

ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**ANSFORD ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	Mr C Culpin Mr A Llewellyn Mr C Chapman (resigned 5 February 2018) Mrs T Harrison
Trustees	Mr C Culpin, Chair ^{1,2,3} Mr A Llewellyn ^{2,3} Mr P Barraclough (resigned 9 November 2017) ² Mrs A Bennett, Vice Chair ^{1,2,3} Mr D Chainey ¹ Mr C Chapman (resigned 5 February 2018) ¹ Mr S Flanagan ¹ Mr P Gane, Chair of Finance Committee ¹ Mrs T Harrison ² Mr D Healey ¹ Mr J Holt ³ Mrs L Mosley ³ Mr D Robertson ² Mrs A Stephens ³ Ms C Watson (appointed 24 November 2017) Mr P Spencer (appointed 24 November 2017) Mrs S Pilgrim, Principal

¹ Finance and Business Committee Member

² Learning and Progress Committee Member

³ Personnel Committee Member

Company registered number	07657806
Company name	Ansford Academy Trust
Principal and Registered office	Maggs Lane Castle Cary Somerset BA7 7JJ
Company secretary	Mrs S Graham
Accounting officer	Mrs S Pilgrim
Senior Leadership Team	Mrs S Pilgrim, Principal Mrs R Comyns, Chief Operating Officer Mrs E King, Acting Vice Principal Miss S Dukes, Assistant Principal Mr S Roberts, Assistant Principal
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Bankers

Lloyds Bank Plc
9 High Street
Yeovil
Somerset
BA20 1RN

Solicitors

Browne Jacobson LLP
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 11 to 16 in east Somerset. It has a pupil capacity of 760 and had a roll of 574 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.

The Trustees of Ansford Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 they ceased to be a member.

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides unlimited cover.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Articles of Association set out that the Academy shall ordinarily have the following Trustees:

- up to 8 Community Trustees
- up to 2 Staff Trustees
- a minimum of 2 and up to 7 Parent Trustees
- the Principal

At any one time there may be more than 18 Trustees because the Governing Body can make use of the power to co-opt other suitable persons as allowed by the Academy's Articles of Association.

Trustees are appointed for a four year period, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. Parent Trustees are elected by parents of students at the Academy. Other Trustees are suggested by existing members and are then interviewed by either the Chair of Trustees or the Principal. They are then recommended to the full Governing Body which makes the final decision.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy provides for Trustee recruitment, induction and training. The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. New Trustees are provided with copies of key reference / information documents at the time of appointment. All Trustees can access copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Organisational Structure

The Board of Trustees normally meets six times a year. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are sub committees as follows:

- **Finance and Business Committee** - this meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports on internal audit processes and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- **Learning and Progress Committee** - this meets six times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- **Personnel Committee** – this meets six times a year with the key remit of considering any policy or issue related to staff, including pay, recruitment, terms and conditions and changes to contracts. This committee acts as the Pay Committee.

The following decisions are reserved to the Members: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman and to appoint the Principal and Clerk to the Trustees.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Members and Board of Trustees have devolved responsibility for day to day management of the Academy to the Senior Leadership Team. These individuals implement the policies laid down by the Trustees and report back to them on performance.

The Principal and Chief Operating Officer are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Finance Policy. Some spending control is devolved to Budget Holders which must be authorised in line with the Finance Policy. The Principal is responsible for the appointment of staff, apart from Vice Principals, within a broad staffing structure approved by Trustees.

The Principal is the Accounting Officer.

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees of the Board do not receive remuneration but are able to reclaim at cost any expenses incurred in connection with their Trustee duties.

The Senior Leadership Team has significant delegated responsibility for the day to day running of the Academy. Pay and remuneration of the Senior Leadership Team has been implemented in line with the following:

- Conditions of Service for School Teachers in England And Wales, 2000.
- School teachers' pay and conditions document 2016 and guidance on school teachers' pay and conditions.
- Somerset County Council's Model Pay Policy for Schools.
- Contractual obligation and terms and conditions of staff under the Transfer of Undertakings legislation.
- Benchmarking against Somerset Academy staff structures and national trends.

The pay and remuneration of the Principal and Vice Principal are agreed by the Trustees.

The pay and remuneration of the Assistant Principals, Associate Principals and Chief Operating Officer are delegated to the Principal and reported to the Pay Committee.

Connected Organisations, including Related Party Relationships

1610 Ltd has use of part of the Academy's leisure facilities and a shared use agreement and lease between them and the Academy has been signed.

The charity Eatcary has a lease on an area of land on the school site which is used as a community garden project.

The Academy works in close collaboration with the primary feeder schools. The Academy provided management of King Arthur's Community School in Wincanton during the year ending 31 August 2018.

There are no related parties which either control or significantly influence the decisions and operations of Ansford Academy. Friends of Ansford Academy help support the Academy through charitable events.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the charitable company is the operation of Ansford Academy to provide free education and care for pupils of different abilities between the ages of 11 and 16.

Objectives, Strategies and Activities

The Academy's priority aims during the year ended 31 August 2018 are summarised below:

Priority 1: To build a culture of empathy, trust and belonging where individuals are valued for who they are, feel comfortable to be themselves and are inspired to explore the possibilities of who they might become.

Priority 2: To have a curriculum, with creativity at its heart, that is rich and varied; that meets the needs of all students; challenges them to make outstanding progress and prepares them for the next phase of their lives.

Priority 3: To have a relentless focus on equipping individuals to take their place in society; to secure useful and rewarding work; to form and maintain meaningful relationships and to contribute to the local and global community.

Priority 4: To secure teaching that leads to outstanding learning and progress for all.

Priority 5: To invest in the personal development of all members of the academy community, supporting and challenging each individual as they strive to excel.

Priority 6: For all members of the academy community to share a fierce pride in our achievements; to know we are the best place to learn.

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

Priority 7: To be highly regarded locally and nationally as an academy with a trusted brand identity underpinned by a strong moral purpose.

Priority 8: To contribute fully to the 'self-improving' schools system locally, nationally and internationally.

Priority 9: To actively seek out intellectual capital from sources such as stakeholders, business partners, academic research, local labour market information, to become and remain a centre of educational excellence.

Priority 10: To provide strong moral stewardship of academy resources.

Priority 11: To have premises that facilitate 21 century learning.

A key business priority was to submit bids for funding to the Condition Improvement Fund (CIF) for refurbishment of the aged ROSLA block and a new fire detection system.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

In addition, in partnership with 1610 Ltd, the Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

During 2017/18 Ansford Academy Trust provided the management of King Arthurs Community School via a Service Level Agreement. This includes provision of an Executive Principal and day-to-day management was provided by an Associate Principal. An Interim Board, including Trustees from Ansford Academy Trust, had oversight for the school. Substantial time was given to this project by Ansford Academy Trust.

STRATEGIC REPORT

Achievements and Performance

Our Academy motto in the year to 31 August 2018 was 'learning together to lead our lives' which reflects our commitment to help students to be independent thinkers with the knowledge, skills and attributes to be in control of their own lives. Our focus is therefore on raising expectations and maintaining our high academic standards through supporting and nurturing the happy young people in our care.

In 2017/18 Ansford students performed well across a wide range of subjects including History, Geography, Spanish, German and PE. In English 74% of them achieved grade 4 or above, while in Maths the percentage of students achieving grade 4 or above was 68%. We are particularly pleased that 45% of students achieved both English and Maths at grade 5 (strong pass) and that 30% of students achieved at least 3 top grades (9-7).

During the year, the Academy secured a capital grant to install a new fire detection system. A donation was also made which allowed the Learning Resources Centre to be updated.

The Academy has established close links with other Academies in Somerset through teaching and business forums. It is also part of the Ansford Learning Partnership, with local primary schools.

Key Performance Indicators

The Academy Trust has chosen the following KPIs.

1. Maintenance of a level of reserves above £100,000 with the aim of building towards £180,000. This figure indicates the ability for the Academy to stay within budget and to have a contingency fund available for unexpected issues. £100,000 is considered to be the minimum amount needed to provide a cushion. At levels about £150,000 it will be possible to increase investment in revenue spending and capital.
2. Student attendance to be at or above national average. At May 2018 attendance was 92.88% compared to a national average of 94.6% (16/17 Department of Education statistic).
3. Intake at year 7 to be 120 and a school roll maintained at around 600. This indicates that the popularity of the school and its reputation are secure. It also provides a sound basis for financial planning.

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

4. The budget is able to maintain a capital investment programme for IT and buildings. This shows that the Academy is confident in its position and is able to invest money in capital projects in order to further develop the facilities and infrastructure on offer for pupils. A year of low investment would show that staffing levels are taking an unusually high proportion of revenue. This will principally be around funding levels not matching staffing costs.
5. Teaching to non-teaching (FTE) staff ratio (1.06:1) - Somerset median end of Sept 2017 = 0.96:1. This figure shows that the Academy has a higher ratio of teachers to support staff than the median in Somerset. Whilst the investment in teachers is positive, it may be that teachers are having to carry out tasks that could be done by others. Alternatively, it may be that some support functions have been removed. Any further moves further from the median would be worth investigating.
6. Pupil to teacher (FTE) ratio. (19.6:1) - Somerset median end of Sept 2017 = 19.11:1. This shows levels typical within Somerset.
7. Our Pupil Premium students make exceptional progress in line with their non-disadvantaged counterparts. Their current Progress 8 score is -1.08 compared to -0.31.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. This includes a Condition Improvement Grant awarded in April 2018 for a fire detection system.

The Academy also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2018, the Academy received total income of £3,176,758, which consisted of recurrent grant funding from the DfE and other incoming resources.

At 31 August 2018 the net book value of fixed assets was £6,483,503 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy is responsible for the deficit in the Local Government Pension Scheme in respect of its non teaching staff. The deficit is incorporated within the Statement of Financial Activities with details in note 21 to the financial statements. The Governing Body recognises that the scheme deficit represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Key financial policies adopted or reviewed during the period include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Principal, Business Manager, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings and Treasury Management.

The Trustees have appointed an Internal Audit service via Somerset County Council. During the year, the Trustees received reports from the Internal Audit service which contained no matters of significance.

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

Reserves Policy

The Trustees review the reserve levels of the Academy regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of reserves should be approximately £180,000. The reason for this is to provide sufficient funds to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Reserves may be needed to cushion against falling school roll, meeting costs of redundancy and maintaining the ability to balance the budget. However, at levels above £150,000 Trustees may approve the release of funds to enable targeted capital investment or to meet specific staffing needs.

The Academy has an infrastructure plan in place detailing the cost of works that are expected to need to be completed in the future. The Academy recognises the importance of the reserve in delivering ongoing maintenance. The reserve will not be sufficient to support significant capital investment due to other financial pressures. The Academy will continue to rely on the lottery of the Condition Improvement Fund in order to maintain and improve the estate.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

Investment Policy

A return on cash should be optimised whilst allowing easy access of the funds. In balancing risk against return the Academy policy is clearly geared towards avoiding risk rather than maximising return.

The Academy operates an interest bearing current account with a bank approved by the Governing Body and maintain a balance in that account that is sufficient to cover immediate and forthcoming financial commitments (payroll and payment runs) and sufficient contingency (cash buffer) for unexpected payments.

Monies identified to fund future development shall be invested. Monies will only be paid into approved bank deposit accounts allowing access to funds within a term not exceeding six months. Periodically, at least annually, the Business Manager will review interest rates and compare with other business opportunities.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Fluctuation in pupil numbers - a key risk is fluctuations in pupil numbers, namely risks to revenue funding from a falling roll. Demographic projections show a fall in numbers at feeder primary schools for year 7 intake in 2020 and 2021. Admissions from outside of catchment are not predictable, but have remained fairly consistent at around 20 students. In total, the fall in intake could be up to 25 pupils. This will result in financial strain if staffing cannot be restructured in a timely manner and scaled in line with the roll. This area will be closely monitored. This risk is accompanied by uncertainties in future funding formulas given continued delay of the National Funding Formula and continued under funding when compared nationally. There are also uncertainties in the proportion of increasing staff costs that will be included in the Governments teachers pay grant. Funding beyond the end of 2019 spending review period is not known.

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

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 95% of the Academy's incoming resources was ultimately Government funded and whilst this high level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The trend at the moment is funding reductions. These reductions are accompanied by increased staff cost and real terms cuts in funding. Somerset is still one of the lowest funded local authorities despite the initial implementation of the National Funding Formula due to the way that Somerset has implemented the proposals.

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

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an Internal Audit service to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are constantly reviewed in the light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health of the Academy every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 22 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Academy participates in fundraising in order to raise fund for its own activities but also to contribute to other recognised charities. Each year the student council of the Academy nominates the charities money is collected for. This has included Save the Children, Comic Relief and local charities.

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

In 2018 the Academy held a Christmas Fayre to help raise funds. A licenced raffle was held. Fundraising is restricted to the students, staff, parents and carers. No commercial participators or professional fundraisers are used. Fundraising is carried out only for recognised charities and in accordance with charity law. Fundraising is monitored by the Finance Director and Accounting Officer. No complaints have been received into fundraising activities. No persons un-associated with the Academy will be approached regarding fundraising.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels.

The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community. This includes working towards a formal partnership through a MAT with both primary and secondary schools in the area.

The Business Manager maintains a 5 year maintenance and development plan for the school site. Delivery of capital projects will be dependent on successful bids under the CIF.

Full details of our plans for the future are given in our School Improvement Plan.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

TRUSTEES INDEMNITIES

There were no third party indemnity provisions during the year ending 31 August 2018.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 13 December 2018 and signed on the board's behalf by:

Mr C Culpin
Chair of Trustees



Mrs S Pilgrim
Accounting Officer

**ANSFORD ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mr C Culpin, Chair	6	6
Mrs A Bennett, Vice Chair	3	6
Mrs T Harrison	4	6
Mr D Robertson	6	6
Mr A Llewellyn	5	6
Mr S Flanagan	0	6
Mrs L Mosley	6	6
Mr D Healey	5	6
Mr P Gane	6	6
Mr P Barraclough	0	1
Mr J Holt	4	6
Mrs A Stephens	4	6
Ms C Watson	3	5
Mr C Chapman	2	3
Mr P Spencer	3	5
Mrs S Pilgrim, Principal	6	6
Mr D Chainey	6	6

In the autumn term of 2017 the Academy was encouraged by the Regional Schools Commissioner's office to apply to form a Multi-Academy Trust in order to sponsor King Arthur's School which was already in difficulties and eventually put into special measures in November 2017. An Interim Governing Board was set up for King Arthur's which included the Chair and three governors from Ansford Academy. This IGB carried out a skills audit. In March 2018 the Heads Board rejected our MAT application, although the IGB continued to act until the end of August 2018.

The work of the Governing Board of the Academy continued as normal during these events. However, for seven months the likelihood of setting up a MAT, and the consequent re-structuring involved, put our usual self-appraisal on hold. When it became clear that the Academy would remain a Single Academy Trust the Governing Board carried out a full SWOT analysis of our position in July 2018.

The first meeting of the board in 2018-19, will carry out a full review of governor skills, roles and committee work.

**ANSFORD ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

The Finance and Business Committee is a sub committee of the main Board of Trustees. Its purpose is to work closely with the Principal to:

- Provide guidance to the governing body on key financial matters
- To review and monitor Policy statements in an agreed cycle
- To present a budget for the governing body's approval
- Monitor the budget using information provided by the finance officer and Principal, making certain spending remains within prescribed limits and to take appropriate action
- Report the financial situation to the governing body each term and make recommendations where necessary
- To work with Accountants and Auditors to prepare an Annual Report, for the Trustees, on the Academy finances
- Provide assurance to the board of trustees over the suitability of, and compliance with, the Academy's financial systems and controls by ensuring that an appropriate checking process is in place and remedial works are carried out if risks are identified
- To monitor the implementation of allocated parts of the Academy Improvement Plan
- Propose an appropriate level of financial delegation to the Principal and ensure this delegation is minuted by the governing body
- Monitor income and expenditure for all public funds for which the academy is responsible
- Respond appropriately to audit report recommendations
- Ensure non public funds are audited
- Consider matters relating to the buildings and grounds, including security and health and safety matters
- Inspect the premises at least annually and agree a statement of priorities for maintenance and development
- Be made aware of relevant contracts, including those for cleaning and grounds maintenance
- Ensure the academy complies with health and safety regulations, in collaboration with the DFE through the Principal
- Consider insurance arrangements annually
- To monitor energy use and policy
- To monitor the community use of the academy
- Ensure compliance with financial regulations manual.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Gane	5	5
Mr C Chapman	3	3
Mr S Flanagan	2	5
Mr D Healey	5	5
Mr D Chaaney	5	5

REVIEW OF VALUE FOR MONEY

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

GOVERNANCE STATEMENT (continued)

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

- **Collaboration:** The trust engages with other educational providers. There is an alliance between the Academy and 5 other secondary schools named '5SG' designed to raise standards and provide skill sharing. The Academy is also a member of the Whole Education partnership and been able to benefit from events that it runs. This has included low cost opportunities for pupils to attend aspiration raising events. This collaboration is a principle driver for change within the school, contributing to the self improving system. The Academy staff participate in county wide groups for Heads, Deputy Heads and Business Managers. This allows us to share knowledge of delivery, good practice, and to drive up standards for the least cost. The Academy shares resources with local primary schools including shared Parent and Family Support Advisor, provision of PE events and professional development opportunities.
- **During the year ending 31 August 2018,** the Academy was providing management to a neighbouring school, King Arthurs Community School in Wincanton. This was considered as a precursor to setting up of a Multi-Academy Trust. This work ceased in August 2018 and is not being taken forward.
- **Better Purchasing:** All contracts are appraised or renegotiated in a timely manner to get the best mix of quality and effectiveness. The length of each contract will vary according to the cost of the contract and familiarity with the provider. Three year contracts have been entered into where contractor performance is known and the reduced cost was felt to benefit the trust. At times there is a balance to be had between the urgency of procurement and time to gather quotations. Preferred suppliers, based on customer service and reliability, have also been identified.
- **Benchmarking:** The trust benchmarks its costs against similar organisations. It also does this through the FD Forum discussions, Somerset Association of School Business Managers and in partnership with other schools in Somerset. We keep a register of all contracts to ensure best value and to identify areas for making further savings. Opportunities for joint procurement are considered.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

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

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have chosen to appoint Somerset County Council, as Internal Assurance Officer.

On a quarterly basis, the Somerset County Council reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. No matters of significance were reported during the year.

The Internal Assurance Officer role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included testing of payroll, purchasing, income and general accounting practices.

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the Board of Trustees on 13 December 2018 and signed on the board's behalf by:

Mr C Culpin
Chair of Trustees



Mrs S Pilgrim
Accounting Officer

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Ansford Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education 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.



Mrs S Pilgrim
Accounting Officer

Date: 13 December 2018

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Mr C Culpin
Chair of Trustees

Date: 13 December 2018



ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ANSFORD ACADEMY TRUST

OPINION

We have audited the financial statements of Ansford Academy Trust (the 'Academy') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 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's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ANSFORD ACADEMY TRUST**

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ANSFORD ACADEMY TRUST**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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

Bishop Fleming LLP

David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

20 December 2018

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ANSFORD ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 28 September 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ansford Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF ANSFORD ACADEMY TRUST'S AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Ansford Academy Trust's funding agreement with the Secretary of State for Education dated 24 June 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 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

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

Bishop Fleming LLP

David Butler FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date: *20 Dec 2018*

ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

		Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
	Note					
INCOME FROM:						
Donations and capital grants	2	104	25,053	129,334	154,491	19,834
Charitable activities	5	29,924	2,895,447	-	2,925,371	2,913,185
Other trading activities	3	78,076	18,614	-	96,690	65,965
Investments	4	206	-	-	206	229
TOTAL INCOME		108,310	2,939,114	129,334	3,176,758	2,999,213
EXPENDITURE ON:						
Raising funds		442	-	-	442	41,096
Charitable activities		79,695	2,943,870	162,474	3,186,039	3,144,234
TOTAL EXPENDITURE	6	80,137	2,943,870	162,474	3,186,481	3,185,330
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		28,173	(4,756)	(33,140)	(9,723)	(186,117)
Transfers between Funds	17	-	(103,949)	103,949	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		28,173	(108,705)	70,809	(9,723)	(186,117)
Actuarial gains/(losses) on defined benefit pension schemes	21	-	355,000	-	355,000	(19,000)
NET MOVEMENT IN FUNDS		28,173	246,295	70,809	345,277	(205,117)
RECONCILIATION OF FUNDS:						
Total funds brought forward		112,958	(1,521,071)	6,413,919	5,005,806	5,210,923
TOTAL FUNDS CARRIED FORWARD		141,131	(1,274,776)	6,484,728	5,351,083	5,005,806


The notes on pages 25 to 45 form part of these financial statements.

ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07657806

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		6,483,503		6,413,919
CURRENT ASSETS					
Debtors	14	117,961		85,045	
Cash at bank and in hand		336,222		195,341	
		<u>454,183</u>		<u>280,386</u>	
CREDITORS: amounts falling due within one year	15	<u>(264,603)</u>		<u>(163,499)</u>	
NET CURRENT ASSETS			<u>189,580</u>		<u>116,887</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,673,083</u>		<u>6,530,806</u>
Defined benefit pension scheme liability	21		<u>(1,322,000)</u>		<u>(1,525,000)</u>
NET ASSETS			<u><u>5,351,083</u></u>		<u><u>5,005,806</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	17	47,224		3,929	
Fixed asset funds	17	6,484,728		6,413,919	
Restricted funds excluding pension liability		<u>6,531,952</u>		<u>6,417,848</u>	
Pension reserve		<u>(1,322,000)</u>		<u>(1,525,000)</u>	
Total restricted funds			<u>5,209,952</u>		<u>4,892,848</u>
Unrestricted funds	17		<u>141,131</u>		<u>112,958</u>
TOTAL FUNDS			<u><u>5,351,083</u></u>		<u><u>5,005,806</u></u>

The financial statements on pages 22 to 45 were approved by the Trustees, and authorised for issue, on 13 December 2018 and are signed on their behalf, by:


Mr C Culpin
Chair of Trustees


Mrs S Pilgrim
Accounting Officer

The notes on pages 25 to 45 form part of these financial statements.

ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	<u>254,788</u>	<u>(14,075)</u>
Cash flows from investing activities:			
Interest received		206	229
Purchase of tangible fixed assets		(232,058)	(48,811)
Capital grants from DfE Group		<u>117,945</u>	<u>13,703</u>
Net cash used in investing activities		<u>(113,907)</u>	<u>(34,879)</u>
Change in cash and cash equivalents in the year		140,881	(48,954)
Cash and cash equivalents brought forward		<u>195,341</u>	<u>244,295</u>
Cash and cash equivalents carried forward	20	<u><u>336,222</u></u>	<u><u>195,341</u></u>

The notes on pages 25 to 45 form part of these financial statements.

ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust 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.

Ansford Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

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

1.3 FUND ACCOUNTING

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.4 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities 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.

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

1. ACCOUNTING POLICIES (continued)

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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 are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

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

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

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

All expenditure is inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

Freehold buildings	- 2% straight line
Furniture and fixtures	- 20% straight line
Plant and equipment	- 4% straight line

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

**ANSFORD ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.7 OPERATING LEASES

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

1.8 TAXATION

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

1.9 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

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

1. ACCOUNTING POLICIES (continued)

1.11 LIABILITIES AND PROVISIONS

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

1.12 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income/expenditure 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.

1.13 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

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

1. ACCOUNTING POLICIES (continued)

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

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 21, 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.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	104	25,053	11,389	36,546	6,131
Capital Grants	-	-	117,945	117,945	13,703
	<u>104</u>	<u>25,053</u>	<u>129,334</u>	<u>154,491</u>	<u>19,834</u>
Total 2017	<u>104</u>	<u>6,027</u>	<u>13,703</u>	<u>19,834</u>	

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FOR THE YEAR ENDED 31 AUGUST 2018

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	1,930	-	1,930	2,230
External Catering	-	-	-	41,776
Consultancy	74,901	-	74,901	3,718
Fees received	572	-	572	2,540
Other	673	-	673	190
1610 rates rebate	-	18,614	18,614	15,511
	<u>78,076</u>	<u>18,614</u>	<u>96,690</u>	<u>65,965</u>
Total 2017	<u>50,454</u>	<u>15,511</u>	<u>65,965</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	206	-	206	229
	<u>229</u>	<u>-</u>	<u>229</u>	
Total 2017	<u>229</u>	<u>-</u>	<u>229</u>	

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FOR THE YEAR ENDED 31 AUGUST 2018

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	2,656,920	2,656,920	2,650,502
Other DfE Group grants	-	120,596	120,596	121,847
	-	2,777,516	2,777,516	2,772,349
Other Government grants				
High Needs	-	57,588	57,588	36,813
Other government grants non capital	-	60,343	60,343	21,482
	-	117,931	117,931	58,295
Other funding				
Sales to students	11,947	-	11,947	8,522
Trip income	17,977	-	17,977	74,019
	29,924	-	29,924	82,541
	29,924	2,895,447	2,925,371	2,913,185
Total 2017	82,541	2,830,644	2,913,185	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising funds - external catering					
Direct costs	-	-	442	442	41,096
Support costs	-	-	-	-	-
Education:					
Direct costs	1,974,117	127,127	230,180	2,331,424	2,305,705
Support costs	523,915	176,688	154,012	854,615	838,529
	2,498,032	303,815	384,634	3,186,481	3,185,330
Total 2017	2,397,582	347,787	439,961	3,185,330	

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FOR THE YEAR ENDED 31 AUGUST 2018

7. DIRECT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	14,040	11,000
Educational supplies	112,061	97,696
Examination fees	41,641	35,608
Staff development	16,499	14,394
Trips, achievement gifts and pupil support	37,287	93,247
Supply teachers	50,400	40,730
Technology costs	8,292	1,093
Wages and salaries	1,501,565	1,482,770
National insurance	148,781	144,558
Pension cost	273,371	260,435
Depreciation	127,487	124,174
	<u>2,331,424</u>	<u>2,305,705</u>
Total 2018	<u>2,305,705</u>	

8. SUPPORT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	24,960	20,000
Recruitment and support	537	9,038
Maintenance of premises and equipment	42,891	111,540
Cleaning	6,321	4,908
Rent and rates	20,045	22,029
Energy costs	31,468	40,078
Insurance	15,675	13,923
Security and transport	20,451	25,083
Catering	20,144	13,827
Technology costs	16,265	18,867
Office overheads	54,328	36,833
Legal and professional	35,537	46,728
Bank interest and charges	127	149
Governance	6,964	9,468
Wages and salaries	364,421	330,289
National insurance	26,581	22,631
Pension cost	132,913	86,169
Depreciation	34,987	26,969
	<u>854,615</u>	<u>838,529</u>
Total 2017	<u>838,529</u>	

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

9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the Academy	162,474	151,143
Auditors' remuneration - audit	7,590	7,590
Auditors' remuneration - other services	1,660	1,660
Operating lease rentals	25,553	14,609
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,865,986	1,791,059
Social security costs	175,362	167,189
Operating costs of defined benefit pension schemes	406,284	346,604
	<u>2,447,632</u>	<u>2,304,852</u>
Agency staff costs	50,400	70,730
Staff restructuring costs	-	22,000
	<u>2,498,032</u>	<u>2,397,582</u>
Staff restructuring costs comprise:		
Redundancy payments	-	22,000
	<u>-</u>	<u>22,000</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	33	33
Administration and support	44	48
Management	6	7
	<u>83</u>	<u>88</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	30	30
Administration and support	33	33
Management	7	7
	<u>70</u>	<u>70</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	0	1

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS (continued)

d. Key management personnel

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including Employer pension contributions) received by key management personnel for their services to the Academy was £383,488 (2017: £349,567)

11. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration in the year was as follows: Mrs S Pilgrim Remuneration £75,000 - £80,000 (2017: £70,000 - £75,000), Employee's pension contributions £10,000 - £15,000 (2017: £10,000 - £15,000).

During the year, expenses totalling £592 (2017: £2,158) were reimbursed to 2 Trustees (2017: 6)

12. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

13. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Furniture and fixtures £	Plant and equipment £	Total £
COST				
At 1 September 2017	7,028,442	63,384	201,038	7,292,864
Additions	113,612	84,484	33,962	232,058
At 31 August 2018	7,142,054	147,868	235,000	7,524,922
DEPRECIATION				
At 1 September 2017	710,214	17,104	151,627	878,945
Charge for the year	116,576	19,127	26,771	162,474
At 31 August 2018	826,790	36,231	178,398	1,041,419
NET BOOK VALUE				
At 31 August 2018	6,315,264	111,637	56,602	6,483,503
At 31 August 2017	6,318,228	46,280	49,411	6,413,919

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14. DEBTORS

	2018 £	2017 £
Trade debtors	35,599	13,760
Prepayments and accrued income	77,305	52,493
VAT recoverable	5,057	18,792
	<u>117,961</u>	<u>85,045</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	124,573	17,795
Taxation and social security	43,897	43,527
Other creditors	38,061	37,922
Accruals and deferred income	58,072	64,255
	<u>264,603</u>	<u>163,499</u>

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	18,857	39,560
Resources deferred during the year	36,958	18,857
Amounts released from previous years	(18,857)	(39,560)
Deferred income at 31 August 2018	<u>36,958</u>	<u>18,857</u>

Included within deferred income is funding received in advance for a Parent and Family Support Advisor as well as income received for trips taking place in the 2018/19 academic year.

16. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	419,771	241,984
Financial liabilities measured at amortised cost	(134,747)	(37,327)
	<u>285,024</u>	<u>204,657</u>

Financial assets measured at amortised cost comprise of cash at bank and in hand of £336,222 (2017: £195,341), trade debtors of £35,599 (2017: £13,760) and accrued income of £47,950 (2017: £32,883).

Financial liabilities measured at amortised cost comprise of trade creditors of £124,573 (2017: £17,795), accruals of £9,979 (2017: £18,857) and other creditors of £195 (2017: £675).

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	112,958	108,310	(80,137)	-	-	141,131
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	2,669,146	(2,517,973)	(103,949)	-	47,224
Pupil Premium	-	98,031	(98,031)	-	-	-
High needs	-	57,588	(57,588)	-	-	-
Donations	-	15,388	(15,388)	-	-	-
Other EFA Grants	-	7,976	(7,976)	-	-	-
Educational trips	-	9,665	(9,665)	-	-	-
1610 rates rebate	-	18,614	(18,614)	-	-	-
Other	3,929	62,706	(66,635)	-	-	-
Pension reserve	(1,525,000)	-	(152,000)	-	355,000	(1,322,000)
	(1,521,071)	2,939,114	(2,943,870)	(103,949)	355,000	(1,274,776)
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion	6,253,923	-	(115,065)	-	-	6,138,858
Fixed assets purchased from GAG and other restricted funds	159,996	25,092	(45,285)	103,949	-	243,752
Condition Improvement Funding	-	104,242	(2,124)	-	-	102,118
	6,413,919	129,334	(162,474)	103,949	-	6,484,728
Total restricted funds	4,892,848	3,068,448	(3,106,344)	-	355,000	5,209,952
Total of funds	5,005,806	3,176,758	(3,186,481)	-	355,000	5,351,083

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17. STATEMENT OF FUNDS (continued)

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs. During the year, £109,349 (2017: £35,108) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

High needs - Funding received from the Local Authority to fund further support for students with additional needs.

Donations - Voluntary income received for a specific purpose.

Other ESFA Grants - Funding received from the ESFA for a Year 7 catch up grant

Educational trips - Income received in relation to educational trips.

1610 rates rebate - Funds received from 1610 Limited specifically for the upkeep and ongoing maintenance of the leisure centre.

Other - Various sources of restricted grants including income from Somerset County Council to fund the position of Pupil and Family Support Advisor.

CIF - Funding received from the Condition Improvement Fund for the replacement of a fire alarm system.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

Fixed assets transferred on conversion - This represents the building and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and restricted funds - This represents the net book value of fixed assets purchased using GAG, Devolved Formula Capital and other donations.

Fixed assets purchased from Condition Improvement Funding - This represents the net book value of fixed assets purchased using CIF funding.

OTHER INFORMATION

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.

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

17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds	111,286	133,328	(131,656)	-	-	112,958
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	2,668,412	(2,633,304)	(35,108)	-	-
Pupil Premium	-	93,631	(93,631)	-	-	-
High needs	-	36,813	(36,813)	-	-	-
Donations	-	4,985	(4,985)	-	-	-
Other EFA Grants	-	8,541	(8,541)	-	-	-
Educational trips	2,887	1,042	-	-	-	3,929
1610 rates rebate	-	15,511	(15,511)	-	-	-
Other	-	23,247	(23,247)	-	-	-
CIF	4,499	-	(4,499)	-	-	-
Pension reserve	(1,424,000)	-	(82,000)	-	(19,000)	(1,525,000)
	<u>(1,416,614)</u>	<u>2,852,182</u>	<u>(2,902,531)</u>	<u>(35,108)</u>	<u>(19,000)</u>	<u>(1,521,071)</u>

RESTRICTED FIXED ASSET FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	6,369,626	-	(115,703)	-	-	6,253,923
Fixed assets purchased from GAG and other restricted funds	146,625	13,703	(35,440)	35,108	-	159,996
	<u>6,516,251</u>	<u>13,703</u>	<u>(151,143)</u>	<u>35,108</u>	<u>-</u>	<u>6,413,919</u>
Total restricted funds	<u>5,099,637</u>	<u>2,865,885</u>	<u>(3,053,674)</u>	<u>-</u>	<u>(19,000)</u>	<u>4,892,848</u>
Total of funds	<u>5,210,923</u>	<u>2,999,213</u>	<u>(3,185,330)</u>	<u>-</u>	<u>(19,000)</u>	<u>5,005,806</u>

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	6,483,503	6,483,503
Current assets	141,131	311,827	1,225	454,183
Creditors due within one year	-	(264,603)	-	(264,603)
Pension scheme liability	-	(1,322,000)	-	(1,322,000)
	<u>141,131</u>	<u>(1,274,776)</u>	<u>6,484,728</u>	<u>5,351,083</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	6,413,919	6,413,919
Current assets	113,633	166,753	-	280,386
Creditors due within one year	(675)	(162,824)	-	(163,499)
Pension scheme liability	-	(1,525,000)	-	(1,525,000)
	<u>112,958</u>	<u>(1,521,071)</u>	<u>6,413,919</u>	<u>5,005,806</u>

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

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(9,723)	(186,117)
Adjustment for:		
Depreciation charges	162,474	151,143
Interest received	(206)	(229)
(Increase)/decrease in debtors	(21,781)	20,653
Increase/(decrease) in creditors	89,969	(67,822)
Capital grants from DfE and other capital income	(117,945)	(13,703)
Defined benefit pension scheme cost less contributions payable	113,000	51,000
Defined benefit pension scheme finance cost	39,000	31,000
Net cash provided by/(used in) operating activities	<u>254,788</u>	<u>(14,075)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	336,222	195,341
	<u>336,222</u>	<u>195,341</u>

21. PENSION COMMITMENTS

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

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

Contributions amounting to £37,866 were payable to the schemes at 31 August 2018 (2017: 37,247) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (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 employer's pension costs paid to TPS in the period amounted to £197,558 (2017: £210,339).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £134,000 (2017: £152,000), of which employer's contributions totalled £104,000 (2017: £124,000) and employees' contributions totalled £30,000 (2017: £28,000). The agreed contribution rates for future years are 18.1% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.70 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	24.0 years	23.9 years
Females	25.2 years	25.1 years
Retiring in 20 years		
Males	26.3 years	26.2 years
Females	27.5 years	27.4 years

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	755,000	632,000
Bonds	56,000	137,000
Property	95,000	80,000
Cash and other liquid assets	93,000	39,000
Other	50,000	-
Total market value of assets	<u>1,049,000</u>	<u>888,000</u>

The actual return on scheme assets was £40,000 (2017: £105,000).

The actuary has advised that an overall expected rate of return on assets of 5.9% has been used but has not provided an analysis of the rate of return for each category of asset.

The amounts recognised in the Statement of Financial Activities are as follows:

	2018 £	2017 £
Current service cost	(217,000)	(175,000)
Past service cost	-	(18,590)
Interest income	24,000	17,000
Interest cost	(63,000)	(48,000)
Total	<u>(256,000)</u>	<u>(224,590)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	2,413,000	2,167,000
Current service cost	217,000	175,000
Interest cost	63,000	48,000
Employee contributions	30,000	28,000
Actuarial (gains)/losses	(340,000)	38,000
Benefits paid	(12,000)	(43,000)
Closing defined benefit obligation	<u>2,371,000</u>	<u>2,413,000</u>

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21. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	888,000	743,000
Expected return on assets	25,000	18,000
Actuarial gains	15,000	19,000
Employer contributions	104,000	124,000
Employee contributions	30,000	28,000
Benefits paid	(12,000)	(43,000)
Administrative expense	(1,000)	(1,000)
Closing fair value of scheme assets	<u>1,049,000</u>	<u>888,000</u>

22. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	15,293	15,293
Between 1 and 5 years	7,366	10,260
Total	<u>22,659</u>	<u>25,553</u>

23. 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.

24. GENERAL INFORMATION

Ansford Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Maggs Lane, Castle Cary, Somerset, BA7 7JJ.

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25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from the local public and private sector organisations, it is likely that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

During the year, the Academy purchased annual membership for £1,200 (2017: £2,200) from the SASH (Somerset Association of Secondary Heads) Education Ltd. By virtue of being a Head Teacher within Somerset, S Pilgrim is a director of SASH Education Ltd. There was no balance outstanding at the year end.