it is likely that the results will be below national.
- *Diminishing the differences between our disadvantaged learners and others nationally, such that all disadvantaged learners make progress above the national non-disadvantaged group.*
Met for post-16. Not met for Year 11. See context above.
- *Securing exceptional progress for the most able learners, particularly those who are disadvantaged.*
Not met - see context above.
- *Further improving outcomes for learners with special educational needs.*
Not met - see context above.
- *Securing stronger academic progress for children in need.*
Not met. See context above.
- *Improve outcomes in ICT and computing.*
Met for post-16. Not met for Year 11; likely to be negative.
- *Ensuring outcomes for French and Geography by the end of Y11 match expectations for progress and attainment.*
Not met. It is likely both will be negative.
- *Ensuring all A' level subjects tackle any identified underperformance on specific grade boundaries to ensure better than expected progress.*
Partially met; variations subject by subject.
- *Improving outcomes in the Sixth Form, such that no subject is below 0 in value-added terms and an increasing number of subjects have significantly positive value-added scores using L3 VA formulae.*
Partially met. Increase in the numbers of subjects gaining likely significantly positive value-added.

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- *Continuing to develop the Sixth Form curriculum to maximise achievement, meet learners' needs, and secure strong progress.*
Partially met. Increasing number of subjects making significant progress. However, the majority do not.
- *Sustain and further improve achievement in English.*
Met for post-16 both at A level and post-16 GCSE. Not met for Year 11.
- *Improve and sustain outcomes in science.*
Partially met for post-16. Not met for Year 11.
- *Improve and sustain outcomes in mathematics.*
Not met at either Y11 or post-16. Mathematics A level is likely to be the only subject with significantly negative value-added.
- *Ensure all other relevant subjects and options tackle any identified underperformance on specific grade boundaries or for specific groups.*
Partially met for post-16. Not met for Year 11.

KEY PERFORMANCE INDICATORS

The main financial indicators the Academy uses to measure performance are the comparison of actual results to budgets set and the overall surplus carried forward. From this year the Academy has identified three indicators to monitor as detailed below.

Boarding Fee Bad Debts

Target = Below 3%

2016/2017 2.29%

2015/2016 0.34%

2014/2015 0.00%

2013/2014 3.31%

School Revenue Contingency

Target = Above 5%

2016/2017 10.60%

2015/2016 10.90%

2014/2015 14.50%

2013/2014 15.60%

Boarding Revenue Contingency

Target = Above £150,000

2016/2017 £288,488

2015/2016 £404,079

2014/2015 £404,905

2013/2014 £368,066

The Academy's main performance indicators are non financial such as pupil numbers and student intake, exam success, Ofsted reports and success of pupil premium pupils. The detail behind these non-financial indicators can be found within the Achievements and Performance section above.

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GOING CONCERN

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

Financial review

FINANCIAL REVIEW

Most of the Academy's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The Academy also receives a significant amount of income from boarding fees. This income is kept under a separate financial system so that all the fees are used to run the Boarding House. The grants received from the ESFA during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The school has received two Condition Improvement Fund (CIF) Grants that have now been completed. The income from these grants was fully realised in previous year's accounts (totalling £756,000). However, the vast majority of the expenditure for these grants was accounted for in 2016/2017. This has meant that there is a large deficit in the overall accounts when comparing income and expenditure for the year 16/17.

Furthermore, a creditor has been added due to the likelihood of a clawback on the CIF Roofing project. Through efficient procurement and management of the project, the school was able to come a significant amount under budget for the completion of these works, therefore allowing this public money to be recirculated for other projects. The final installment of the money was never paid to the school, and an amount of £164,313 has been included in these accounts as a creditor.

During the year, the Academy received total income of £5,093,958 compared to total resources expended of £6,376,308 to give a deficit for the year of £1,282,350. This deficit is broken down as £1,001k for Fixed Assets, £173k for pension reserve, £82k in Boarding funds and £26k in School funds.

The gain on the defined benefit pension scheme of £900,000 meant that the movement in funds in the year was an overall deficit of £382,350.

Taking into account the surplus brought forwards from last year, the academy has £9,242,598 in accumulated reserves carried forwards.

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GOVERNORS' REPORT (continued)
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RESERVES POLICY

The Academy holds total reserves (excluding boarding house, fixed asset and pension funds) of £502,907 which consists of £373,996 of restricted funds and £128,911 of unrestricted funds. These are known as the 'school reserves'.

The trustees review the 'school reserve' levels annually. This review encompasses the nature of income and expenditure streams. The trustees have determined that the appropriate level of free reserves should be equivalent to 5% of its income, which is approximately £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

It is anticipated that at the end of the next financial year (2017/2018) the 'school reserves' will be approximately £310,000. The Academy will always ensure to stay within the ESFA guidelines on levels and appropriate use of reserves. The amount of reserves is limited and will be used to compensate the school for the lag in waiting for the increase in funding due to higher pupil numbers.

The Academy also holds £288,488 of Boarding House reserves, which is not included in the previous figures. The Boarding House suffered a significant reduction in its reserves, due to a very low student number for 16/17. This is projected to stabilise in 17/18 to a level which means the Boarding House will break even in-year. The Boarding House reserves should always be held above £150,000 to cover any costs associated with a closure of the Boarding House. Free reserves above this level are retained and built up to renew the Boarding minibus every 4 years and for capital purposes in extending and modernising the boarders' accommodation and facilities.

INVESTMENTS POLICY

Investments must be made only when approved by the governing body.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

The Academy will periodically (at least annually) review interest rates and compare with other investment opportunities.

A working balance above £250,000 should be maintained in the main Academy's current account.

The Academy's current position is to only invest funds in risk free and easily accessible deposit accounts. Funds can be invested up to 12 months if appropriate. Investing cash over more than a year has to be approved by the Governing body and referenced with detailed cash flow workings.

DE ASTON SCHOOL ACADEMY TRUST
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

PRINCIPAL RISKS AND UNCERTAINTIES

The governors of the Academy are aware of the risks that the Academy faces in the short, medium and long term, the principal risks and uncertainties have been identified following the risk management process.

- Principal risks and uncertainties (other than the pension deficit) are:
- Pupil numbers
- Uncertainty over the future of pupil sector pay
- The national living wage
- New national funding agreement and the long term sustainability of the Minimum Funding Guarantee and Education Services Grant
- Public sector pensions
- High Needs funding
- The future of boarding and the impact of the Brexit vote
- If there was a significant issue with boarding house debts
- Difficulties with staff recruitment

Plans for future periods

FUTURE DEVELOPMENTS

Overarching school priority 2017-18:

To ensure that all lessons contain suitable challenge for all and, that no matter what the ability is, a foregrounding that effort is what turns that ability into achievement.

Key Priorities with specific links to committees of the Governing Body and Senior Leaders

1. Leadership and Management (Resources and Chairs & Vice Chairs)

Ensure leadership is securely outstanding by:

- i. Progress in effective succession planning for key senior and middle leadership roles and governor development, in order that high standards in leadership and governance are maintained and improved;
- ii. Ensuring that senior leaders, Heads of Subject and Heads of Year focus proportionately and intelligently on the progress of all year groups by using the new progress tracker system;
- iii. Implementing the new sustainable vision for the future of Boarding, as an integral part of the school;
- iv. Managing the financial challenges by reducing costs and outgoings at all levels whilst maintaining core purposes and aims of the school;
- v. Create a new online school prospectus.

2. Teaching, Learning and Assessment (Academic Standards & QA)

Ensure teaching is outstanding by:

- i. Ensuring that the quality of teaching and learning challenges and supports all learners to reach their aspirational targets;
- i. Securing 'growth mindset' teaching that has consistently high expectations and challenge and ensures

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

excellent outcomes for all learners including low prior attainers, disadvantaged learners, the most able disadvantaged and most able others;

- ii. Utilising the potential of the Teaching Alliance to improve professional development and raise the standard of teaching;
- iii. Ensuring the new assessment systems are used to maximise up to 7 years progression in skills, knowledge and understanding;
- iv. Ensuring the attendance of disadvantaged learners is good so it supports academic progress and ensures attendance at additional sessions;
- v. Ensuring all teachers set the most able learners, including the most able disadvantaged, suitably challenging tasks that enable them to secure their skills, knowledge and understanding to enable them to make more than expected progress.

3. Personal development, Behaviour and Welfare (Boarding and Student Welfare)

Ensure behaviour, safety and attendance are securely outstanding by:

- i. Further embedding the cohesive, outstanding, systematic anti-bullying programme, which includes boarders;
- ii. Reducing the number of permanent exclusions through proactive behaviour management and use of outside agency support. Permanent exclusion reductions but without compromising standards in school;
- iii. Systemising a programme to develop resilience in our learners, helping support their mental health and readiness to learn, emphasising a 'growth mind-set' approach;
- iv. Further increasing attendance, with particular emphasis on:
 - a. Diminishing differences in the attendance of disadvantaged learners in school and those who are not in this group nationally;
 - b. Diminishing differences in the attendance of some learners with special educational needs and those who are not in this group nationally;
 - c. Reducing persistent absence at 10%;
 - d. Reducing absence and persistent absence within both Y12 and Y13 with specific focus on the absence of females, disadvantaged learners and learners with special educational needs in the Sixth Form;

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- v. Continuing to reduce the difference in exclusion figures for disadvantaged learners and those who are not in this group nationally and learners with special educational needs and those who do not in this group nationally;
- vi. Further promoting good behaviour on buses and tackling the behaviour of a small minority of young people where behaviours do not meet our expectations;
- vii. Ensuring that tutor sets standards enhance the climate for learning, supporting outstanding progress;
- viii. Securing improvements in uniform standards;
- ix. Reviewing and strengthening behaviour procedures to help ensure a consistent, effective approach to students with behavioural difficulties;
- x. Effective embedding of ClassCharts as the main whole school system for positive/negative behaviours and detention organisation. Further development of its functionality for parental communication about behaviour and progress;
- xi. Implementing a new pastoral reward system from September 2017 for all year groups 7-13.

4. Outcomes and Achievement (Academic Standards & QA)

Ensure outcomes are outstanding by:

- i. Increasing progress and attainment in all underperforming subjects in Y11 with a particular focus on EBACC;
- ii. Improving outcomes in A level mathematics;
- iii. Plan for the new accountability measure in Post-16 level 3 mathematics.
- iv. Improving monitoring arrangements which secure accuracy of assessment and intervention in Y12 and Y13, preventing fails at A' level and promoting good progress in the context of the new specifications;
- v. Diminishing the differences between our disadvantaged learners and others nationally, such that all disadvantaged learners make progress above the national non-disadvantaged group;
- vi. Further improving reading intervention and numeracy intervention for those below national expectations on entry to the school;
- vii. Securing exceptional progress for the most able learners, particularly those who are disadvantaged;
- viii. Further improving outcomes for learners with special educational needs;
- ix. Improving the proportion of disadvantaged students who sustain their destination when they leave school;
- x. Securing stronger academic progress for learners in highly vulnerable categories (Child in Need, Looked After Child, Post Looked after Child).

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

5. Sixth Form, including effectiveness of study programmes (Academic Standards & QA)

Ensure the Sixth Form is outstanding by:

- i. Improving and sustaining progress and attainment in the Sixth Form by:
 - a) Ensuring all A' level subjects tackle any identified underperformance on specific grade boundaries to ensure better than expected progress;
 - b) Improving outcomes in the Sixth Form, such that no subject is below 0 in value-added terms and an increasing number of subjects have significantly positive value-added scores using L3 VA formulae;
 - c) Continuing to develop the Sixth Form curriculum to maximise achievement, meet learners' needs, and secure strong progress, including investigation into apprenticeships;
 - d) Ensuring there is a meaningful reward system in place for sixth form that motivates learners to make progress in their courses and has an effect this year and beyond;
 - e) Ensuring that attendance at study time is good and the time is used effectively to enable sustained progress with effect this year and beyond;
 - f) Ensuring strong recruitment into sixth form to ensure its financial viability;
 - g) Further developing links with prestigious universities and other aspirational and ambitious destinations.

6. Boarding (Boarding and Student Welfare)

Ensure Boarding is outstanding by:

- i. Ensuring risk assessments, documentation and record-keeping in boarding continue to be exemplary;
- ii. Continuing to ensure cohesion of documentation on significant incidents and cases which straddle school and boarding;
- iii. Continuing to develop the boarding accommodation so that it more closely reflects the quality of the rest of the school;
- iv. Ensuring strong recruitment into boarding.

Other important aspects of improvement work for the year

1. Engage parents more effectively with Parent View and develop the new website and ClassCharts for greater parent access and interaction.
2. Review and plan for significant investment in the IT infrastructure.
3. Plan for contingency in key roles within the school.
4. Plan for the new upcoming data protection requirements.
5. Ensure the continued quality of catering for school and boarding.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy does not hold any funds as a custodian trustee.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Governors are aware:

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

The Governors' Report was approved by order of the governing body, as the company directors, on 12 December 2017 and signed on its behalf by:


R Wilson,
Chair of Governors

DE ASTON SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The governing body has delegated the day-to-day responsibility to the 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 De Aston School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The governing body has formally met 6 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
E Beighton	3	3
H Belcher	0	1
J Curtis	4	6
I C Davey	5	6
R Dickinson	1	3
H Downie	4	4
R A de Smit	4	6
G Killey	3	6
J P G Matthews	6	6
A Neal	5	5
S Porter	3	3
A J Robson	3	6
G J Smith, Chair of Resources	4	6
S M Williams	5	5
R Wilson, Chair of Governors	6	6

The Resources Committee is a sub committee of the main governing body and met 3 times this year. Its main responsibilities are,

- review of the annual budget;
- the regular monitoring of actual expenditure and income against budget for academy and boarding;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
- authorising orders/contracts over £50,000;
- reviewing and updating of the Premises & ICT plan;
- staffing issues and structures
- reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and controls. These reports must also be reported to the full governing body

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
R Wilson	3	3
G Smith	3	3
E Beighton	1	1
H Belcher	0	1
I C Davey	3	3
R Dickinson	0	1
R de Smit	0	1
G Killey	2	2
J P G Matthews	2	3
A Neal	2	2
S Porter	2	2
A J Robson	1	3
S M Williams	0	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the 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 governing body 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:

- A new 'zero budgeting' principle with budget holders, which resulted in a more thoughtful approach to spending by budget holders that in turn resulted in cost savings and a change of approach by staff to expenditure
- A more collaborative / team working mentality to our spending has resulted in many cost saving measures recommended by staff. Staff at all levels are actively suggesting cost-cutting strategies
- The school has put in place practices to ensure that we receive all the possible money we can claim for our most disadvantaged students, especially those in the Looked After, Adopted from Care and other vulnerable groups.
- Starting to apply smarter strategies for advertising staffing vacancies, rather than traditional more expensive methods.
- Invested in software to improve communication to parents, which in turn will reduce our administrative time and large expense in sending communication via the post.
- A detailed dialogue with multiple stake-holding staff to assess staffing replacements and roles for both teaching and non-teaching.
- Covering multiple maternity leaves with creative re-deployment of staff internally to save on expenditure.

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GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; 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 De Aston School Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The governing body has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The governing body has considered the need for a specific internal audit function and has decided to appoint Forrester Boyd Accountants as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy'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
- testing of statutory information required by the ESFA
- a more detailed and in depth review of payroll (requested by Resources Committee)

The internal auditors works to the guidelines set in a previous version of the Financial Handbook, but the Resources Committee also request specific areas to investigate in addition to/to replace the recommended checklist.

On a quarterly basis, the internal auditor reports to the governing body through the finance and general purposes committee on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

There were no material issues for the Governing body to act on from the Responsible Officer's report during the financial year ended 31 August 2017.

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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the governing body on 12 December 2017 and signed on their behalf, by:



R Wilson
Chair of Trustees



S Porter
Accounting Officer

DE ASTON SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



S Porter
Accounting Officer

Date: 12 December 2017

DE ASTON SCHOOL ACADEMY TRUST
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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Governors (who act as trustees of De Aston School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the governing body on 12 December 2017 and signed on its behalf by:



R Wilson
Chair of Trustees

DE ASTON SCHOOL ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DE
ASTON SCHOOL ACADEMY TRUST**

OPINION

We have audited the financial statements of De Aston School Academy Trust for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors 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.

DE ASTON SCHOOL ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DE
ASTON SCHOOL ACADEMY TRUST**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Governors' Report for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters 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 Governors' remunerations specified by law 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 Governors' Responsibilities, the Governors (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 Governors 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 Governors 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 Governors either intend to liquidate the academy's or to cease operations, or have no realistic alternative but to do so.

DE ASTON SCHOOL ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DE
ASTON SCHOOL ACADEMY TRUST**

AUDITOR'S 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 Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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. The description forms part of our Auditor's report.



Linda Lord (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants
Statutory Auditors

Tower House
Lucy Tower Street
Lincoln
Lincolnshire

LN1 1XW

Date: 14 December 2017

DE ASTON SCHOOL ACADEMY TRUST
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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DE ASTON SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 7 April 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by De Aston School Academy Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF DE ASTON SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of De Aston School Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by 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.

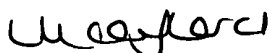
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

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(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DE ASTON
SCHOOL ACADEMY TRUST AND THE EDUCATION 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Linda Lord

Streets Audit LLP

Chartered Accountants
Statutory Auditors

Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

Date: 14 December 2017

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	12,015	(175,682)	(163,667)	120,795
Charitable activities:	3					
Educational activities		-	4,751,343	-	4,751,343	4,872,370
Boarding activities		-	481,104	-	481,104	675,989
Other charitable activities		-	2,175	-	2,175	-
Other trading activities	4	18,187	1,650	-	19,837	19,233
Investments	5	2,204	962	-	3,166	10,999
TOTAL INCOME		20,391	5,249,249	(175,682)	5,093,958	5,699,386
EXPENDITURE ON:						
Charitable activities		42,493	5,508,364	825,451	6,376,308	6,031,246
TOTAL EXPENDITURE	6	42,493	5,508,364	825,451	6,376,308	6,031,246
NET EXPENDITURE BEFORE TRANSFERS		(22,102)	(259,115)	(1,001,133)	(1,282,350)	(331,860)
Transfers between Funds	17	-	(37,121)	37,121	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(22,102)	(296,236)	(964,012)	(1,282,350)	(331,860)
Actuarial gains/(losses) on defined benefit pension schemes	23	-	900,000	-	900,000	(748,000)
NET MOVEMENT IN FUNDS		(22,102)	603,764	(964,012)	(382,350)	(1,079,860)
RECONCILIATION OF FUNDS:						
Total funds brought forward		151,013	(1,076,280)	10,550,215	9,624,948	10,704,808
TOTAL FUNDS CARRIED FORWARD		128,911	(472,516)	9,586,203	9,242,598	9,624,948

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07533362

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		9,581,672		9,797,226
CURRENT ASSETS					
Debtors	14	307,672		222,240	
Cash at bank and in hand		1,280,743		2,048,237	
		<u>1,588,415</u>		<u>2,270,477</u>	
CREDITORS: amounts falling due within one year	15	<u>(781,424)</u>		<u>(558,624)</u>	
NET CURRENT ASSETS			<u>806,991</u>		<u>1,711,853</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,388,663</u>		<u>11,509,079</u>
CREDITORS: amounts falling due after more than one year	16		<u>(11,065)</u>		<u>(22,131)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>10,377,598</u>		<u>11,486,948</u>
Defined benefit pension scheme liability	23		<u>(1,135,000)</u>		<u>(1,862,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>9,242,598</u></u>		<u><u>9,624,948</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	662,484		785,720	
Restricted fixed asset funds	17	9,586,203		10,550,215	
Restricted income funds excluding pension liability		<u>10,248,687</u>		<u>11,335,935</u>	
Pension reserve		<u>(1,135,000)</u>		<u>(1,862,000)</u>	
Total restricted income funds			<u>9,113,687</u>		<u>9,473,935</u>
Unrestricted income funds	17		<u>128,911</u>		<u>151,013</u>
TOTAL FUNDS			<u><u>9,242,598</u></u>		<u><u>9,624,948</u></u>

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2017

The financial statements on pages 31 to 58 were approved by the Governors, and authorised for issue, on 12 December 2017 and are signed on their behalf, by:



R Wilson, Chair of Governors

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(645,969)	181,371
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,166	10,999
Purchase of tangible fixed assets		(135,079)	(168,382)
Capital grants from DfE/ESFA		21,454	120,795
Net cash used in investing activities		(110,459)	(36,588)
Cash flows from financing activities:			
Repayments of borrowings		(11,066)	(11,065)
Net cash used in financing activities		(11,066)	(11,065)
Change in cash and cash equivalents in the year		(767,494)	133,718
Cash and cash equivalents brought forward		2,048,237	1,914,519
Cash and cash equivalents carried forward		1,280,743	2,048,237

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

De Aston School Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Governors 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 Governors 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.

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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.

Boarding house income is received from the boarding of pupils, this is accounted for on an accruals basis as fees for boarding are paid in advance.

The Academy keeps a separate school fund bank account which relates to income and expenditure for school trips. Transactions are not included in these financial statements as De Aston School Fund is a separate registered charity (number 1047658).

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

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.

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, 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:

Long-term leasehold property	-	2% per annum on cost
Motor vehicles	-	25% per annum on cost
Fixtures and fittings	-	10% per annum on cost
Computer equipment	-	33% per annum on cost

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.

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

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.

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 Leased assets

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

The Academy's buildings are currently leased from Spital Charity and De Aston School Foundation for a 125 year period on a peppercorn rent. The trustees have not been able to quantify a notional rent to reflect the fair value of the rental involved, therefore no gift in kind or corresponding rental cost is included in these financial statements. However, in accordance with Generally Accepted Accounting Practice, the leasehold premises have been valued for the purpose of these accounts on a Depreciated Replacement Cost basis and included in these accounts.

1.10 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 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.11 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.

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.12 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 a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.13 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 Governors.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the academy's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Capital Grants	-	-	21,454	21,454	120,795
Clawback of CIF funding	-	-	(197,136)	(197,136)	-
Donations	-	12,015	-	12,015	-
	-	12,015	(175,682)	(163,667)	120,795
<i>Total 2016</i>	-	-	120,795	120,795	

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Funding for the Academy's educational activities	-	4,751,343	4,751,343	4,872,372
Provision of boarding activities	-	483,279	483,279	675,987
	<u>-</u>	<u>5,234,622</u>	<u>5,234,622</u>	<u>5,548,359</u>
<i>Total 2016</i>	<u>-</u>	<u>5,548,359</u>	<u>5,548,359</u>	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,393,123	4,393,123	4,542,622
Other DfE/ESFA Grants	-	230,075	230,075	221,660
	<u>-</u>	<u>4,623,198</u>	<u>4,623,198</u>	<u>4,764,282</u>
Other government grants				
Local Authority Grants	-	128,145	128,145	108,090
	<u>-</u>	<u>128,145</u>	<u>128,145</u>	<u>108,090</u>
	<u>-</u>	<u>4,751,343</u>	<u>4,751,343</u>	<u>4,872,372</u>
<i>Total 2016</i>	<u>-</u>	<u>4,872,372</u>	<u>4,872,372</u>	

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings income - school	3,485	-	3,485	3,758
Lettings income - boarding house	-	1,650	1,650	1,540
Other income	14,702	-	14,702	13,935
	<u>18,187</u>	<u>1,650</u>	<u>19,837</u>	<u>19,233</u>
<i>Total 2016</i>	<u>17,693</u>	<u>1,540</u>	<u>19,233</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest received	2,204	962	3,166	10,999
	<u>8,646</u>	<u>2,353</u>	<u>10,999</u>	
<i>Total 2016</i>	<u>8,646</u>	<u>2,353</u>	<u>10,999</u>	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Funding for the Academy's educational operations:					
Direct costs	3,523,533	-	666,612	4,190,145	4,195,147
Support costs	557,714	842,616	166,289	1,566,619	1,139,114
Provision of boarding activities:					
Direct costs	64,480	-	216,514	280,994	338,289
Support costs	194,897	98,856	44,797	338,550	358,696
	<u>4,340,624</u>	<u>941,472</u>	<u>1,094,212</u>	<u>6,376,308</u>	<u>6,031,246</u>
<i>Total 2016</i>	<u>4,323,072</u>	<u>595,278</u>	<u>1,112,896</u>	<u>6,031,246</u>	

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. DIRECT COSTS

	Educational operations £	Provision of boarding £	Total 2017 £	Total 2016 £
Educational supplies	85,611	1,899	87,510	108,544
Technology costs	13,911	-	13,911	-
Examination fees	108,978	-	108,978	102,040
Staff development	8,559	1,559	10,118	15,805
Boarding house meals	-	122,371	122,371	147,609
Other direct costs	150,673	38,928	189,601	192,685
Wages and salaries	2,800,658	52,552	2,853,210	2,932,774
National insurance	270,852	4,644	275,496	239,088
Pension cost	452,023	7,284	459,307	455,341
Depreciation	298,880	51,757	350,637	339,550
	4,190,145	280,994	4,471,139	4,533,436
<i>At 31 August 2016</i>	<i>4,195,147</i>	<i>338,289</i>	<i>4,533,436</i>	

8. SUPPORT COSTS

	Educational operations £	Provision of boarding £	Total 2017 £	Total 2016 £
Pension charge	40,000	-	40,000	41,000
Technology costs	45,644	-	45,644	36,501
Pupil Recruitment and support	5,148	8,735	13,883	8,518
Maintenance of premises and equipment	582,342	63,260	645,602	265,794
Cleaning	116,664	3,924	120,588	118,377
Rent and rates	36,735	7,210	43,945	47,388
Energy costs	78,230	24,462	102,692	121,498
Insurance	28,641	-	28,641	42,221
Security and transport	13,916	10,644	24,560	17,168
Telephone, postage and stationery	25,958	2,055	28,013	31,034
Operating leases	1,932	2,736	4,668	4,227
Boarding house bad debts	-	15,453	15,453	2,366
Other support costs	9,044	5,174	14,218	32,786
Governance costs	24,651	-	24,651	33,063
Wages and salaries	332,017	160,935	492,952	519,294
National insurance	26,298	8,669	34,967	38,416
Pension cost	199,399	25,293	224,692	138,159
	1,566,619	338,550	1,905,169	1,497,810
<i>At 31 August 2016</i>	<i>1,139,114</i>	<i>358,696</i>	<i>1,497,810</i>	

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the academy	350,637	339,550
Auditors' remuneration - audit	8,650	8,250
Operating lease rentals	15,166	11,157
	<hr/> <hr/>	<hr/> <hr/>

DE ASTON SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. (a) Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	3,297,241	3,311,777
Social security costs	310,463	277,504
Operating costs of defined benefit pension schemes	683,999	593,500
	<u>4,291,703</u>	<u>4,182,781</u>
Apprenticeship levy	541	-
Supply staff costs	48,380	140,291
	<u><u>4,340,624</u></u>	<u><u>4,323,072</u></u>

There were no severance payments in the year.

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

	2017 No.	2016 No.
Teachers	61	58
Admin/Support	49	51
Boarding School	16	16
Management	1	1
	<u>127</u>	<u>126</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teachers	55	53
Admin/Support	37	41
Boarding School	10	11
Management	1	1
	<u>103</u>	<u>106</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	4	3
In the band £70,001 - £80,000	1	0
In the band £90,001 - £100,000	1	0
In the band £100,001 - £110,000	0	1

DE ASTON SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS (continued)

The above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2017 pension contributions for 6 members of staff amounted to £60,135 (2016: 4 members of staff with contributions amounting to £47,960).

The key management personnel of the charity comprise the governors and the senior management team (including the school business manager) as listed on page 1. The total amount of employee benefits (including pension contributions) received by key management personnel - 11 (2016- 9) for their services to the academy trust was £596,635 (2016: £538,879)

11. GOVERNORS' REMUNERATION AND EXPENSES

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

		2017	2016
		£'000	£'000
E Beighton, Headteacher until 31/12/2016	Remuneration	30-35	100-105
	Pension contributions paid	5-10	15-20
S Porter from 01/01/2017	Remuneration	55-60	
	Pension contributions paid	5-10	
J Curtis	Remuneration	20-25	20-25
	Pension contributions paid	0-5	0-5
P Williams	Remuneration		55-60
	Pension contributions paid		5-10
S Williams	Remuneration	20-25	
	Pension contributions paid	0-5	

During the year, no Governors received any benefits in kind (2016 - £NIL).

During the year ended 31 August 2017, no Governors received any reimbursement of expenses (2016 - £nil).

The above table shows only the remuneration paid to individuals during their tenure as Governors.

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2017 was £177 (2016 - £1,002).

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13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2016	9,790,885	29,528	1,118,921	206,507	11,145,841
Additions	-	-	135,083	-	135,083
At 31 August 2017	9,790,885	29,528	1,254,004	206,507	11,280,924
Depreciation					
At 1 September 2016	781,996	23,156	360,861	182,602	1,348,615
Charge for the year	195,818	6,372	125,403	23,044	350,637
At 31 August 2017	977,814	29,528	486,264	205,646	1,699,252
Net book value					
At 31 August 2017	8,813,071	-	767,740	861	9,581,672
At 31 August 2016	9,008,889	6,372	758,060	23,905	9,797,226

Long-term leasehold property comprise the value of the Academy's land and buildings that are leased from the Spital Charity and De Aston School Foundation under a 125 year lease. This property was included in the balance sheet for the first time at 31 August 2013.

The valuation was professionally undertaken on 19 September 2012 by Drivers Jonas Deloitte. The valuation methodology was fair value on the assumption of continuation of existing use on the Depreciated Replacement Cost basis.

14. DEBTORS

	2017 £	2016 £
Trade debtors	103,553	122,406
VAT debtor	187,654	49,989
Other debtors	-	13,539
Grants Receivable	16,465	36,306
	<u>307,672</u>	<u>222,240</u>

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15. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Other loans	11,065	11,065
Trade creditors	242,135	194,127
ESFA creditor	211,698	39,891
Other creditors	42,922	61,335
Accruals and deferred income	273,604	252,206
	<u>781,424</u>	<u>558,624</u>

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	230,530	259,532
Resources deferred during the year	240,843	230,530
Amounts released from previous years	(230,530)	(259,532)
Deferred income at 31 August 2017	<u>240,843</u>	<u>230,530</u>

Deferred income comprises advance term fees in relation to boarding activities of £219,630, and £21,213 in relation to DFC income.

16. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Other loans	<u>11,065</u>	<u>22,131</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2017 £	2016 £
Repayable by instalments	<u>11,065</u>	<u>22,131</u>

The above loan is a Salix Loan and is on an interest free basis payable in equal installments over 5 years from 1 September 2014.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
Other income not for capital purposes	151,013	20,391	(42,493)	-	-	128,911
Restricted funds						
General Annual Grant (GAG)	375,652	3,662,722	(3,717,315)	(3,429)	-	317,630
Other Government Grants	3,198	925,349	(896,389)	-	-	32,158
Other Grants	-	159,698	(141,076)	-	-	18,622
16 - 19 bursary fund	2,791	15,587	(12,792)	-	-	5,586
Provision of boarding activities	404,079	485,893	(567,792)	(33,692)	-	288,488
Pension reserve	(1,862,000)	-	(173,000)	-	900,000	(1,135,000)
	<u>(1,076,280)</u>	<u>5,249,249</u>	<u>(5,508,364)</u>	<u>(37,121)</u>	<u>900,000</u>	<u>(472,516)</u>
Restricted fixed asset funds						
Fixed Asset Reserve	9,797,226	-	(350,637)	135,083	-	9,581,672
CIF Funding- Roofworks	653,489	(195,598)	(457,891)	-	-	-
CIF Funding- Fire Alarms	99,500	(1,538)	-	(97,962)	-	-
DFC	-	21,454	(16,923)	-	-	4,531
	<u>10,550,215</u>	<u>(175,682)</u>	<u>(825,451)</u>	<u>37,121</u>	<u>-</u>	<u>9,586,203</u>
Total restricted funds	<u>9,473,935</u>	<u>5,073,567</u>	<u>(6,333,815)</u>	<u>-</u>	<u>900,000</u>	<u>9,113,687</u>
Total of funds	<u>9,624,948</u>	<u>5,093,958</u>	<u>(6,376,308)</u>	<u>-</u>	<u>900,000</u>	<u>9,242,598</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
Other income not for capital purposes	236,086	26,338	(33,891)	(77,520)	-	151,013
	<u>236,086</u>	<u>26,338</u>	<u>(33,891)</u>	<u>(77,520)</u>	<u>-</u>	<u>151,013</u>

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17. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant (GAG)	468,534	4,542,622	(4,598,068)	(37,436)	-	375,652
Other Government Grants	-	207,128	(203,930)	-	-	3,198
Other Grants	625	108,090	(108,715)	-	-	-
16 - 19 bursary fund	7,765	14,530	(19,504)	-	-	2,791
Provision of boarding activities	404,905	679,882	(648,577)	(32,131)	-	404,079
Pension reserve	(1,038,000)	-	(76,000)	-	(748,000)	(1,862,000)
	<u>(156,171)</u>	<u>5,552,252</u>	<u>(5,654,794)</u>	<u>(69,567)</u>	<u>(748,000)</u>	<u>(1,076,280)</u>

Restricted fixed asset funds

Fixed Asset Reserve	9,968,394	-	(339,550)	168,382	-	9,797,226
CIF Funding- Roofworks	656,500	-	(3,011)	-	-	653,489
CIF Funding- Fire Alarms	-	99,500	-	-	-	99,500
DFC	-	21,295	-	(21,295)	-	-
	<u>10,624,894</u>	<u>120,795</u>	<u>(342,561)</u>	<u>147,087</u>	<u>-</u>	<u>10,550,215</u>
Total restricted funds	<u>10,468,723</u>	<u>5,673,047</u>	<u>(5,997,355)</u>	<u>77,520</u>	<u>(748,000)</u>	<u>9,473,935</u>
Total of funds	<u>10,704,809</u>	<u>5,699,385</u>	<u>(6,031,246)</u>	<u>-</u>	<u>(748,000)</u>	<u>9,624,948</u>

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

Other income not for capital purposes - Some of this balance relates to the unspent funds introduced from the predecessor school. This must be used for the running costs of the Academy. Other income in the fund can be spent at the trustees' discretion in relation to the Academy's educational activities.

General Annual Grant must be used for the normal running costs of the academy.

Included within **Other Government Grants** are

Post 16 Bursary Funding is a grant that the Academy receives and allocates to young people who need financial support to stay in further education or training.

Pupil Premium - This is additional funding given to the Academy so that it can support their disadvantaged pupils and close the gap between them and their peers.

Rates Relief - This is additional funding received to subsidise the Academy's rates payable.

Included within **Other Grants** are:

SEN 1:1 funding which is to be used for one to one tuition of children on the special educational needs register.

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

Local Authority funding which is additional funding given for specific restricted purposes.

Spital Fund Donation to be spent on various specific purposes within the academy.

The **Residue of grants on conversion** relate to unspent funds introduced from the predecessor school.

Provision of boarding - Income received from the boarding house is designated by the parents of the boarders to be used for the boarding costs of their children. The boarding house is severally accounted for each year with regards to its reserves.

Pension reserve - the costs and income associated with the defined benefit pension scheme, the local government pension scheme (LGPS) have been recorded in the restricted fund. Staff costs are paid from this fund including contributions to the LGPS and the pension liability has therefore been aligned with these costs. Actuarial gains and losses relating to the movement on the LGPS scheme have been allocated to this fund.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	9,581,672	9,581,672
Current assets	313,961	1,269,924	4,531	1,588,416
Creditors due within one year	(185,050)	(596,375)	-	(781,425)
Creditors due in more than one year	-	(11,065)	-	(11,065)
Provisions for liabilities and charges	-	(1,135,000)	-	(1,135,000)
	<u>128,911</u>	<u>(472,516)</u>	<u>9,586,203</u>	<u>9,242,598</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	9,797,226	9,797,226
Current assets	154,946	1,362,542	752,989	2,270,477
Creditors due within one year	(3,933)	(554,691)	-	(558,624)
Creditors due in more than one year	-	(22,131)	-	(22,131)
Provisions for liabilities and charges	-	(1,862,000)	-	(1,862,000)
	<u>151,013</u>	<u>(1,076,280)</u>	<u>10,550,215</u>	<u>9,624,948</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(1,282,350)	(331,860)
Adjustment for:		
Depreciation charges	350,637	339,550
Dividends, interest and rents from investments	(3,166)	(10,999)
(Increase)/decrease in debtors	(85,432)	253,329
Increase/(decrease) in creditors	222,796	(23,854)
Capital grants from DfE and other capital income	(21,454)	(120,795)
Defined benefit pension scheme cost less contributions payable	133,000	35,000
Defined benefit pension scheme finance cost	40,000	41,000
Net cash (used in)/provided by operating activities	(645,969)	181,371

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	1,280,743	2,048,237
Total	1,280,743	2,048,237

21. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of a sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to reinvest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of sale or disposal as equates to the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy, and
- (b) to the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22. CAPITAL COMMITMENTS

At 31 August 2017 the academy had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	-	424,051

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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 Lincolnshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £381,000 (2016 - £351,000).

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

(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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £217,000 (2016 - £231,000), of which employer's contributions totalled £171,000 (2016 - £185,000) and employees' contributions totalled £46,000 (2016 - £46,000). The agreed contribution rates for future years are 18.8% for employers and a maximum of 12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Expected return on scheme assets at 31 August	- %	2.10 %
Rate of increase in salaries	2.80 %	3.60 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

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

	2017	2016
Retiring today		
Males	22.1	22.2
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.5
Females	26.6	26.8

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate -0.5%	523,000	589,000
Salary increase rate +0.5%	114,000	224,000
Pension increase rate +0.5%	399,000	345,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	2,367,000	1,984,000
Bonds	364,000	335,000
Property	273,000	257,000
Cash and other liquid assets	30,000	257,000
Derivatives	-	-
Total market value of assets	<u>3,034,000</u>	<u>2,833,000</u>

The actual return on scheme assets was £276,000 (2016 - £411,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2017 £	2016 £
Current service cost	(304,000)	(220,000)
Interest income	56,000	78,000
Net interest cost	(96,000)	(119,000)
Employer Contributions	171,000	185,000
Total	<u>(173,000)</u>	<u>(76,000)</u>
Actual return on scheme assets	<u>276,000</u>	<u>411,000</u>

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

	2017 £	2016 £
Opening defined benefit obligation	4,438,000	3,006,000
Current service cost	304,000	220,000
Interest cost	96,000	119,000
Employee contributions	46,000	46,000
Actuarial (gains)/losses	(680,000)	1,081,000
Benefits paid	(35,000)	(34,000)
Closing defined benefit obligation	<u>4,169,000</u>	<u>4,438,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	2,576,000	1,968,000
Interest income	56,000	78,000
Return on assets	220,000	333,000
Employer contributions	171,000	185,000
Employee contributions	46,000	46,000
Benefits paid	(35,000)	(34,000)
	<u>3,034,000</u>	<u>2,576,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	16,282	15,166
Between 1 and 5 years	25,998	24,350
Total	<u>42,280</u>	<u>39,516</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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

26. RELATED PARTY TRANSACTIONS

The following related party transactions took place during the year:

The Academy's school premises are leased at a peppercorn rent under a 125-year lease, which commenced 1 March 2011. The landlord is The Spital Charity and De Aston School Foundation, all trustees of which are common to the De Aston School Academy Trust.

During the year ended 31 August 2017, the Academy received donations from the Spital Foundation amounting to £12,015 (2016: £nil) which were spent for various specific purposes.

De Aston School Fund is a separate registered charity, number 1047658, with the object of fundraising for whole school initiatives.

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**ACADEMY BOARDING TRADING ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	2017 £	2016 £
INCOME		
Income from house boarders	483,279	675,987
Income from lettings	1,650	1,540
Bank interest	962	2,355
TOTAL INCOME	485,891	679,882
LESS: EXPENDITURE - DIRECT COSTS		
Wages and salaries- teaching	52,552	76,386
National insurance- teaching	4,644	7,125
Pension costs - teaching	7,284	10,371
Educational supplies	1,899	4,333
Staff development	1,559	3,526
Catering	122,371	147,609
Other costs- rechargeable expenses	38,928	40,531
Depreciation	51,757	48,408
TOTAL EXPENDITURE - DIRECT COSTS	280,994	338,289
NET INCOME FROM CHARITABLE SOURCES	204,897	341,593
OTHER EXPENDITURE - SUPPORT COSTS		
Wages and salaries- support staff	160,935	162,668
National insurance- support staff	8,669	14,674
Pension costs - support staff	25,293	24,691
Pupil recruitment and support	8,735	4,526
Maintenance of premises and equipment	63,260	78,155
Cleaning	3,924	4,673
Rent and rates	7,210	16,259
Energy costs	24,462	29,182
Security and transport	10,644	8,015
Telephone, postage and security	2,055	2,458
Laundry equipment	2,736	2,736
Bad debts written off	15,453	2,366
Commission and inspection fees	5,174	8,293
TOTAL OTHER EXPENDITURE - SUPPORT COSTS	338,550	358,696
NET EXPENDITURE FOR THE YEAR	(133,653)	(17,103)