

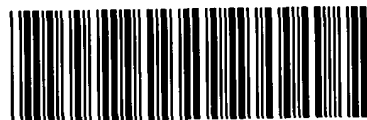
**Honywood Community Science School**

**Honywood Community Science School  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Period ended 31 August 2018**

**SATURDAY**



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**A21**

**22/12/2018**

**#270**

**COMPANIES HOUSE**

**Company Registration Number:  
07592309 (England & Wales)**

# Honywood Community Science School

## Reference and Administrative Details of the Academy, its Trustees and Advisors

### Trustees

- \* member of Personnel and Finance committee (Resources Committee from 1.9.18)

### Members

Dawn McIntosh \* (resigned 03.09.18)  
Timothy Styles \*  
Jill Ward \*

### Trustees

Scott Caygill \*  
Tayrina Ferguson \*  
Angela Hall \*  
Alison Lightly  
Simon Mason \* (Headteacher and Accounting Officer retired 15.04.18)  
Dawn McIntosh \* (resigned 03.09.18)  
Helen Mulley (appointed 28.06.18)  
James Munro \*(appointed 07.09.17)  
Robert Philpott \* (resigned 22.02.18)  
James Saunders \*(Headteacher and Accounting Officer commencing 16.04.18)  
Timothy Styles \*  
Tracey Thompson (appointed 28.06.18)  
Angela Ward \*  
Sarah Warren

### School Leadership Team

- |                         |   |
|-------------------------|---|
| • Headteacher           | Simon Mason (retired 15.04.18)                  |
| • Headteacher           | James Saunders (commenced 16.04.18)             |
| • Deputy Headteacher    | Joanne Brook (maternity leave Jan 17 to Dec 17) |
| • Deputy Headteacher    | Fiona Lee-Allan (resigned 31.12.17)             |
| • Deputy Headteacher    | James Munro                                     |
| • Assistant Headteacher | Alison Barnes                                   |
| • Assistant Headteacher | Paula Downes                                    |
| • Assistant Headteacher | Jo-Anne Hickford                                |
| • Assistant Headteacher | Nathan Rawlings                                 |
| • Assistant Headteacher | Marc White                                      |
| • Assistant Headteacher | Scott Caygill (appointed 30.10.17)              |

### Finance Manager

- Tracy Fitz

### Company Secretary

Jordan Company Secretaries Limited  
First Floor, Templeback, 10 Temple Back  
Bristol BS1 6FL

### Registered Office

Westfield Drive  
Coggeshall  
Colchester  
Essex CO6 1PZ

Company Registration No. 07592309

### Independent Auditor

Lovewell Blake  
First Floor Suite  
2 Hillside Business Park  
Bury St Edmunds IP32 7EA

### Solicitors

Lewis Silkin LLP  
5 Chancery Lane  
Clifford's Inn  
London EC4A 1BL

### Bankers

Lloyds Bank  
2-4 Bank Street  
Braintree CM7 1UN

## **Honywood Community Science School**

### **Trustees' Report**

The trustees of Honywood Community Science School present their annual report together with the financial statements and auditors' report of the charitable company for the period 1<sup>st</sup> September 2017 to 31<sup>st</sup> August 2018. 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 aged 11 to 16 serving a catchment area in north Essex. It has a pupil capacity of 1050 and had a roll of 976 in the school census on 4 October 2018.

### **Structure, Governance and Management**

#### **Constitution**

The Academy is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The trustees of Honywood Community Science School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Honywood Community Science School.

Details of the trustees who served throughout the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 3

#### **Members' Liability**

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

#### **Trustees' Indemnities**

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

The insurance provides cover of up to £2m on any one claim.

#### **Method of Recruitment and Appointment or Election of Trustees**

The parent trustees are elected by the parent body of the school. The staff trustees are elected by the school's staff. The community trustees are appointed by the Members of the Academy Trust. Community trustees may be re-appointed after the end of their term of office.

Individuals may request to join the board of trustees and the Members of the Academy Trust may decide to invite one of these individuals to join should a vacancy arise. The management of the company is the responsibility of the trustees who are appointed under the terms of the Articles of Association. Trustees are subject to retirement after a term of 4 years. After the term they are eligible for re-election at the meeting at which they retire.

#### **Policies and Procedures adopted for the induction and training of Trustees**

All new trustees will be given an opportunity to have a tour of the academy and the chance to meet with staff and learners. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As there are normally only a few new trustees in any one year, induction tends to be done informally and is tailored specifically to the individual. Trustees also take advantage of external courses offered however most training is delivered in house. A log is kept of all trustee training and reviewed regularly at the board meetings.

#### **Organisational Structure**

The management structure consists of four levels; the members, who have a role similar to share holders of a company limited by shares, the trustees, trustee committees and the Leadership Team. The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the School by the use of budgets and senior staff appointments. The day to day running of the school is delegated to the Headteacher in the capacity as the chief executive, supported by the Leadership Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Leadership Team. The day to day administration is undertaken within the policies and procedures approved by the Board of Trustees. Only significant expenditure decisions and major capital projects should be referred to the trustees for prior approval. Committees of the Governing Body have delegated responsibilities.

## Honywood Community Science School

### Trustees' Report (continued)

The Headteacher has been appointed as a trustee, is the Principal Accounting Officer and attends all Governing Body meetings. Members of the Leadership Team are invited to be in attendance at appropriate Trustees' meetings. Committees exist for Curriculum & Learners, Personnel & Finance and Premises & Community (the latter two having been combined from 1.9.18 to form the Resources Committee) which meet every half term with four full Governing body meetings per year.

There are also a Hearings Committee, a Learner Discipline Committee, a Staff Discipline Committee, a Headteacher's Appraisal Committee & Pay Committee and Appeals Committees which meet when required. All trustees give their time to the role freely, no remuneration and expenses are claimed.

The Leadership Team is as noted on Page 3. These managers manage the School at an executive level implementing the policies laid down by the trustees and reporting back to them.

### Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting pay and remuneration are the same for all the trust's personnel. The key management posts are included in the Honywood Job Rankings, a document which forms part of the trust's Pay Policy. This policy is reviewed for relevance to the current posts operating within the trust and benchmarked against the nationally published information relating to teaching and support posts and is agreed annually by Trustees. Each post is allocated a five point pay range on the Honywood Pay Scale. The Honywood Pay Scale is reviewed according to the trust's Pay Policy and is agreed annually by the Trustees.

All key management personnel undergo an annual appraisal of their performance, carried out by the Headteacher, and a number of 360 degree reviews are carried out. The outcomes of these reviews are used to inform and determine the award of an increment in pay. The Headteacher's annual appraisal is carried out by the Headteacher's Appraisal Committee, comprised of the chair and vice chair of Trustees and an education consultant. The Headteacher's Pay Committee, comprised of 3 Trustees from the chair, vice chair, and chairs of the 3 main committees, informed by the outcome of the Headteacher's appraisal, will determine the award of an increment in pay. All potential increments are included in the budget, which was set earlier in the year, and proposed awards, once determined by the appraisal process, are brought to the Personnel and Finance meeting (Resources Committee from 1.9.18) for ratification.

### Trade union facility time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
One	0.6 fte

#### Percentage of time spent on facility time

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

#### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£235
Provide the total pay bill	£4,929,778
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.0048%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%
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## **Honywood Community Science School**

### **Related Parties & Other Connected Charities & Organisations**

The school is part of a collaboration of schools in the Braintree area. It carries out a series of partnership Programmes that involve both staff and learners. The school is also a member of the Colchester SCITT cluster group and is a strategic partner in the Professional Learning Network where it leads on NQT development and training.

## **Honywood Community Science School**

### **Trustees' Report (continued)**

#### **Objectives and Activities**

##### Objects and Aims

The core purpose of the school is to ensure our learners are happy and successful now and throughout their lives.

Objectives, Strategies and Activities are detailed in the following School Development Plan.

Honywood Community Science School - School Development Plan Summary 2017 – 2018

Core Purpose	Strategic Priority	Areas for Development	Success Criteria (Qualitative as well as quantitative)	Lead
To ensure our learners are happy, successful and open to change now and through their lives in a world where they respect themselves, other people and the world around them.	Learning about yourself, others and the world around you	1.1 Ensure that the My Learning Attributes curriculum has been fully imbedded.	By the summer of 2018, Cohort 7 youngsters are aware of the attributes and are able to identify the characteristics of each. All other learners are aware of the attributes and are able to apply the attributes in analysing their own learning. Classroom displays promote My Learning Attributes and enhance awareness. Guidance given to youngsters includes MLA reflection. MLA days are fully embedded and not only allow youngsters to have a sound awareness, appreciation and depth of understanding but also enable them to apply and transfer these to a range of new situations.	JMu
		1.2 Improve reflection in learning so that the guidance offered is more likely to lead to learners making progress.	Learners have a better understanding as to how to act upon guidance; as a result they make more progress. All colleagues consistently demonstrate excellent analysis of learning and base their guidance on that analysis; as a result guidance is acted upon more frequently leading to learners progressing more successfully. Youngsters are better able to learn independently from their teachers as a result of the personalised guidance they receive. Learners use the reflection framework - <i>Where was I? Where am I? Where could I be?</i> - more successfully to ensure they are more motivated to act upon the guidance they are given. Subject teams have a better understanding of the new specifications in their subject and this is reflected in the guidance given to learners. Analysis on the data provided from the MLA Self Perception tool is considered when designing learning experiences for individuals, groups and Cohorts to enable progress and growth of those attributes that have the highest need.	JMu
		1.3 Continue to develop subject learning for Cohorts 9, 10 and 11 to prepare them for the demands of new GCSE courses.	Subject teams have a clear understanding of the different requirements of the new GCSE courses and designs for learning reflect changes to content, study requirements and assessment. Subject Team analysis of learner outcomes from assessments shape strategies designed to aid future success. Designs for learning are reviewed regularly and all colleagues are confident delivering these newer GCSE courses. Youngsters and families feel well informed about each of the GCSE courses they are studying through study timelines, information evenings and courses guides shared via the school website.	JMu
		1.4 Improve learners' capacity for and desire to study, particularly as they make the transition from Cohort 8 into 9.	Learners are better prepared for the transition from Cohort 8 into 9 in respect of the additional study demands that the new GCSEs require. Subject Teams are more successful in engaging youngsters in study through igniting learning during their designs and embracing opportunities for learning reflection. The average amount of time learners spend studying out of school hours is increasing. Further resources have been developed to support this.	JMu

### Honywood Community Science School - School Development Plan Summary 2017 – 2018

Core Purpose	Strategic Priority	Areas for Development	Success Criteria (Qualitative as well as quantitative)	Lead
To ensure our learners are happy, successful and open to change now and through their lives in a world where they respect themselves, other people and the world around them.	Learner Well-being	2.1 Develop the role of the Learning Group Leader to ensure that issues impacting upon learners' well-being are identified and addressed more swiftly and more effectively.	Learning Group Leaders have developed the capacity to have a greater impact on Learner Progress and Wellbeing. Intervention and support is implemented effectively, and monitored regularly. Relationships are further developed and improved as communication between Learning Group Leaders and Learners and their families increases. Learner behaviour, attendance and motivation to learn show notable improvements.	ABa
		2.2 Ensure that learner well-being is enhanced in the face of the continued reduction in funding and other nationally imposed challenges ahead.	A better understanding and awareness concerning good mental health and well-being is promoted and remains high profile. In response to what we know is rapidly growing need and scant resources externally, we explore proactive approaches, with areas of anxiety for youngsters at both individual and group level being more openly and honestly discussed. Peer to peer and support networks are strengthened and youngsters become better equipped with a range of coping strategies to help them self-manage daily challenges and anxieties.	JHi
	Learner Success	3.1 Develop a more consistent, shared understanding as to how My Learning Attributes can enhance subject learning.	Through regular review and reflection, colleagues have developed a better understanding and approach when designing learning experiences using the eight My Learning Attributes. Subject Teams have reviewed the subject personal characteristics for each of the attributes and use these as a guide when designing learning. Colleagues are confident when discussing each of the My Learning Attributes and are able to talk explicitly with learners about their awareness, appreciation, depth of understanding, application and transfer of their MLA, which as a result enhances subject learning.	FLe/NRa
		3.2 Improve the quality and consistency of guidance.	Colleagues are effective when sharing information with learners so that they are able to react to guidance offered in the study phase (specifically, the <i>feedback</i> and <i>improve</i> sections of the learning design template). During all learning contexts colleagues have designed how they will analyse learning in order to provide effective high quality guidance that links to success criteria. Designs will make clear how peers can be involved in this process. Time and opportunities are created for learners to improve; to incorporate their action points into their work. Colleagues have an increased awareness as to what motivates youngsters to improve.	FLe/NRa



Honywood Community Science School - School Development Plan Summary 2017 - 2018

Core Purpose	Strategic Priority	Areas for Development	Success Criteria (Qualitative as well as quantitative)	Lead
To ensure our learners are happy, successful and open to change now and through their lives in a world where they respect themselves, other people and the	Learner Success	3.3 Continue to develop the staff learning model to ensure it replicates the learning model for our youngsters.	Through coaching, staff are aware of their strengths and capacities for growth. Staff recognise that they own their professional and personal development and have autonomy in shaping their learning journey. Colleagues in leadership positions recognise that it is their responsibility to develop others and, through coaching, staff become more effective learners, designers and analysers. As a result of the effective coaching they receive, colleagues have more impact when using the coach model themselves with youngsters.	FLe/NRa
		3.4 Improve the quality and use of questioning in different contexts.	Colleagues use questions to develop, enhance and ignite the learning of others (adults and youngsters). All teams review, reflect and refine their use of questions to promote progress through the five phases of learners mastering My Learning Attributes. Questions used are cognitively stimulating as a result of them being considered and specific to the phase in which learners are mastering My Learning Attributes (i.e. <i>awareness, appreciation, depth of understanding, application and transfer</i> ). Questions are used as a strategy to stimulate learning in the ignition phase, as an intervention, which develops learning in the study phase, and as a tool for reflection in the showcase phase.	FLe/NRa
		3.5 Further develop staff skills so that a consistent approach to the use of learning technology leads to more effective learning.	The Digital Learning Team have researched the most effective learning platforms that subject teams, youngsters and their families can have access to. This research and development work has been shared regularly and all stakeholders are clear about which technology platforms are to be used. The Digital Learning Team are central to the development of a consistent approach to the use of learning technology across the school and within the community. There are regular coaching opportunities for colleagues to develop their understanding and appreciation, exploring the impact technology can have with learners, which as a result leads to more effective learning.	FLe/NRa

## Honywood Community Science School

world around them.		3.6 Improve (and make more consistent) the use of Go4Schools software to ensure the analysis of learning outcomes leads to learners making more progress.	Subject teams have reviewed existing data practices and identified key data areas to measure subject and MLA progress. Subject teams have designed their own data model which is useful for their own purposes whilst enabling whole school evaluation. Software platforms and processes have been reviewed and efficiencies made in the collection and dissemination of data within the school. Colleagues effectively use quantitative and qualitative data to design learning and analyse learner progress effectively. Data reflects the whole learner including skills, attributes and learning dispositions. Learners have access to and feel equipped in using data to guide their learning.	MWh
		4.1 Develop our strategy to encourage the large number of parents with positive views about the school to see the power of their viewpoint and use this to the best interest of all our learners.	The eighty percent of families who current research demonstrates are very positive about the school are making a more active contribution to narrating the school's success to the wider community. Inaccurate information that, in the past, has circulated about the school is drawn to our attention more quickly so that we can ensure it is corrected. Applications for places at the school have increased as a result.	SMa

### Honywood Community Science School - School Development Plan Summary 2017 - 2018

Core Purpose	Strategic Priority	Areas for Development	Success Criteria (Qualitative as well as quantitative)	Lead
To ensure our learners are happy, successful and open to change now and through their lives in a world where they respect themselves, other people and the world around them.	Leadership	4.2 Continue to develop My Learning Hub.	Close collaboration and transparency at all stages between all parties with regard to potential admissions ensures that learners taking up an MLH place are those for whom this provision is most suitable and appropriate. Relationships develop positively and personalised curriculum design for all learners accessing the enhanced provision promotes security and well-being, with a strong emphasis on social understanding. Learners have a safe and highly supported bespoke transition to MLH, with a direct named point of contact established at the earliest stage, allowing for clear communication in addressing the needs of the individual and the family. Learners are able to make informed and considered choices when accessing the mainstream curriculum and become integrated into school life.	JHi
		4.3 Develop a strategy to make effective use of the new apprenticeship levy.	Areas of the school have been identified that will benefit from a skills boost and either apprentices have been employed or existing employees are developed through the Apprenticeship Levy training scheme. An alliance has been developed with Colchester Institute who provide guidance in developing our strategy as well as providing support with their Business Solutions Team.	FLe/NRa
		4.4 Improve the support we offer staff as they transition from and to the school.	All colleagues, regardless of roles and responsibilities, are equipped with the information, knowledge and understanding they require to provide a successful learning experience for those with whom they work. Colleagues' transitioning to the school will be provided with a secure and appropriate induction programme that ensures they are able to meet the necessary demands of their role. Colleagues who have experienced a period of time away from the school will have been offered reintegration support should they require it with regards to both developments relating to practice and pedagogy, and to administration developments. Colleagues transitioning away from Honywood will have received, through L&M, personalised support relating to their ongoing professional life and to the handing over of responsibilities within Honywood. All colleagues in any phase of transition will have felt supported and equipped to be a success within their role, and feedback given regarding any transition will have been used to continue to develop the quality of provision.	PDw

Honywood Community Science School

	Learning Environment	5.1 Continue to investigate strategic partnerships that will support the ongoing development of learning at our school.	As partnership opportunities emerge, each is explored fully to ensure that the school is best placed to exploit any opportunity for partnership working, both formal and informal, which will benefit learning at Honywood.	SMA
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# Honywood Community Science School

## Trustees' Report (continued)

### Public Benefit

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission guidance on public benefit. This states that a public benefit entity is one whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members.

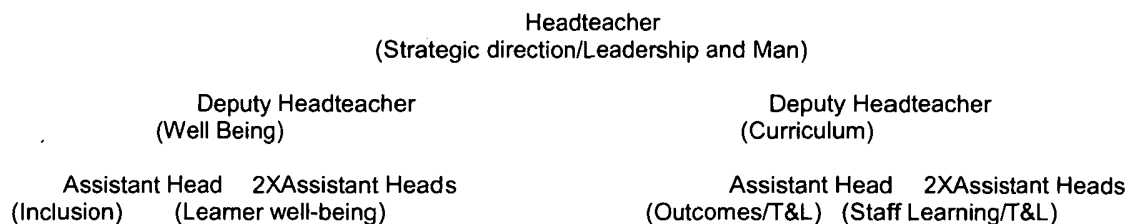
The trust's aims and achievements are set out within this report and all its charitable activities are undertaken to further its charitable purposes for public benefit. The trust operates an academy for learners aged 11 to 16 serving a catchment area in and around Coggeshall, Essex. It has a learner capacity of 1050 and had a roll of 976 in the school census on 4 October 2018. Intake is based on sibling and catchment area criteria.

### Strategic Report

#### Achievements and Performance

##### Leadership and Management

Since the start of the year the leadership team has undergone a number of changes. Most notably, a new headteacher took up post in April for the summer term. There was also a reduction in the number of deputy headteachers from three to two and the conversion of two acting headteachers to permanent positions. This has taken the leadership team to a group of nine members of staff. There has been a tradition of rotation regarding the responsibilities of leadership team members which began towards the latter part of the year. After a restructure of responsibilities in the summer term the leadership of the school can be broadly categorised into two areas: well-being and curriculum. A deputy heads up each of these areas along with a group of three assistant heads. The impact of the restructure has enabled the alignment of the development priorities of the school with Ofsted foci.



The school continues to engage in an outward facing manner with a range of partnerships such as: North West Association of Secondary Headteachers Essex (ASHE); the Professional Learning Network (PLN) – a local teaching school and training provider; the Colchester Teacher Training Consortium (CTTC), and Mid Essex Initial Teacher Training (MEITT). The Professional Learning Network continues to second one of our teachers to lead the operational elements of their organisation.

Teachers and leaders have engaged with a number of leadership development programmes over the last year through DfE opportunity area funding; these include National Professional Qualifications for Middle Leaders, Senior Leaders, Headship and Executive Leaders (NPQML, NPQSL, NPQH, NPQEL).

##### Teaching, Learning and Assessment

To support the continual focus on providing a more personalised learning model, the use of Google Classroom and Google sites has been rolled out across all subjects. To complement this IT strategy several historic systems have now been retired so that a less is more approach may be taken to avoid unnecessary bureaucracy and to ensure that all systems communicate with each other. This has freed up teachers to spend more time on the things that matter – teaching children.

There has been the introduction of a simple improvement model based on upward convergence. The aim of this approach is to ensure that aspiration and challenge remain at the forefront of teaching and learning. To this end differentiation is now achieved by targeting and teaching to the top and scaffolding down rather than to the middle and scaffolding out.

To support teachers to continually develop there is now a much greater focus on the use of evidence and educational research. The staffroom has been renovated and a staff research library created. Two members of staff now lead on research across the school and compliment the work of a new coaching team that are using a system called IRIS to support teachers to engage more readily in a development dialogue.

Learning walks are now a key part of our evaluation of teaching and learning. These work alongside the research and coaching teams and are designed to be more developmental rather than act as a monitoring tool. These developments have created a richer dialogue between teachers and have helped to achieve a knowledge mobilisation culture within the organisation.

## Honywood Community Science School

### Trustees' Report (continued)

#### Outcomes

Summary of summer 2018 exam results.

	All	PPG	SEND
<b>Attainment 8</b>	43.5	34.1	28.9
<b>English and Maths 4+</b>	61.2%	31.6%	20.0%
<b>English and Maths 5+</b>	27.6%	15.8%	3.3%
<b>English 4+</b>	73.2%	63.2%	43.3%
<b>English 5+</b>	50.0%	21.1%	13.3%
<b>Maths 4+</b>	65.6%	36.8%	33.3%
<b>Maths 5+</b>	31.3%	15.8%	6.7%
<b>Ebacc 4+</b>	21.9%	26.3%	0.0%
<b>Ebacc 5+</b>	10.7%	10.5%	0.0%

Attainment continues to be in line with previous years. However, there are some significant dips in outcomes at the top end – 5+. Children arrive at Honywood having achieved in the top 15% at primary school compared to their peers nationally. It is envisaged that this trend will begin to reverse now that teaching is more focused on challenge.

	2018	2017	Diff
<b>Attainment 8</b>	43.5	43.6	-0.1
<b>English and Maths 4+</b>	61.2%	62.0%	-0.8%
<b>English and Maths 5+</b>	27.6%	40.0%	-12.4%
<b>English 4+</b>	73.2%	69.8%	+3.4%
<b>English 5+</b>	50.0%	55.0%	-5%
<b>Maths 4+</b>	65.6%	69.3%	-3.7%
<b>Maths 5+</b>	31.3%	45.1%	-13.8%
<b>Entered Ebacc</b>	57.7%	62%	-4.3%
<b>Ebacc 4+</b>	21.9%	23.0%	-1.1%
<b>Ebacc 5+</b>	10.7%	21.0%	-10.3%

#### Key Performance Indicators

Honywood Community Science School converted to Academy status on 1<sup>st</sup> May 2011, a school rated "Good" in 2013 and again in March 2017.

See section above for examination results.

The most recent benchmarking data available (2016-17) shows the academy to have the 6<sup>th</sup> best In Year Balance in both absolute and per pupil terms out of 20 comparative academies, which is unchanged from last year. We have the 5<sup>th</sup> best Self-Generated Funding Income and the 3<sup>rd</sup> lowest Expenditure on Supplies and Services per pupil when compared to those 20 academies. Areas where our expenditure was above average in the 2016-17 benchmarking data are Teaching and Education Support Staff, whilst expenditure on Administrative and Clerical Staff is below average.

#### Going Concern

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

#### Financial Review

Most of the Academy's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants, received from the ESFA during the year ended 31<sup>st</sup> August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy has also been in receipt of the Devolved Formula Capital Grant and the Condition Improvement Fund for fire door replacement from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting

## **Honywood Community Science School**

### **Trustees' Report (continued)**

by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income, in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Academy has also received a £2,000 grant from the Eon Energising Communities Fund Grant for the installation of LED light fittings.

During the year ended 31<sup>st</sup> August 2018, total expenditure of £6,648,001, exceeded grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year was £498,913 which was met by reserves brought forward.

At 31<sup>st</sup> August 2018 the net book value of fixed assets was £11,712,085 and movements in intangible and tangible fixed assets are shown in Notes 13 and 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In accordance with Accounting Standard FRS102, the Academy received an actuarial assessment of the pension scheme deficit relating to the Local Government Pension Scheme that is provided for non-teaching staff. The deficit balance is included within the balance sheet as at 31<sup>st</sup> August 2018 at an amount of £2,691,000 and supporting details are included in the notes to the accounts. This projected deficit does not present the academy with a current liquidity problem as it is making additional contributions to the pension scheme to reduce the deficit over time on the basis of actuarial advice.

#### **Reserves Policy**

As part of the transfer to Academy status, the trustees are in a position to determine an appropriate level of free reserves (total funds less the amount held in tangible fixed assets, restricted funds and designated funds). The minimum level of free reserves to be held should be £30,000. The reason for this is to provide sufficient working capital to provide resources to deal with unexpected emergencies such as urgent maintenance and to cover delays between spending and receipt of grants.

The Academy held fund balances at 31<sup>st</sup> August 2018 of £9,156,771. The Restricted Fixed Asset Fund balance is £11,539,625. The Restricted General Fund had a deficit balance of £2,643,043 made up of £47,957 of General Funds and £2,691,000 pension reserve deficit. The Unrestricted fund balance of £260,189 is comprised of tangible fixed assets of £182,617, current assets of £85,304 and current liabilities of £7,732. The available funds at 31<sup>st</sup> August 2017 are £125,529, made up of £77,572 of unrestricted funds and £47,957 of restricted general funds.

#### **Investment Policy**

With the conversion to Academy status this provides the school with the facility to look at investment opportunities. The trustees have taken the decision that no such investments should be undertaken at this time.

#### **Principal Risks and Uncertainties**

The Academy is aware of the risks and uncertainties relating to pupil numbers and government funding for academies. In addition it takes account of other changes that impact on academy funds such as increases in employer contributions for pensions, NI and the apprenticeship levy. The Academy has prepared appropriate budget forecasts for its strategic plans and modelled scenarios based on key planning assumptions. As a result of this work the Trustees are confident of the Academies long term financial viability.

#### **Risk Management**

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

The trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor, but instead have procured an Internal Audit Support Service from Schools' Choice. On a termly basis Schools' Choice undertake an independent review of the financial systems and provide a written report providing feedback on how the Academies Financial affairs are being discharged. The Chair of the Resources Committee presents this report to all trustees. The report includes action points identifying any areas for improvement.

This provides the Governing body with assurance that:-

## Honywood Community Science School

### Trustees' Report (continued)

- the financial responsibilities of the Governing Body are being properly discharged
- resources are being managed in an efficient, economical and effective manner
- sound systems of internal financial control are being maintained and
- financial considerations are fully taken into account in reaching decisions

These arrangements can provide only reasonable and not absolute assurance that assets are safe guarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

### Fundraising

The academy does not employ professional fundraisers.

Fundraising activities take place during the year, and these are limited to events such as a sponsored walk and non-uniform days and generated approximately £8,600 in 2017-18. The money is donated by the friends and families of the pupils' of the academy and the income raised is retained by the academy to be spent on improvements or resources for the benefit of the pupils and the community.

### Plans for Future Periods

Please refer to pages 6-11.

### Funds held as Custodian Trustee on behalf of others

We are not acting as Custodian Trustees on behalf of others

### Auditor

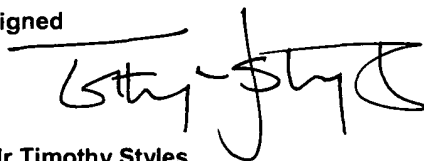
In so far as the trustees are aware:

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

The auditors, Lovewell Blake, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by members of the Governing Body on 6<sup>th</sup> December 2018 and signed on its behalf by:

Signed



Mr Timothy Styles  
Chair



# Honywood Community Science School

## Governance Statement

### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring Honywood Community Science School 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 misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management in accordance with the requirements and responsibilities assigned to it in the funding agreement between the school and the Secretary of State for Education. The Headteacher is 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
S Caygill (Staff)	4	4
T Ferguson	2	4
A Hall	2	4
A Lightly	2	4
D McIntosh Chair resigned 03.09.18	2	4
S Mason (Headteacher & Accounting Officer) retired 15.4.18	3	3
H Mulley appointed 28.06.18	1	1
J Munro (Staff) appointed 07.09.17	4	4
R Philpott (Staff) resigned 22.02.18	2	2
J Saunders (Headteacher & Accounting Officer) appointed 16.4.18	1	1
T Styles (Community) Chair appointed 03.09.18	3	4
T Thompson appointed 28.06.18	1	1
A Ward	4	4
S Warren	4	4

The composition of the board of trustees and resignations & appointments are shown in brackets.

Good governance and leadership at school level plays a vital part in achieving better outcomes for children and young people. As a Governing Body our role is to work with the school in setting the strategic direction and to monitor and support the performance of the school. Our key aim is to ensure that youngsters are attending a successful school which provides them with a good education, supports their well-being and equips them with the skills for the wider world outside of Honywood to ensure future success and happiness in their lives.

Just as the model of teaching at Honywood is changing and evolving, we too need to change and evolve in order to ensure we are asking the right questions and can contribute to delivering the shared vision of a world leading school. After all we are the guardians of the changes which are happening.

The membership of the board of trustees should focus on skills. While all current and prospective trustees should commit to continuing professional development to acquire new skills, filling a vacancy on the GB provides a specific opportunity to fill any skills gaps. The DfE Trustees' Handbook makes it very clear that the most important consideration in trustee appointment / election is recruiting people with the right skills, knowledge and experience. To ensure that this is achieved, governing bodies are advised to conduct a skills gap analysis for any trustee vacancy and then actively recruit people with the relevant attributes. This includes Parent Trustees by supplying a realistic job description of the trustee role when advertising a vacancy.

As written in our 'Articles of Association' 4 years is our 'term of office'; however, co-opted trustees are encouraged to consider their positions on an annual basis in the interests of the board of trustees remaining invigorated and forward thinking. This will ensure that we are providing the oversight and strategic direction required to see Honywood through the rapidly changing educational and political environment.

The **Personnel & Finance Committee (Resources from 1.9.18)** is a sub-committee of the main board of trustees. Its purpose is to:

Assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the board of trustees on a regular basis. Major issues are referred to the board of trustees for ratification.

## Honywood Community Science School

### Governance Statement (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
S Caygill	4	5
T Ferguson	0	5
A Hall	4	5
S Mason retired 15.04.18	4	4
D McIntosh	4	5
J Munro	4	5
J Saunders appointed 16.04.18	1	1
T Styles Chair	5	5
A Ward	5	5

### Review of Value for Money

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

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

#### Improving educational outcomes

The Trust strives to ensure educational standards continue to improve for the benefit of pupils and wider society, and that all pupils have the opportunity to raise their levels of attainment using a wide variety of strategies.

Investing in staff learning and appropriate resources have:

- Improved the quality of teaching.
- Improved the quality of learning support.
- Improved the quality of pastoral care.

#### Financial Governance and Oversight

- The Trust has in place written Financial Regulations agreed by the trustees, which describe in detail the system of financial governance. This is updated annually to reflect changes in procedures and with reference to the published current Academies Financial Handbook.
- During 2017-18 a competitive tender process was used for the purchase of Broadband on a 3 year contract together with a suitable filtering product on a 3 year operating lease. The tender for the broadband service produced responses ranging in cost from £17,468 to £10,700 per annum and for the filtering product from £11,525 to £1,950 per annum. The lowest cost broadband service was offered by a reputable market leading provider, so this option was taken up, thereby saving the school in excess of £11,000 per annum compared to the current contract. The choice of filtering product was more complex, and the lowest cost option did not best meet the needs of the school. An option costing £4,850 per annum was chosen, resulting in a saving of over £1,200 per annum compared to the current and expiring lease.
- During 2017-18, 3 competitive quotations were obtained for the purchase of a dishwasher for the school kitchen. Comparative machines of a specification suitable for our setting were considered, with prices ranging from £7,255 to £6,755. Electrical and water efficiency was also taken into account. The lowest cost option was chosen on this occasion and an outright purchase, as the additional costs involved for an operating lease were felt to outweigh any potential benefit to cash flow.
- The trust continues to look for ways to maximise income generation. In 2017-18 we continued to expand the offer of the expertise of staff to other local schools, which includes our Family Learning Team and IT Team. We continue to support local schools with teaching staff who are seconded there for part of their timetable, income from which generated £199,412 in 2017-18 compared to £172,625 in 2016-17.

### 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 and effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risk to the achievement of the school's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them effectively and economically. The system of internal control has been in place in the school for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual statement and financial statement.

## **Honywood Community Science School**

### **Governance Statement (continued)**

#### **Capacity to Handle Risk**

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

#### **Risk and Control Framework**

The school's system for internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

In particular it includes.

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

The board of trustees has considered the need for a specific internal audit function and has decided;

not to appoint an internal auditor. However, the trustees have procured an Internal Audit Service from Schools' Choice. On a quarterly basis Schools' Choice undertake an independent review of the financial systems and provide a written report providing feedback on how the Academies Financial affairs are being discharged. This report is discussed in detail by the Resources Committee (from 1.9.18) and The Chair of the Resources Committee presents the report to all trustees. The report includes action points identifying any areas for improvement.

This provides the board of trustees with assurance that:-

- the financial responsibilities of the board of trustees are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained; and
- financial considerations are fully taken into account in reaching decisions.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

#### **Review of Effectiveness**

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

- The work of the Internal Audit Service
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

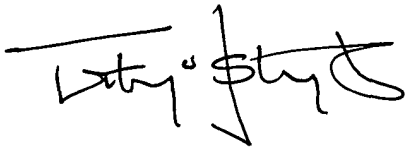
The accounting officer has been advised of the implications of their review of the system of internal control by the Finance and Personnel committee (Resources committee from 1.9.18) and a plan to address any weaknesses in place and ensure continuous improvement of the systems is in place.

## Honywood Community Science School

### Governance Statement (continued)

Approved by order of the members of the board of trustees on 6<sup>th</sup> December 2018 and signed on their behalf by:

Signed

A handwritten signature in black ink, appearing to read 'Timothy Styles', with a horizontal line above the first part of the name.

**Mr Timothy Styles**  
Chair

Signed

A handwritten signature in black ink, appearing to be a stylized 'JS' followed by a horizontal line.

**Mr James Saunders**  
Accounting officer

## **Honywood Community Science School**

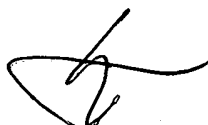
### **Statement on Regularity, Propriety and Compliance**

As accounting officer of Honywood Community Science School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency 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 2017.

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

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

**Signed**

A handwritten signature in black ink, appearing to be 'J. Saunders', written over a horizontal line.

**Mr James Saunders**  
**Accounting officer**

**6<sup>th</sup> December 2018**

## Honywood Community Science School

### Statement of Trustees Responsibilities

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

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

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


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

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

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

Approved by order of the members of the board of trustees on 6<sup>th</sup> December 2018 and signed on its behalf by:

Signed

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

Mr Timothy Styles  
Chair

# Honywood Community Science School

## Independent Auditor's Report to the members of Honyard Community Science School

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### Opinion

We have audited the financial statements of Honyard Community Science School for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2015 and the Annual Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

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

We have nothing to report in this regard.

### Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Honywood Community Science School

### Independent Auditor's Report to the members of Honywood Community Science School (continued)

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#### Matters on which we are required to report by exception

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

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

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

#### Responsibilities of trustees

As explained more fully in the Statement of Governors' Responsibilities set out on page 21, the governors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

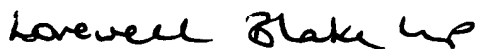
#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

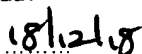
#### Use of our report

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



**Mark Proctor FCA DChA (Senior Statutory Auditor)**

For and on behalf of Lovewell Blake LLP  
Bankside 300  
Peachman Way  
Broadland Business Park, Norwich  
NR7 0LB.





## Honywood Community Science School

### Independent Reporting Accountant's Assurance Report on Regularity to Honywood Community Science School and the Education and Skills Funding Agency

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In accordance with the terms of our engagement letter dated 15 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Honywood Community Science School during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Honywood Community Science School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Honywood Community Science School 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 the Honywood Community Science School and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Honywood Community Science School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Honywood Community Science School's funding agreement with the Secretary of State for Education dated 21 April 2011 and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of minutes of the various committees and sub-committees, management accounts and discussions with key personnel;
- Evaluation of the implementation of the internal control procedures, and detailed review of the control environment for any changes or weaknesses;
- Review of expense claims and credit card expenditure, to ensure it adheres to internal control procedures and is not for personal benefit;
- Review of financial transactions for any unusual transactions which may be improper;
- Ensuring that all the activities of the academy trust are in keeping with the academy trust's framework and charitable objectives;
- Ensuring that key staff and Trustees have declared their interest in related parties and following up with discussions and testing;
- Review of related party transactions to ensure that no favourable rates have been applied;
- Ensuring any contracts with connected parties have been procured following the academy trust's procurement and tendering process, and if contracts were entered into after 7 November 2013 that the academy trust has obtained statements of assurance confirming no profit element was charged;

## Honywood Community Science School

### Independent Reporting Accountant's Assurance Report on Regularity to Honywood Community Science School and the Education and Skills Funding Agency (continued)

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- Ensuring expenditure does not contravene the funding agreement;
- Ensuring extra-curricular payments for staff have been made in accordance with the Handbook;
- Ensuring that where special payments, including compromise agreements, have been made to staff, that prior approval has been sought for non-contractual amounts over £50,000, payments are not used as a substitute for taking appropriate action under the academy trust's misconduct or performance management procedures, and payments are in line with the severance guidance published by ESFA;
- Ensuring borrowing agreements, including finance leases, have been made in accordance with the Handbook;
- Ensuring land and building transactions, especially disposals, are in line with the funding agreement and Handbook and prior approval has been obtained;
- Ensuring write-offs over 1% of total income or £45,000 (whichever is smaller) have been approved in advance by the Secretary of State; and
- Ensuring procurement activity is in accordance with Annex 4.6 of Managing Public Money and that tendering processes have been adhered to.

#### 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 ended to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Lovewell Blake LLP*

Mark Proctor FCA DChA

For and on behalf of Lovewell Blake LLP

Bankside 300

Peachman Way

Broadland Business Park, Norwich

NR7 0LB.

*18/12/18*

# Honywood Community Science School

## Statement of Financial Activities for the year ended 31 August 2018 (incorporating Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Assets Fund £	Total Year ended 31 August 2018 £	Total Year ended 31 August 2017 £
<b>Income from:</b>						
Donations and capital grants	3	6,883	6,337	107,382	120,602	89,431
Charitable activities:						
Funding for the Academy's educational operations	4	5,500	5,292,114	-	5,297,614	5,400,058
Other Income	5	190,741	129,808	-	320,549	312,107
Other trading activities	6	202,995	207,040	-	410,035	376,345
Investment income	7	288	-	-	288	357
<b>Total income</b>		<u>406,407</u>	<u>5,635,299</u>	<u>107,382</u>	<u>6,149,088</u>	<u>6,178,298</u>
<b>Expenditure on:</b>						
Raising funds	8	17,745	-	-	17,745	11,059
Charitable activities:						
Academy educational operations	9	452,125	5,858,224	319,907	6,630,256	6,696,832
<b>Total expenditure</b>	8	<u>469,870</u>	<u>5,858,224</u>	<u>319,907</u>	<u>6,648,001</u>	<u>6,707,891</u>
<b>Net expenditure before transfers and other gains</b>		(63,463)	(222,925)	(212,525)	(498,913)	(529,593)
Transfers between funds	19	-	(5,769)	5,769	-	-
<b>Net expenditure</b>		(63,463)	(228,694)	(206,756)	(498,913)	(529,593)
<b>Other recognised gains and losses:</b>						
Actuarial gains on defined pension scheme	27	-	670,000	-	670,000	106,000
<b>Net movement of funds</b>		(63,463)	441,306	(206,756)	171,087	(423,593)
<b>Reconciliation of funds</b>						
Total funds brought forward		323,652	(3,084,349)	11,746,381	8,985,684	9,409,277
<b>Total funds carried forward</b>	19	<u>260,189</u>	<u>(2,643,043)</u>	<u>11,539,625</u>	<u>9,156,771</u>	<u>8,985,684</u>

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

An analysis by fund of the comparative figures for 2017 is shown in note 2.

# Honywood Community Science School

Balance Sheet as at 31 August 2018

Company No: 07592309

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	13	-	56,064
Tangible assets	14	<b>11,712,085</b>	<b>11,931,344</b>
		<b>11,712,085</b>	<b>11,987,408</b>
<b>Current assets</b>			
Stock	15	<b>3,550</b>	<b>3,908</b>
Debtors	16	<b>175,482</b>	<b>152,903</b>
Cash at bank and in hand		<b>392,614</b>	<b>227,988</b>
		<b>571,646</b>	<b>384,799</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	17	<b>(405,660)</b>	<b>(261,173)</b>
<b>Net current assets</b>		<b>165,986</b>	<b>123,626</b>
<b>Total assets less current liabilities</b>		<b>11,878,071</b>	<b>12,111,034</b>
Creditors: amounts falling due after more than one year	18	<b>(30,300)</b>	<b>(35,350)</b>
<b>Net assets excluding pension liability</b>		<b>11,847,771</b>	<b>12,075,684</b>
Defined benefit pension scheme liability	27	<b>(2,691,000)</b>	<b>(3,090,000)</b>
<b>Total net assets</b>		<b>9,156,771</b>	<b>8,985,684</b>
<b>Funds of the Academy</b>			
<b>Restricted funds</b>			
Fixed asset fund	19	<b>11,539,625</b>	<b>11,746,381</b>
General funds	19	<b>47,957</b>	<b>5,651</b>
Pension reserve	19	<b>(2,691,000)</b>	<b>(3,090,000)</b>
<b>Total restricted funds</b>		<b>8,896,582</b>	<b>8,662,032</b>
<b>Unrestricted funds</b>			
General fund	19	<b>260,189</b>	<b>323,652</b>
<b>Total funds</b>		<b>9,156,771</b>	<b>8,985,684</b>

The financial statements on pages 26 to 45 were approved by the Governors, and authorised for issue on 6.12.18 and are signed on their behalf by:



**Mr Timothy Styles**  
Chair of Governors

## Honywood Community Science School

### Cash Flow Statement for the Year ended 31 August 2018

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	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	165,002	120,726
<b>Cash flows from investing activities</b>	23	4,674	(252,950)
<b>Cash flows from financing activities</b>	24	(5,050)	8,873
<b>Change in cash and cash equivalents in the year</b>		<u>164,626</u>	<u>(123,351)</u>
<b>Cash and cash equivalents at 1 September 2017</b>		227,988	351,339
<b>Cash and cash equivalents at 31 August 2018</b>	25	<u>392,614</u> =====	<u>227,988</u> =====

# Honywood Community Science School

Notes forming part of the financial statements for the Year ended 31 August 2018

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## 1 Statement of Accounting policies

### General information and basis of Preparation

Honywood Community Science School is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 1 of these financial statements. The nature of the academy trust's operations and principal activities are set out in the Trustees' Report on page 2 to 15.

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

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

### 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 company 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.

### Income

All income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

#### • Grants

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

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

#### • Donations

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

#### • Other income

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the academy trust has provided the goods or services.

### 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 Raising funds

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

# Honywood Community Science School

## Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

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### 1 Statement of Accounting Policies (continued)

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

#### **Intangible Fixed Assets**

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Computer software	33%
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#### **Tangible Fixed Assets**

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

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

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

Leasehold land and buildings	2 to 5%
Plant and machinery	10% and 20%
Furniture and equipment	10%
Computer equipment and software	33%
Motor vehicles	20%

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.

#### **Liabilities**

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

#### **Leased Assets**

Rentals under operating leases are charged on straight line basis over the lease term.

#### **Financial Instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

# Honywood Community Science School

## Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

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### 1 Statement of Accounting Policies (continued)

#### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### Taxation

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

#### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

#### Fund Accounting

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

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

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

#### Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.



# Honywood Community Science School

## Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

### 1 Statement of Accounting Policies (continued)

#### Critical areas of judgement

The valuation of the Trust's property is included at £12.8 million, being the Trustees' best estimate of the valuation. This property is on a 125 year lease with Essex County Council. The Trust has attempted to obtain a valuation from ESFA of this property, and once the ESFA valuation is forthcoming it will be adjusted in the accounts.

### 2 Statement of Financial Activities for the year ended 31 August 2017

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total 2017
	£	£	£	£
<b>Income from:</b>				
Donations and capital grants	10,403	2,651	76,377	89,431
Charitable activities:				
Funding for the Academy's educational operations	-	5,400,058	-	5,400,058
Other Income	184,576	127,531	-	312,107
Other trading activities	197,783	178,562	-	376,345
Investment income	357	-	-	357
<b>Total income</b>	<b>393,119</b>	<b>5,708,802</b>	<b>76,377</b>	<b>6,178,298</b>
<b>Expenditure on:</b>				
Raising funds	11,059	-	-	11,059
Charitable activities: educational operations	426,375	5,947,698	322,759	6,696,832
<b>Total expenditure</b>	<b>437,434</b>	<b>5,947,698</b>	<b>322,759</b>	<b>6,707,891</b>
<b>Net expenditure before transfers and other gains</b>	<b>(44,315)</b>	<b>(238,896)</b>	<b>(246,382)</b>	<b>(529,593)</b>
Transfers between funds	-	(24,544)	24,544	-
<b>Net expenditure</b>	<b>(44,315)</b>	<b>(263,440)</b>	<b>(221,838)</b>	<b>(529,593)</b>
<b>Other recognised gains and losses:</b>				
Actuarial gains on defined pension scheme	-	106,000	-	106,000
<b>Net movement of funds</b>	<b>(44,315)</b>	<b>(157,440)</b>	<b>(221,838)</b>	<b>(423,593)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	367,967	(2,926,909)	11,968,219	9,409,277
<b>Total funds carried forward</b>	<b>323,652</b>	<b>(3,084,349)</b>	<b>11,746,381</b>	<b>8,985,684</b>

### 3 Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Capital grants	-	107,382	107,382	76,377
Donations	6,883	6,337	13,220	13,054
	<b>6,883</b>	<b>113,719</b>	<b>120,602</b>	<b>89,431</b>

Capital grants of £107,382 (2017: £76,377) were received from the ESFA.

# Honywood Community Science School

Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

## 4 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>DfE/ESFA Grants</b>				
General Annual Grant (GAG)	-	4,789,043	<b>4,789,043</b>	4,790,109
Other DfE/ESFA grants	-	191,546	<b>191,546</b>	194,307
	-	4,980,589	<b>4,980,589</b>	4,984,416
<b>Other Government Grants</b>				
Local authority grants	5,000	308,107	<b>313,107</b>	415,642
Other Government grants	500	3,418	<b>3,918</b>	-
	5,500	311,525	<b>317,025</b>	415,642
	<b>5,500</b>	<b>5,292,114</b>	<b>5,297,614</b>	5,400,058

## 5 Other Income from educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Academy Trips	-	129,808	<b>129,808</b>	127,531
Catering Income	190,741	-	<b>190,741</b>	173,718
Profit on disposal of fixed assets	-	-	-	6,184
Insurance claims	-	-	-	4,674
	<b>190,741</b>	<b>129,808</b>	<b>320,549</b>	312,107

## 6 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income from services provided	155,893	207,040	<b>362,933</b>	332,260
Hire of facilities	18,577	-	<b>18,577</b>	17,015
Items sold	19,835	-	<b>19,835</b>	15,194
Fundraising	8,690	-	<b>8,690</b>	11,876
	<b>202,995</b>	<b>207,040</b>	<b>410,035</b>	376,345

Included in other trading activities is preschool income of £53,816 (2017: £68,823) received from the Local Authority.

## 7 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Bank interest	288	-	<b>288</b>	357

# Honywood Community Science School

Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

## 8 Expenditure

	Staff Costs £	Non Pay Premises £	Expenditure Other costs £	Total 2018 £	Total 2017 £
Expenditure on raising funds	-	-	17,745	17,745	11,059
Academy's educational operations:					
Direct costs	4,298,185	302,914	630,307	5,231,406	5,315,986
Allocated Support costs	902,593	153,141	343,116	1,398,850	1,380,846
	<u>5,200,778</u>	<u>456,055</u>	<u>991,168</u>	<u>6,648,001</u>	<u>6,707,891</u>

### Net expenditure for the year includes:

	2018 £	2017 £
Operating lease rentals	159,655	167,779
Depreciation	322,255	335,674
Amortisation	-	16,016
Impairment	56,064	-
Fees payable to auditor for:		
- audit	4,960	4,800
- other services	3,640	4,372
- other services (over accrual from prior year)	(1,980)	-
	<u>=====</u>	<u>=====</u>

## 9 Charitable Activities – Academy's educational operations

	Total 2018 £	Total 2017 £
Direct Costs – educational operations	5,231,406	5,315,986
Support costs – educational operations	1,398,850	1,380,846
	<u>6,630,256</u>	<u>6,696,832</u>
Analysis of Support costs		
Support staff costs	902,593	843,472
Premises costs	212,270	204,887
Other support costs	274,072	315,470
Governance costs	9,915	17,017
	<u>1,398,850</u>	<u>1,380,846</u>
Analysis of Governance costs		
Legal and professional fees	3,295	7,845
Auditors remuneration – audit of financial statements	4,960	4,800
Auditors remuneration – other services	1,660	4,372
	<u>9,915</u>	<u>17,017</u>

# Honywood Community Science School

## Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

### 10 Staff

<b>a. Staff costs</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Staff costs during the year were:		
Wages and salaries	<b>3,925,581</b>	4,005,108
Social security costs	<b>364,005</b>	382,310
Other pension costs	<b>911,192</b>	870,133
	<b>5,200,778</b>	5,257,551
Severance pay	-	6,300
	<b>5,200,778</b>	5,263,851

### b. Staff severance payments

Included in staff severance payments are non-statutory payments totalling £Nil (2017: £6,300). Individually, the payments were: £Nil (2017: £6,300 paid 7 October 2016).

### c. Staff numbers

The average number of persons (including senior management team) employed by the academy during the year:

	<b>2018</b>	<b>2017</b>
<b>Charitable Activities</b>		
Teachers	70	70
Administration and support	102	102
Management	9	9
	<b>181</b>	181

### d. Higher paid staff

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

	<b>2018</b>	<b>2017</b>
£60,001 - £70,000	2	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1

### d. Key management personnel

The key management personnel of the academy trust comprises the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension costs and employer national insurance contributions) received by key management personnel for their services to the academy trust was £626,418 (2017: £608,431).

### 11 Governors' remuneration and expenses

One or more governors has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Head teacher and staff members under their contracts of employment.

The value of governors' remuneration and other benefits was as follows:

S Mason (principal and governor) until 15 April 2018:

Remuneration £65,000 - £70,000 (2017: £100,000 - £105,000)

Employer's pension contributions paid £10,000 - £15,000 (2017: £15,000 - £20,000)

J Saunders (principal and governor) from 16 April 2018:

Remuneration £30,000 - £35,000

Employer's pension contributions paid £5,000 - £10,000

J Munro (staff governor):

Remuneration £60,000 - £65,000 (2017: £60,000 - £65,000)

Employer's pension contributions paid £5,000 - £10,000 (2017: £10,000 - £15,000)

S Caygill (staff governor) from 15 April 2018:

Remuneration £20,000 - £25,000

Employer's pension contributions paid £0 - £5,000

# Honywood Community Science School

## Notes forming part of the financial statements for the Year ended 31 August 2018 (Continued)

### 11 Governors' remuneration and expenses (continued)

During the period ended 31 August 2018, travel and subsistence expenses totalling £244 (2017: £Nil) were reimbursed or paid directly to 2 trustees (2017: Nil)

### 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. The cost of this insurance is included in the total insurance cost.

### 13 Intangible fixed assets

	<b>Computer Software 2018 £</b>
<b>Cost</b>	
At 1 September 2017	72,080
Additions	-
At 31 August 2018	<b>72,080</b>
<b>Amortisation and impairment</b>	
At 1 September 2017	16,016
Impairment losses	56,064
At 31 August 2018	<b>72,080</b>
<b>Carrying amount</b>	
At 31 August 2017	56,064
At 31 August 2018	-

### 14 Tangible fixed assets

	<b>Leasehold land and Buildings £</b>	<b>Plant and machinery £</b>	<b>Furniture and equipment £</b>	<b>Computer equipment and software £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost:</b>						
At 1 September 2017	13,243,802	265,450	204,595	327,854	10,500	14,052,201
Additions	96,297	930	1,334	4,435	-	102,996
Disposals	-	-	-	-	-	-
At 31 August 2018	<b>13,340,099</b>	<b>266,380</b>	<b>205,929</b>	<b>332,289</b>	<b>10,500</b>	<b>14,155,197</b>
<b>Depreciation:</b>						
At 1 September 2017	1,687,474	26,323	76,746	319,814	10,500	2,120,857
Charge for period	270,874	25,929	20,644	4,808	-	322,255
Disposals	-	-	-	-	-	-
At 31 August 2018	<b>1,958,348</b>	<b>52,252</b>	<b>97,390</b>	<b>324,622</b>	<b>10,500</b>	<b>2,443,112</b>
<b>Net written down value</b>						
At 31 August 2018	<b>11,381,751</b>	<b>214,128</b>	<b>108,539</b>	<b>7,667</b>	<b>-</b>	<b>11,712,085</b>
At 31 August 2017	11,556,328	239,127	127,849	8,040	-	11,931,344

### 15 Stock

	<b>2018 £</b>	<b>2017 £</b>
Uniform and catering stock	<b>3,550</b>	3,908

# Honywood Community Science School

## Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

### 16 Debtors

	Total 2018 £	Total 2017 £
Trade debtors	38,217	42,948
Prepayments and accrued income	98,818	96,543
VAT receivable	37,460	11,191
Other debtors	987	2,221
	<b>175,482</b>	<b>152,903</b>

### 17 Creditors: amounts falling due within one year

	Total 2018 £	Total 2017 £
Trade creditors	145,077	30,329
Taxation and social security	86,017	95,077
Other creditors	83,564	90,291
Accruals and deferred income	91,002	45,476
	<b>405,660</b>	<b>261,173</b>
<b>Deferred income</b>		
Deferred income at 1 September 2017	16,523	15,076
Resources deferred in year	44,612	16,523
Amounts released from previous year	(16,523)	(15,076)
	<b>44,612</b>	<b>16,523</b>

At the year end the Trust was in receipt of £28,795 (2017: £1,155) in respect of future trips and £15,817 (2017: £15,368) for rates relief income received in advance.

### 18 Creditors: amounts falling due after one year

	Total 2018 £	Total 2017 £
Other creditors - loan	30,300	35,350

The loan above is from Salix, interest free and is repayable in instalments over 8 years via deduction from GAG, as follows:

	Total 2018 £	Total 2017 £
Amounts due within one year (included in other creditors in note 17)	5,050	5,050
Amounts due between one and five years	20,200	20,200
Amounts due after five years	10,100	15,150

# Honywood Community Science School

Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

## 19 Funds

	Balance at 1 September 2017 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant	-	4,639,043	(4,608,992)	(5,769)	24,282
Other DfE/ESFA Grants	-	341,546	(341,546)	-	-
Other Government Grants	-	311,525	(311,525)	-	-
Other Restricted Funds	5,651	343,185	(325,161)	-	23,675
	<u>5,651</u>	<u>5,635,299</u>	<u>(5,587,224)</u>	<u>(5,769)</u>	<u>47,957</u>
<b>Restricted pension fund</b>					
Pension reserve	(3,090,000)	-	(271,000)	670,000	(2,691,000)
<b>Restricted Fixed Assets</b>					
Transferred on conversion	11,150,360	-	(257,297)	-	10,893,063
DfE/ESFA capital grants	393,926	107,382	(42,635)	-	458,673
Capital expenditure from GAG	173,786	-	(13,755)	5,769	165,800
Capital expenditure from other funds	28,309	-	(6,220)	-	22,089
	<u>11,746,381</u>	<u>107,382</u>	<u>(319,907)</u>	<u>5,769</u>	<u>11,539,625</u>
<b>Total Restricted Funds</b>	<u>8,662,032</u>	<u>5,742,681</u>	<u>(6,178,131)</u>	<u>670,000</u>	<u>8,896,582</u>
<b>Unrestricted funds</b>					
Unrestricted funds	323,652	406,407	(469,870)	-	260,189
<b>Total Funds</b>	<u>8,985,684</u>	<u>6,149,088</u>	<u>(6,648,001)</u>	<u>670,000</u>	<u>9,156,771</u>
	=====	=====	=====	=====	=====

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

### GAG & other DfE/ESFA grants

The restricted income fund is for the purpose of specific expenditure within the Academy's declared objectives. DfE grants relate to government funding for the provision of education by the Academy. Funding is repayable if the Academy does not meet all funding requirements.

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

### Pension reserve

This relates to the deficit on the local government pension fund. Any increase in pension contributions suggested by the scheme actuary should be able to be met from the Academy's budgeted annual income.

### Transferred on conversion

The value of assets recognised on conversion to an Academy.

### DfE/ESFA capital grants

Provided by the government for specific capital projects including the annual contribution.

### Capital expenditure from GAG

Value of GAG funding used for capital projects less related depreciation.

### Capital expenditure from other funds

Value of capital funding from other sources which has been utilised for capital projects less related depreciation.

# Honywood Community Science School

Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

## 19 Funds (continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant	24,461	4,790,110	4,606,571	(208,000)	-
Other DfE/ESFA Grants	-	194,306	194,306	-	-
Other Government Grants	-	415,641	415,641	-	-
Other Restricted Funds	22,630	308,745	301,180	(24,544)	5,651
	<u>47,091</u>	<u>5,708,802</u>	<u>5,517,698</u>	<u>(232,544)</u>	<u>5,651</u>
<b>Restricted pension fund</b>					
Pension reserve	(2,974,000)	-	430,000	314,000	(3,090,000)
<b>Restricted Fixed Assets</b>					
Transferred on conversion	11,410,691	-	260,331	-	11,150,360
DfE/ESFA capital grants	357,750	76,377	40,201	-	393,926
Capital expenditure from GAG	164,548	-	15,306	24,544	173,786
Capital expenditure from other funds	35,230	-	6,921	-	28,309
	<u>11,968,219</u>	<u>76,377</u>	<u>322,759</u>	<u>24,544</u>	<u>11,746,381</u>
<b>Total Restricted Funds</b>	<u>9,041,310</u>	<u>5,785,179</u>	<u>6,270,457</u>	<u>106,000</u>	<u>8,662,032</u>
<b>Unrestricted funds</b>					
Unrestricted funds	367,967	393,119	437,434	-	323,652
<b>Total Funds</b>	<u>9,409,277</u> =====	<u>6,178,298</u> =====	<u>6,707,891</u> =====	<u>106,000</u> =====	<u>8,985,684</u> =====



# Honywood Community Science School

Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

## 19 Funds (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant	24,461	9,429,153	(9,215,563)	(213,769)	24,282
Other DfE/ESFA Grants	-	535,852	(535,852)	-	-
Other Government Grants	-	727,166	(727,166)	-	-
Other Restricted Funds	22,630	651,930	(651,930)	(24,544)	23,675
	<u>47,091</u>	<u>11,344,101</u>	<u>(11,104,922)</u>	<u>(232,544)</u>	<u>47,957</u>
<b>Restricted pension fund</b>					
Pension reserve	(2,974,000)	-	(701,000)	984,000	(2,691,000)
<b>Restricted Fixed Assets</b>					
Transferred on conversion	11,410,691	-	(517,628)	-	10,893,063
DfE/ESFA capital grants	357,750	183,759	(82,836)	-	458,673
Capital expenditure from GAG	164,548	-	(29,061)	30,313	165,800
Capital expenditure from other funds	35,230	-	(13,141)	-	22,089
	<u>11,968,219</u>	<u>183,759</u>	<u>(642,666)</u>	<u>24,544</u>	<u>11,539,625</u>
<b>Total Restricted Funds</b>	<u>9,041,310</u>	<u>11,527,860</u>	<u>(12,448,588)</u>	<u>776,000</u>	<u>8,896,582</u>
<b>Unrestricted funds</b>					
Unrestricted funds	367,967	799,526	(907,304)	-	260,189
<b>Total Funds</b>	<u>9,409,277</u>	<u>12,327,386</u>	<u>(13,355,892)</u>	<u>776,000</u>	<u>9,156,771</u>
	=====	=====	=====	=====	=====

## 20 Analysis of net assets between funds

Fund balances as at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted General funds £	Restricted Fixed asset funds £	Total Funds 2018 £
Tangible fixed assets	182,617	-	11,529,468	11,712,085
Current assets	85,304	330,682	155,660	571,646
Current liabilities	(7,732)	(282,725)	(115,203)	(405,660)
Non-current liabilities	-	-	(30,300)	(30,300)
Pension scheme liabilities	-	(2,691,000)	-	(2,691,000)
<b>Total net assets</b>	<u>260,189</u>	<u>(2,643,043)</u>	<u>11,539,625</u>	<u>9,156,771</u>
	=====	=====	=====	=====

# Honywood Community Science School

Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

## 20 Analysis of net assets between funds (Continued)

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds £	Restricted General funds £	Restricted Fixed asset funds £	Total Funds 2017 £
Intangible fixed assets	56,064	-	-	56,064
Tangible fixed assets	179,015	-	11,752,329	11,931,344
Current assets	93,111	251,289	40,399	384,799
Current liabilities	(4,538)	(245,638)	(10,997)	(261,173)
Non-current liabilities	-	-	(35,350)	(35,350)
Pension scheme liabilities	-	(3,090,000)	-	(3,090,000)
<b>Total net assets</b>	<b>323,652</b>	<b>(3,084,349)</b>	<b>11,746,381</b>	<b>8,985,684</b>
	=====	=====	=====	=====

## 21 Commitments under operating leases

### Operating leases

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

	2018 £	2017 £
Amounts due within one year	150,808	150,055
Amounts due between one and five years	47,528	126,907
Amounts due after five years	-	-
	<b>198,336</b>	<b>276,962</b>
	=====	=====

## 22 Reconciliation of net income to net cash inflows

	2018 £	2017 £
Net expenditure for the year	(498,913)	(529,593)
Depreciation charges	322,255	335,674
Amortisation charges	56,064	16,016
Capital grants from DfE and other capital grants	(107,382)	(76,377)
Interest receivable	(288)	(357)
Defined benefit pension scheme cost less contributions payable	193,000	159,000
Defined benefit pension scheme finance cost	78,000	63,000
Decrease/(increase) in stocks	358	(390)
(Increase)/decrease in debtors	(22,579)	147,290
Increase in creditors	144,487	6,463
<b>Net cash provided by operating activities</b>	<b>165,002</b>	<b>120,726</b>
	=====	=====

## 23 Cash flows from investing activities

	Total 2018 £	Total 2017 £
Interest received	288	357
Purchase of intangible assets	-	(72,080)
Purchase of tangible assets	(102,996)	(257,604)
Capital grants from DfE/ESFA	107,382	76,377
<b>Net cash provided by / (used in) investing activity</b>	<b>4,674</b>	<b>(252,950)</b>
	=====	=====

## Honywood Community Science School

### Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

#### 24 Cash flows from financing activities

	Total 2018 £	Total 2017 £
Cash inflows from new borrowing	-	10,100
Repayment of borrowing	(5,050)	(1,227)
<b>Net cash provided by / (used in) financing activity</b>	<b>(5,050)</b>	<b>8,873</b>
	=====	=====

#### 25 Analysis of charges in net funds

	At 1 September 2017 £	Cash flows £	At 31 August 2018 £
Cash at bank and in hand	227,988	164,626	392,614
	=====	=====	=====

#### 26 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.

#### 27 Pensions and similar obligations

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

The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £75,906 (2017:£79,611) were payable to the schemes at 31 August 2018 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

##### Valuation of the Teachers' Pension Scheme

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

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

## Honywood Community Science School

### Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

#### 27 Pensions and similar obligations (Continued)

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

The pension costs paid to TPS in the period amounted to £422,198 (2017: £441,737).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £284,000 (2017: £270,000), of which employer's contributions totalled £223,000 (2017: £208,000) and employees' contributions totalled £61,000 (2017: £62,000). The agreed contribution rates for future years are 22.3% from 1 April 2018, increasing to 23.3% by 1 April 2019. The contribution rates for employees are dependent on the salary of individuals which for 2017-18 were as follows:

Annual Salary	Contribution Rate
£0 - £14,100	5.50%
£14,101 - £22,000	5.80%
£22,001 - £35,700	6.50%
£35,701 - £45,200	6.80%
£45,201 - £63,100	8.50%
£63,101 - £89,400	9.90%
£89,401 - £105,200	10.50%
105,201 - £157,800	11.40%
Over £157,801	12.50%

The rates disclosed above are for the main section of the LGPS. Employees also have the option of joining the 50/50 fund with contribution rates of 50% of the main section rates.

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

	At 31 August 2018 % p.a.	At 31 August 2017 % p.a.
Pension increase rate	2.3	2.7
Salary increase rate	3.8	4.2
Discount rate	2.65	2.6
Inflation assumption (CPI)	2.3	2.7
Commutation of pensions to lump sums	50.0	50.0

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2018	Approximate % increase to Employer Liability	Approximate monetary amount £000
Discount rate +0.1%	(2.4%)	(119)
Discount rate -0.1%	2.5%	122
Mortality assumption – 1 year increase	(3.4%)	(167)
Mortality assumption – 1 year decrease	2.1%	106
CPI rate +0.1%	(2.2%)	(108)
CPI rate -0.1%	2.1%	106

## Honywood Community Science School

### Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

#### 27 Pensions and similar obligations (Continued)

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

	At 31 August 2018 Years	At 31 August 2017 Years
<i>Retiring today</i>		
Male	22.3	22.2
Female	24.8	24.7
<i>Retiring in 20 years</i>		
Male	24.5	24.3
Female	27.1	27.0

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

	Value at 31 August 2018 £000	Value at 31 August 2017 £000
Equities	1,445	1,235
Bonds	254	192
Property	202	183
Alternative assets	203	144
Other managed funds	87	80
Cash	77	58
<b>Total market value of assets</b>	<b>2,268</b>	<b>1,892</b>

The actual return on scheme assets for the year was £125,000 (2017: £244,000).

#### Amounts recognised in the statement of financial activities

	2018 £000	2017 £000
Current service cost	415	367
Interest income	(52)	(37)
Interest cost	130	100
Administration expenses	1	-
<b>Total amount recognised in the SoFA</b>	<b>494</b>	<b>430</b>

#### Charges in the present value of defined benefit obligations:

	2018 £000	2017 £000
<b>At 1 September</b>	<b>4,982</b>	<b>4,526</b>
Current service cost	415	367
Interest cost	130	100
Employee contributions	61	62
Actuarial (gain)	(597)	(46)
Benefits paid	(32)	(27)
<b>At 31 August</b>	<b>4,959</b>	<b>4,982</b>

# Honywood Community Science School

## Notes forming part of the financial statements for the year ended 31 August 2018 (Continued)

### 27 Pensions and similar obligations (Continued)

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

	2018 £000	2017 £000
<b>At 1 September</b>	<b>1,892</b>	<b>1,552</b>
Interest on assets	52	37
Actuarial gain	73	60
Employer contributions	223	208
Employee contributions	61	62
Benefits paid	(32)	(27)
Administration expenses	(1)	-
<b>At 31 August</b>	<b>2,268</b>	<b>1,892</b>

### 28 Related Party Transactions

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

No related party transaction took place in the period of account, other than certain trustees' remuneration as disclosed in note 11.

### 29 Financial instrument

The carrying amounts of the academy's financial instruments are as follows:

	2018 £	2017 £
<i>Financial assets</i>		
<i>Debt instruments measured at amortised cost:</i>		
Stock (note 15)	3,550	3,908
Trade debtors (note 16)	38,217	42,948
Other debtors (note 16)	987	2,221
Accrued income (note 16)	43,495	26,901
	<u>86,249</u>	<u>76,978</u>
<i>Financial liabilities</i>		
<i>Measured at fair value through net expenditure:</i>		
Concessionary loans payable (note 17 and 18)	35,350	40,400
<i>Measured at amortised cost:</i>		
Trade creditors (note 17)	145,077	30,329
Other creditors (note 17)	78,514	85,241
Accruals (note 17)	46,390	28,953
	<u>269,981</u>	<u>144,523</u>