

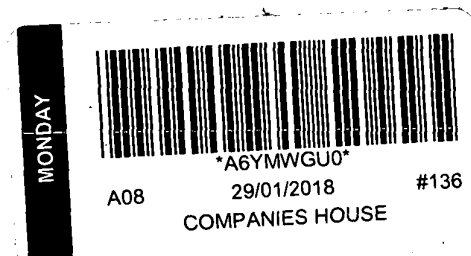
Company Registration No. 07761713 (England and Wales)

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017



KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Andrew Munro (Chairman)
Emma Merry (Accounting Officer) (Appointed 15 August 2017)
Angela Edwards (Accounting Officer) (Resigned 15 August 2017)
Mark Newcombe
Denise Reid (Resigned 7 November 2016)
Hazel Deane (Resigned 26 September 2016)
David Brierley
Marian Coombes (Resigned 17 November 2016)
Edward Cufflin
Emma Potts
Nicola Mason (Appointed 7 December 2016 and resigned 25 September 2017)
Kate Foster (Appointed 7 December 2016)
Balbinder Gangar (Resigned 22 January 2017)
Mark Yates (Appointed 15 November 2016)
Richard Nichols (Appointed 15 November 2016)
Julian Wilks
Lee Donovan (Staff trustee) (Appointed 26 June 2017)
Edward McCann (Staff trustee) (Appointed 26 June 2017)

Members

Andrew Munro
Emma Merry (appointed 15 August 2017)
Angela Edwards (resigned 15 August 2017)

Senior management team

- Headteacher	Angela Edwards (resigned 15 August 2017)
- Headteacher	Emma Merry (appointed 15 August 2017)
- Deputy Head	Bill Pringle
- Assistant Head	Peter Fearson (resigned 31 August 2017)
- Assistant Head	Mark Robertson (appointed 1 January 2017)
- Assistant Head	Martin Russell
- Director of Finance	Lisa Hall (resigned 15 August 2017)
- Director of Finance	Jacquelyn Ellis (appointed 19 September 2016)
- Strategic Business and Curriculum Manager	Michaela Hackett (appointed 15 August 2017)

Company secretary

Michaela Hackett

Company registration number

07761713 (England and Wales)

Principal address

Kibworth High School
A Community Technology College
Smeeton Road, Kibworth
Leicester
Leicestershire
LE8 0LG

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office	Kibworth High School A Community Technology College Smeeton Road, Kibworth Leicester Leicestershire LE8 0LG
Independent auditor	RSM UK Audit LLP Rivermead House 7 Lewis Court Grove Park Leicester Leicestershire LE19 1SD
Bankers	Lloyds Bank plc 7 High Street Leicester LE1 9FS
Solicitors	Legal Services Leicestershire County Council County Hall Glenfield Leicester LE3 8RB

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended on 31 August 2017.

The trust operates an Academy Trust for pupils aged 11 to 16 serving a Kibworth Beauchamp area of Leicestershire. It has a net pupil capacity of 875 after our Age Range change to 11-16 from September 2015 and had a roll of 849 in the school census at October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee (registration number 07761713) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Kibworth High School A Community Technology College and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Kibworth High School.

Details of the Directors and Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

A Trustee may benefit from any indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Academy Trust.

Method of recruitment and appointment or election of Trustees

The members may agree unanimously in writing to appoint additional members and trustees as they think fit and may unanimously agree in writing to remove any members and trustees other than a member or trustee appointed by the Secretary of State.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for each new Trustee will depend on their existing experience. The Academy Trust purchases support that provides for individual and full Board of Trustees training through an annual Course Directory which is reviewed each year to reflect any changes in practice and legislation. The Academy Trust will perform an annual skills audit of Trustees, should any gaps be identified training courses are offered to address these issues.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Organisational structure

The Board of Trustees generally meets four times a year, additionally there are the following Trustee Committees:

- **FINANCE AND RESOURCES COMMITTEE**

Incorporating finance, HR, staffing, audit, site development and community use.

- **STANDARDS AND LEADERSHIP COMMITTEE**

TEACHING AND LEARNING

Incorporating curriculum, Social, Moral, Spiritual & Cultural (SMSC) and quality of teaching.

LEADERSHIP, MANAGEMENT AND GOVERNANCE

Incorporating Strategic Leadership Team (SLT) performance management, Headteacher performance management, review Trustee development, skills audit and training.

- **SAFEGUARDING, HEALTH AND SAFETY COMMITTEE**

Incorporating statutory requirements, IT safety and safe recruitment.

- **OTHER WORKING GROUPS**

MAT, 11-16 years, Disciplinary (staff and pupil).

Arrangements for setting pay and remuneration of key management personnel

The Academy Trust has a sub-committee of the Finance and Resources Committee to ensure that pay decisions reflect the agreed staffing structure and salaries forecast for the financial year as agreed by the Finance & Resource Committee and Full Governing Body. Pay and remuneration for key management staff is set out in the Academies School pay policy for Teachers which is annually reviewed and ratified by the Trustees. The policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD) and has been consulted on with staff and/or the recognised trade unions. The pay policy underpins the Academies Performance Management Policy which provides the opportunity for all staff to discuss their performance and development needs in relation to their job role and pay progression. Where eligible for pay progression, the recommendation made by the appraiser is based on the assessment of their performance against the agreed objectives. The final decision lies with the pay sub-committee, made up of Trustees, and is based on the statutory criteria and guidance set out in the STPCD and the relevant teacher standards.

Related parties and co-operation with other organisations

There were no connected organisations during the year ended 31 August 2017.

OBJECTIVES AND ACTIVITIES

Objectives and aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing of establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum and to promote for the benefit of individuals living in Kibworth Beauchamp and the surrounding area the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

THE KIBWORTH STANDARD

DEVELOPING

This means you are on a journey of improvement:

- Have not met threshold, benchmark, or acceptable standards
- Will have personalized support through coaching
- Will have mentoring
- Targets
- Time limited
- Regularly reassessed and challenged

MASTERY

The accepted Kibworth 'standard' and the expectation for all. You will be:

- Successful
- Consistent
- Capable
- Competent
- Confident
- Resilient
- Flexible
- Research Driven
- Supportive of others
- A team player
- Positive

EXPERT

The aspirational 'standard' for us all. You will be:

- A record breaker
- Research led
- Highly analytical
- Self improving
- Creative
- Innovative
- Ethically proven
- Intelligent interactions
- Timely enthusiasm
- Intuitiveness

SCHOOL ETHOS AND VALUES

VISION:

Our vision is to enable a world class secondary education in this local area and to provide high quality dynamic 11-16 educational opportunities

MISSION:

Our Mission is simple

- Enabling all students to embrace 'Talent, Knowledge and Success' in all that they do
- Ensuring all have access to a world class education to help them progress into world class higher/further education, training, apprenticeships and employment
- Working with and for the local community and being an 'Expert' of education
- The Kibworth School is committed to ensuring a positive, safe and successful place of learning
- We will provide a culture of excellence, knowledge, diversity and tolerance to allow all learners to thrive

1. LEADERSHIP AND MANAGEMENT PRIORITIES:

- Establish the Kibworth Standard, within the local and national context and prepare for growth
- Embed the Kibworth Standard, securing expert learners
- Support and Challenge the Kibworth Learning Community to secure high impact on themselves and others
- Secure all systems to facilitate highly effective and expert learners

2. QUALITY OF TEACHING AND PROFESSIONAL LEARNING:

- All staff understand, appreciate and apply the Kibworth Standard in T&L
- Continually develop and Embed quality assurance systems to support 'Expert' Teaching and Learning
- Quality knowledge driven learning drives a 'thirst' for
- Develop a culture of highly effective professional development for all

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Mission (continued)

3. OUTCOMES FOR ALL STUDENTS:

- Regardless of starting points, progress is high compared to national figures
- Students read widely and often across all subjects, with confidence and fluency
- All students make rapid and sustained progress regardless of their individual context
- Staff, parents/carers and students can articulate with confidence their knowledge and understanding of data and performance

4. PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE:

- Develop and embed expert routines and relationships for learning
- Develop a secure moral and social compass
- The culture of safeguarding is strong and effective
- All students hold high aspirations for their lives, and show a resilience and determination to achieve those goals

Public benefit

The Trustees have complied with the duty in Part 3 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

STRATEGIC REPORT

Achievements and performance

This was the first set of externally validated results for The Kibworth High School ("the School"). The School is well placed and is over subscribed in Key Stage 3 and forecast growth is predicted to continue for the next 10 years.

Financial review

This set of accounts shows the financial performance of the Academy Trust for the year ended 31 August 2017. The Statement of Financial Activities shows that the Academy Trust made a deficit before other recognised gains and losses of £233,445 (2016: surplus of £374,347) in the year ended 31 August 2017. The large shift in the results year on year from a large surplus to a large deficit was purely as a result of the building project and increased staffing. This is not a trend that is expected to continue and it is as a result of the transition to 11-16 years and the requirement to 'staff up'.

The Academy Trust has a restricted fixed assets fund with a balance of £5,959,141 (2016: £6,052,529) and an unrestricted designated fund of £376,197 (2016: £Nil) which are in respect of fixed assets and capital expenditure of the Academy Trust and is therefore not available for general purpose of the charity and will only be realised by disposing of the tangible assets.

The pension liability at 31 August 2017 is £1,230,000 (2016: £1,450,000) which is shown separately in a restricted fund and the trustees continue to review the contribution due based on the reports received from the scheme actuary ensuring the cash is available to meet contributions as they fall due.

The Academy Trust held further fund balances at 31 August 2017 of £Nil (2016: £Nil) relating to restricted general funds and £24,151 (2016: £415,405) relating to unrestricted general funds.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Financial review (continued)

Going forward, the resources allocated in line with the School's strategic priorities are now very clear and concise. Throughout the transition from 11-14 to 11-16, strategic budgeting was not as sharply focussed as it needed to be, particularly as it related to meeting the needs of an expanding school and meeting the needs of the necessary examination costs. Although budgets were in place these were often overspent and not rectified as it related to the short, medium or long-term planning of the School and its needs. The School now has a clear budget forecast, for the next three years, and five years, which identifies spending opportunities and risks and sets how these will be mitigated. These details have already been shared with the Trustees and Governors in a detailed report. The School does not have sufficient reserves anymore due to the overspend on the new build and expansion of the School considering the age range changes. However, this has been identified and a clear strategic financial plan is in place to rapidly rectify this situation within 2 years and then a surplus budget from then onwards.

In the short term this has had a detrimental impact on the School's ability to implement major changes such as re-structuring.

For 2017/18 onwards the School is now making best use of its budget, including in relation to planning and delivery of the curriculum. A detailed report to support the financial planning for cost effective and value for money staffing is in place. For the financial year 2016/17 additional staffing was needed due to the introduction of GCSE's, however the cost effectiveness of the curriculum planned for 2017/18 (originally 93% of GAG – Sept 2017) has been reviewed and rapidly changed to increase the financial efficiency of the curriculum and its associated staffing, without being detrimental to the learning and outcomes of the students (Dec 2017 87% of GAG). Use of supply staff in 2016/17 cost the School approximately £72,000 is now more effectively managed and agreed only by the Headteacher such that supply staff are now very rarely utilised to support the main curriculum. Further reductions in staffing costs are planned with no supply staff planned for the remainder of the academic year.

The School now plans its budgets on a bottom up basis driven by curriculum planning, to support the priorities of the school and to ensure that financial benchmarking is adhered to. Clearly further adjustments will be made if this is deemed appropriate to support the move towards a surplus in 2017/18, however this will not be to the detriment of the school priorities.

The School's assets and financial resources were not being used as efficiently or effectively as they could have; however the inexperience of the staff moving to an 11-16 school clearly impacted upon the budgetary management of this transitional process.

It should also be noted that the School has undertaken a review of additional sources of funding. As a result of this, further capital funding of approximately £54,000 of s106 monies are expected in early 2018 with subsequent amounts in the pipeline as a result of extensive development in the local area.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Financial review (continued)

Better value for money is now being achieved from the budget by:

- Reduced ratios of staffing to GAG funding
- Revised curriculum and timetables that offers a broad and balanced curriculum
- Revised percentage of contact time for all teachers
- Revised protocols for supply staff
- Increased value for money regarding teacher/support staff ratio
- Appointment of suitably qualified staff that can offer strategic advice
- Revised performance management and support staff appraisal process and policies
- Appointments of governors with specific skills
- Shared financial practitioner practice with other schools and academies
- Introduction of more fixed term contracts
- Management of Change policy revisions and review
- Introduction of greater financial accountability for all at every level with support and training
- Revision of other associated policies and procedures
- Greater transparency with Governance reports and papers in line with ESFA guidance
- Revision of energy costs
- Claimed legacy tax rebates
- Adhere to and use the schools benchmarking website
- Utilise the schools' financial standards and assurance
- Internal audits from the Local Authority, RSM.
- Agree legacy 106 section money to be paid by the Local Authority

Financial and risk management objectives and policies

The Academy Trust's main source of funding is from Education and Skills Funding Agency (ESFA) and as such this minimises the Trust's exposure to cash flow or liquidity issues. Cash flow is managed on a monthly basis to reflect the profile of income received.

The Academy Trust has an Investment Policy which takes in to consideration where and how much will be invested and the security of any investments is reviewed before any investment decisions are taken. Expenditure is used to achieve the Academy Trust's educational priorities at all times. The Academy Trust does not currently hold any investments.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Reserves policy

The Finance and Resources Committee aims to regularly review the nature of income and expenditure streams and the need to match income with commitments, to have regard to the potential liabilities which may arise, to identify and maintain an appropriate level of free reserves, and to consider and set aside funds for significant projects that cannot be met by future income alone.

The School are aiming to build and maintain a minimum revenue reserve fund of at least one month's payroll costs.

The actual amount of reserves required (which may be more) shall be reviewed and determined annually as part of the budget setting process. The level of reserves will reflect the school improvement plan and be in line with the medium term financial plan (the 3/5 year budget), it will also take into account any unmitigated risks identified in the academies Risk Register. Any change in policy requires the approval of the Board of Trustees.

Currently we are not meeting the targeted level of reserves due to the issues identified in the financial review, however, there is a five year plan in place based on an organisational change, change of policies and procedures. All of these will assist in the recovery of the reserves and work towards the targeted level of reserves as indicated above.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer to employee contributions, increased government funding or changes to scheme benefits.

Investment policy

To deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its object but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification. The Academy Trust does not currently hold any investments.

Key performance indicators

Progress for the first set of results as an Academy convertor were average -0.22 overall but when remarks and significant outliers are removed this becomes 0.18. Attainment remained strong with all but two subjects below the national averages. When compared to national and local authority percentage our students outperformed them all in the following: attainment 8, grade 5 or above in English and Math's, achieving EBacc at grade 5/C or above and the percentage of students entered for EBacc. This is also true for grade 4 or above in English and Maths GCSEs. Students' progress in Maths and English is strong with students making +0.23 progress in English and +0.36 progress in Maths.

2017's Year 11 had 149 students, with a 55/45% split of boys to girls. 12 (8%) of the students were Pupil Premium, 21 (14%) were SEND and 4 (3%) of the students fall into both Pupil Premium and SEND. Only 2 (1.5%) of the students are identified as EAL, and 20 (13%) of the students are of non-white ethnicity. All context group factors are significantly below national average. The group is of generally high ability, with an APS from Key Stage 2 of 28.2. 45% of the students are high prior attainment, scoring a level 5 or higher in the KS2 SATs, with an APS of 31.8. 43% of the students are middle prior attainment, achieving a level 4 at KS2 SATs, with an APS of 28.1. Only 8 (5%) of students are low prior attainment, with 7 achieving a level 3 KS2 SATs, and 1 student at below level 3. 9 students have no KS2 prior attainment data.

Overall attainment was strong, with 73% of the students achieving a 'standard' pass in 5 subjects, including English Language and Maths. Pass rates in English at 'standard' level are 89% and 'good' level are 77%. This is significantly above the national average (national standard pass is 62%). Similarly, for Maths 'standard' pass is 88%, significantly above the national average of 59%, and 'good' pass is at 72%. 41% of the students were entered for a complete suite of EBacc subjects, with just over 50% of those achieving 'standard' passes in all 5 subjects to qualify. 58.5% of students achieved passes in at least two sciences, and 56% of entered students achieved a pass in an MFL subject (42% entry). Humanities pass rate is 67% of entrants (94% entry).

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Key performance indicators (continued)

Although boys outperformed girls, there is no significant variation between the genders in terms of attainment when looking at the whole cohort. There is a significant attainment gap between the middle and lower prior attainers of 2 GCSE grades lower performance. This is replicated in both boys and girls.

Overall, there is a slight variance between the attainment of Pupil Premium students, when measured against non-Pupil Premium students, (4.29 vs 4.9). However, this is within the same GCSE grade band – grade 4 – and only appears in fine level analysis. Pupil Premium girls attained significantly lower than both the Pupil Premium boys, and the non-Pupil Premium girls. This is a very small cohort, of only 5 students, and with the female Pupil Premium outlier removed, the higher prior attainers actually achieved the highest average attainment in the school. However, the middle ability Pupil Premium girls are a significant area of concern, achieving almost 2 GCSE grades lower on average than their non-Pupil Premium counterparts. There is significant lower attainment by SEND groups than non-SEND. Whilst the overall cohort is skewed by lower ability profile (9.5% higher, 52% middle, and 33% lower prior attainment at KS2), there are variances within each comparable SEND to non-SEND sub group. High ability SEN boys, of whom both are outliers, performed poorly, but middle and lower ability groups performed between a half and full GCSE grade less well than their non-SEND counterparts.

The underachievement of SEND students is reflected in the whole cohort lower ability results, where all but 1 of the students classifies as SEN. There are 2 students, 1.5% of the cohort, who are identified as EAL. Both the boys are higher prior ability, and made good progress achieving an average an A8 score of 5.75 overall, non-white ethnic groups outperformed the white-British cohort. However, this is minimal. When further drilled into, the data shows outstanding performance of the higher prior attaining non-white students, who compensate for the underperformance of the middle and lower prior attaining boys. Strong attainment was made by all non-white ethnic group girls. Of this group of 8 underperforming boys, 4 are Caribbean representing 100% of this group.

To support the growth of the School from an 11-14 Academy to an 11-16 Academy, significant building works and investment to the site were needed to meet the needs of the learners and school within the immediate to medium term. This project was agreed with the Local Authority and supported with section 106 funding of £801,000, however the cheapest tender returned at £1,000,000. The final costing of the new build was £1,395,744. Therefore the decision by the previous Headteacher, who has now retired, was to utilise unrestricted reserves. In total £435,596 of unrestricted reserves were needed to fund additional capital work in the year. The fixed assets purchased with unrestricted funding are represented by a designated fund the balance of which was £376,197 (2016: £Nil) at the year end.

There is a continuing need in the local area for school places both at Secondary and Primary school levels. The School is already the 'School of choice' in the local area. The move to 11-16 age range to create a single educational solution will meet the needs of students by removing the potential disruptive transition at the end of Key Stage 3 and provide a high-quality 11-16 provision. The new build is to provide high quality dynamic 11-16 educational opportunities for students of all abilities by:

- Creating a safe, stimulating and positive learning environment for all
- Building on the work of KS2 by developing strong curriculum and assessment links with KS2
- Creating more opportunities for students to study and explore technology subjects linked with Science and Maths
- A sharp and relentless focus on improving the quality of teaching and learning, particularly in Maths, Science and Computing subjects
- Building upon the existing strengths and expertise of colleagues in both phases
- Securing a dynamic and cohesive assessment framework throughout the new academy, especially for Maths, Computing and Science subjects
- Expanding SMSC, enrichment activities and learning opportunities beyond the classroom
- Enable and provide greater opportunity for EAL, SEND and Disadvantaged students to gain a curiosity for Science, Maths and Computing to then lead to great engagement and achievements within these subjects
- Provide teaching and support staff with an up to date technology based learning environment

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Key performance indicators (continued)

In our first year we are already reaping the benefits of the new build as evidenced by the following impact to date:

- When compared to national and local authority percentages, our students outperformed them all in the following: attainment 8, grade 5 or above in English and Maths, achieving EBacc at grade 5/C or above and the percentage of students entered for EBacc
- This is also significantly true for grade 4 or above in English and Maths GCSEs. Students' progress in Maths and English is strong with students making +0.23 progress in English and +0.36 progress in Maths
- Improvements are already being seen in progress to date with the current working level for the Year 11 cohort estimated at -0.12, a significant improvement when compared to last year at the same point. We anticipate that our final progress score will be above average and well above the local authority average
- Current attainment 8 working levels for girls (5.15) are already at their target grades with the boys less than 0.3 grade behind their final predicted grade (5.0)
- Middle ability girls and lower ability students are currently on target or above
- Pupil Premium girls are only 0.14 below their final target grade when compared to the boys who are grade below their target grade at this time, this is a key focus for the school

Going concern

The Trustees are aware there is financial pressure on the Academy Trust and as such it has been necessary for the Academy Trust to consider an internal restructuring plan to reduce expenditure for 2017/18. The latest detailed budgets and cashflow forecasts support the future viability of the Academy Trust with cash remaining positive for the forecast period of at least one year from the date of authorisation of these financial statements. Management also consider that further savings can be made from the internal restructuring plan and that the cash position will be improved further through the receipt of s106 monies due to the Academy Trust during 2017/18. On this basis, the Board of Trustees are satisfied that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and for a period of at least one year from the date of authorisation of these financial statements. Under these conditions the going concern basis is adopted in preparing the financial statements.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Plans for future periods

MAJOR STRATEGY THEMES OR AREAS	NATURE OF DIRECTION/ACTIVITY	KEY OUTCOMES	TIME	PERSON WITH OVERSIGHT
1. Pupil outcomes and progress	1a) Raise standards through the new curriculum and assessment processes to promote outstanding achievement for all students.	1a) No student below FFT5 for Basics and the vast majority of other subjects. If a specified individual need is identified at least above FFT20 for all subjects.	3 years	ALL STAFF & TRUSTEES EME/SLT
	1b) Develop and embed the 'Knowledge' curriculum and set individual targets using staff and assessment processes.	1b (i) students receive individualised targets to enable them to develop effective learning skills. (ii) Layered and individual targets effectively used, understood and acted upon by staff, students and parents. (iii) Targets are actively monitored through 'Knowledge' steps and associated skills that support progress and learning overtime.	2 years	SLT – ALL STAFF Parent Assessment group
	1c) Develop and embed effective reporting and assessment to all.	1c (i) All stakeholders have the opportunity to regularly access and assess the information they have about our students. (ii) Triangulation between progress, knowledge and skills is secure in line with every students curriculum and associated outcomes. (iii) All stakeholders are secure about what learning, knowledge and specific skills are needed in line with every students' curriculum and associated outcomes.	3 years	ALL STAFF & TRUSTEES EME/SLT Parent Assessment group
2. Staff support and development	2a) Develop appropriate staffing capability and capacity for teaching school - Explore teaching schools, Academy expansion, and specialist teaching.	2a (i) CPD appropriate to staffing needs – knowledge curriculum, expert teaching, expertise explored with in and out of school shadow structure designed for all posts. (ii) Structure implemented gradually and linked to specialist teachers across academy. (iii) Expansion of Academy and governance/management structure fit for purpose.	5 years	Chair of Trustees and EME
	2b) Ensure that all staff are competent in the latest curriculum developments including changes in exam specification/assessment and requirements.	2b) Invest in leadership, support staff, technical support, hardware, and professional development leading to significantly enhanced learning opportunities.	3 years ongoing	EME/SLT ALL STAFF LEEP support

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

MAJOR STRATEGY THEMES OR AREAS	NATURE OF DIRECTION/ACTIVITY	KEY OUTCOMES	TIME	PERSON WITH OVERSIGHT
3. Pastoral support and home/community links	3a) Develop opportunities for expanding the curriculum beyond the school and long-life community members.	3a (i) Community needs and appropriate funding identified. (ii) Space and facilities made available and activities established, external services, outside agency links and networks established – linked to community programmes and initiatives.	5 years	Trustees and EME
4. Leadership and governance	4a) Develop the leaders of the future.	4a (i) Programme of innovation development opportunities internal and national – National College, TELA, LEEP – established for all staff. (ii) CPD programme established for staff using Local networks and Local Learning Partnership TELA, Local Leader of Education LLE and National Leader of Education NLE support.	3 years	TRUSTEES ALL STAFF
	4b) Leadership team and Governors to be active in strategic networks.	4b) Active participation in local and national activities for all staff – TELA, Excellence Heads Groups, LEEP.	3 years	ALL STAFF
	4c) All staff and Governors to be active in Primary strategic networks.	4c) Active participation in local activities for all staff.	2 years	TRUSTEES ALL STAFF
5. School learning environment	5a) Refurbish areas of school, all years growth and expansion, mobiles/extensions.	5a) Designs completed, funds acquired and projects implemented.	5 years	ALL STAFF
	5b) New recreational learning areas and development of existing areas.	5b) Designs completed funds acquired and projects implemented, permanent outdoor structures, and classes/areas/maintained.	5 years	ALL STAFF
6. Multi-Academy Trust	6a) Join a multi-academy Trust to ensure the educational experiences for all.	6a) 100 day plan/Timeline of activities agreed with Governors 6b) Actions and formal processes agreed with Governors and RSC.	2 years	TRUSTEES AND EME
	6b) Extend the educational provision of the local area through additional 3 – 18yrs provision.	6a) Work as part of the Multi-Academy Trust and with the local authority to meet growing needs with in the local area. 6b) Work with the Trust and the local authority to plan 106 section funding to meet the needs of the educational provision within the local area.	5 years	TRUSTEES AND EME

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

TRUSTEES' REPORT (CONTINUED)

Principal risks and uncertainties

The Academy Trust has prepared a risk register to identify and prioritise the major risks facing the organisation. Control procedures, target dates and those accountable have also been identified. The register will be monitored internally and reviewed annually by the Board of Trustees. Major risks identified include strategic risks in terms of charitable objects risk, long term demand risk and a change of government educational or funding policy risk.

The Trustees have also adopted the Statement of Recommended Practice (SORP) approach to identifying and managing the risks of the Trust. The schedule of risks will be tabled at all Finance and Resources Committee meetings and mitigating actions agreed as required. The full Trustee group will review the risk log on an annual basis.

The Strategic Risk register encompasses the risks identified by Trustees that the Academy faces. These are:

- Strategic Risks including long term demand risk, charitable objects risk, competition risk;
- Governing Body Organisation Risk, including delegation risk and Headteacher absence;
- Public profile Risk, including Trustee profile risk, Expenditure risk and Quality of service/produce risk.

The Trustees have plans in place to mitigate these risks which includes future student numbers to be monitored by Headteacher/SLT and report to Governing Body on annual basis, a Development Plan to offer variety of academic subjects and ensure high quality teaching and learning, actual costs published in annual accounts and reviewed each budget.

Student numbers are set to increase, however over the next two years some of our pupil number funding is allocated to other local secondary phase schools as a result of age range policies.

With known planned increases in expenditure and reductions in overall pupil funding, decisions have been taken to reduce the staff FTE through organisational change and natural wastage, review of services and contracts and seeking further value for money savings.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There were no funds held as Custodian Trustee.

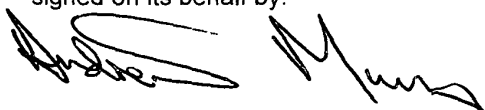
AUDITOR

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the Directors at a meeting on 20 December 2017 and signed on its behalf by:



Andrew Munro
Chairman

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Kibworth High School A Community Technology College 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 Headteacher, as Accounting Officer, for ensuring financial controls conform to 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 Kibworth High School A Community Technology College and the Secretary of State for Education. The Headteacher is 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 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Andrew Munro (Chairman)	4	4
Emma Merry (Accounting Officer) (Appointed 15 August 2017)	0	0
Angela Edwards (Accounting Officer) (Resigned 15 August 2017)	4	4
Mark Newcombe	3	4
Denise Reid (Resigned 7 November 2016)	0	1
Hazel Deane (Resigned 26 September 2016)	0	1
David Brierley	4	4
Marian Coombes (Resigned 17 November 2016)	0	1
Edward Cufflin	3	4
Emma Potts	3	4
Nicola Mason (Appointed 7 December 2016 and resigned 25 September 2017)	1	3
Kate Foster (Appointed 7 December 2016)	2	3
Balbinder Gangar (Resigned 22 January 2017)	0	1
Mark Yates (Appointed 15 November 2016)	3	3
Richard Nichols (Appointed 15 November 2016)	2	3
Julian Wilks	2	4
Lee Donovan (Staff trustee) (Appointed 26 June 2017)	1	1
Edward McCann (Staff trustee) (Appointed 26 June 2017)	1	1

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

During 2016/17, the Governor Development Group met twice to review governance and the Governor Development Plan (the 'Plan') including roles and responsibilities of the Chair, Trustees and Committees. Outcomes and impacts for students was also a specific agenda item on each Board of Trustees meeting. The Plan continues to be reviewed and any development identified together with corrective actions where further work is required.

There were a number of resignations during the year and new appointments were swift. Ratification of the appointment of Mrs Emma Merry as new Headteacher from the beginning of the Autumn Term 2017 was given at the Full Governing Body meeting held on 8th March 2017. Mrs Merry was in attendance at the majority of meeting prior to her official commencement date.

The Chair of Governors is a National Leader of Governance trained and accredited by the NCTL to carry out these types of review.

The Finance and Resources Committee is a sub-committee of the Board of Trustees. Its terms of reference are to review and approve the school budget; receive regular financial reports from the school Director of Finance; receive reports from other Trustee Committees on financial matters; receive reports from the Headteacher on staffing issues; monitor staffing levels and performance; review pay policy annually; review and monitor site building work; monitor community liaison and site usage; run annual forum for community users; full functions of the Audit Committee and review appropriate policies.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Andrew Munro (Chairman)	3	3
Emma Merry (Accounting Officer) (Appointed 15 August 2017)	0	0
Angela Edwards (Accounting Officer) (Resigned 15 August 2017)	3	3
Mark Newcombe	0	3
David Brierley	2	3
Edward Cufflin	2	3
Emma Potts	1	3
Balbinder Gangar (Resigned 22 January 2017)	0	0

Review of value for money

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

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

- Delivering targeted intervention effectively with funds available;
- Reviewing costs of Energy contracts;
- Receiving three quotes where necessary;
- Reviewing costs of other amenities including Telephone charges.

The appointment of the new Headteacher on August 23rd 2017 has brought the attention to the improvement of the above with rapidity and full support of the Governors. Swift progress has already been noted. Policies, reporting, systems and structures are now more effective and rigorous.

Achieving value for money is ongoing within the Academy Trust and is key for any future plans for the Academy. Further detail on how value for money will be delivered can be found on page 8 of the Trustees' Report.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kibworth High School A Community Technology College for the year ended 31 August 2017 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 Trust 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period commencing on 1 September 2016 ending on 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Academy Trust'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 Resources 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 have considered the need for a specific internal audit function and has appointed Leicestershire County Council's Internal Audit Service who also act as Responsible Officer (RO). The internal auditor's role includes giving advice on financial matters concerning risk and internal control and performing a range of checks on the Academy Trust's financial systems. On an annual basis, following the annual site visit to the Academy, the internal auditor reports to the Board of Trustees via the Finance and Resources Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Board of Trustees is responsible for agreeing an action plan and monitoring that the action plan is successfully implemented. The internal auditors reported to the Finance and Resources Committee on 5 November 2017.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Director of Finance within the Academy Trust who has 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 Finance and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 20 December 2017 and signed on its behalf by:



Andrew Munro
Chairman



Emma Merry
Accounting Officer

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Kibworth High School A Community Technology College I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



Emma Merry
Accounting Officer

20 December 2017

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the 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 Kibworth High School A Community Technology College and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

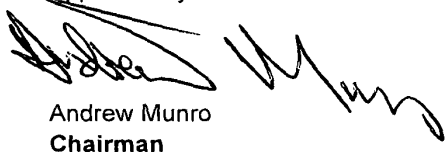
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 20 December 2017 and signed on its behalf by:



Andrew Munro
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

Opinion on financial statements

We have audited the financial statements of Kibworth High School A Community Technology College (the "academy trust") for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), 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 charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and the incorporated Strategic 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 by the charitable company, 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 set out on page 20, the Trustees (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire, LE19 1SD
20/12/17

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

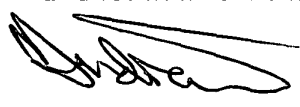

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2017	Total 2016
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	4	-	10,000	69,570	79,570	875,820
Charitable activities:						
- Funding for educational operations	5	-	3,981,965	-	3,981,965	2,892,337
Other trading activities	6	187,009	-	-	187,009	190,256
Investments	7	407	-	-	407	1,796
Total		<u>187,416</u>	<u>3,991,965</u>	<u>69,570</u>	<u>4,248,951</u>	<u>3,960,209</u>
Expenditure on:						
Raising funds	8	113,244	-	-	113,244	87,046
Charitable activities:						
- Educational operations	9	32,149	4,174,045	162,958	4,369,152	3,498,816
Total	8	<u>145,393</u>	<u>4,174,045</u>	<u>162,958</u>	<u>4,482,396</u>	<u>3,585,862</u>
Net (expenditure)/income		42,023	(182,080)	(93,388)	(233,445)	374,347
Transfers between funds		(57,080)	57,080	-	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	345,000	-	345,000	(292,000)
Net movement in funds		<u>(15,057)</u>	<u>220,000</u>	<u>(93,388)</u>	<u>111,555</u>	<u>82,347</u>
Reconciliation of funds						
Total funds brought forward		<u>415,405</u>	<u>(1,450,000)</u>	<u>6,052,529</u>	<u>5,017,934</u>	<u>4,935,587</u>
Total funds carried forward		<u>400,348</u>	<u>(1,230,000)</u>	<u>5,959,141</u>	<u>5,129,489</u>	<u>5,017,934</u>

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE**BALANCE SHEET****AS AT 31 AUGUST 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	13		6,362,588		5,237,506
Current assets					
Debtors	14	147,697		896,699	
Cash at bank and in hand		167,106		668,989	
		314,803		1,565,688	
Current liabilities					
Creditors: amounts falling due within one year	15	(307,326)		(316,060)	
Net current assets			7,477		1,249,628
Total assets less current liabilities			6,370,065		6,487,134
Creditors: amounts falling due after more than one year	16		(10,576)		(19,200)
Net assets excluding pension liability			6,359,489		6,467,934
Defined benefit pension scheme liability	24		(1,230,000)		(1,450,000)
Net assets			5,129,489		5,017,934
Funds of the Academy Trust:					
Restricted funds	19				
- Restricted fixed asset funds			5,959,141		6,052,529
- Pension reserve			(1,230,000)		(1,450,000)
Total restricted funds			4,729,141		4,602,529
Unrestricted income funds	19		400,348		415,405
Total funds			5,129,489		5,017,934

The financial statements on pages 23 to 46 were approved by the Board of Trustees and authorised for issue on 20 December 2017 and are signed on their behalf by:

Andrew Munro
Chairman

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	23		8,453		(283,812)
Cash flows from investing activities					
Dividends, interest and rents from investments		407		1,796	
Capital grants from DfE and ESFA		818,070		64,820	
Purchase of tangible fixed assets		(1,320,189)		(131,815)	
Net cash used in investing activities			(501,712)		(65,199)
Cash flows from financing activities					
Repayment of other loan		(8,624)		(8,626)	
Net cash used in financing activities			(8,624)		(8,626)
Net decrease in cash and cash equivalents in the reporting period			(501,883)		(357,637)
Cash and cash equivalents at beginning of the year			668,989		1,026,626
Cash and cash equivalents at end of the year			167,106		668,989

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

General information

Kibworth High School A Community Technology College is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

Basis of preparation

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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

Going concern

The Trustees are aware there is financial pressure on the Academy Trust and as such it has been necessary for the Academy Trust to consider an internal restructuring plan to reduce expenditure for 2017/18. The latest detailed budgets and cashflow forecasts support the future viability of the Academy Trust with cash remaining positive for the forecast period of at least one year from the date of authorisation of these financial statements. Management also consider that further savings can be made from the internal restructuring plan and that the cash position will be improved further through the receipt of s106 monies due to the Academy Trust during 2017/18. On this basis, the Board of Trustees are satisfied that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and for a period of at least one year from the date of authorisation of these financial statements. Under these conditions the going concern basis is adopted in preparing the financial statements.

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Capital grants are recognised in full when there is an entitlement, when performance-related conditions have been met, and are not deferred over the life of an asset on which they are expended. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund.

Donations

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

Other income

Other income, including the hire of facilities, is recognised at fair value of the consideration received or receivable in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the Statement of Financial Activities as incurred.

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

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

Long leasehold buildings	Over 50 years
Assets under construction	Not depreciated
Computer equipment	Over 3 years
Fixtures, fittings and equipment	Over 3 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Liabilities

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

Financial instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs). A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Amounts classified as other loans are Salix loans. These are concessionary loans under SORP FRS 102 as they are loans that have been advanced to further the Academy Trust's charitable purposes at an interest rate that is below market rates. In line with SORP FRS 102 the Academy Trust has chosen to initially measure the concessionary loan at transaction price and subsequently measure it at amortised cost, being transaction price less any amounts settled.

Taxation

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

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but 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 are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

The LGPS is a funded scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 comprehensive income. Actuarial gains and losses are recognised immediately in other comprehensive income.

Fund accounting

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

Designated tangible fixed asset funds comprise of tangible fixed assets which are funded by the Academy Trust out of unrestricted funds. Depreciation charged on those assets is allocated to this fund.

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

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

Employment benefits

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Pension scheme

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgment. Depreciation is charged to the Statement of Financial Activities based on the useful economic life selected, which requires an estimation of the period and profile over which the Academy Trust expects to consume the future economic benefits embodied in the assets.

Critical areas of judgement

In the opinion of the Trustees they are not aware of any areas of judgement that are critical to the Academy Trust's financial statements.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Comparative year information

Year ended 31 August 2016	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2016
	£	£	£	£
Income and endowments from:				
Donations and capital grants	-	10,000	865,820	875,820
Charitable activities:				
- Funding for educational operations	-	2,892,337	-	2,892,337
Other trading activities	190,256	-	-	190,256
Investments	1,796	-	-	1,796
Total	192,052	2,902,337	865,820	3,960,209
Expenditure on:				
Raising funds	87,046	-	-	87,046
Charitable activities:				
- Educational operations	-	3,355,960	142,856	3,498,816
Total	87,046	3,355,960	142,856	3,585,862
Net income/(expenditure)	105,006	(453,623)	722,964	374,347
Transfers between funds	(45,081)	(35,937)	81,018	-
Other recognised gains/(losses)				
Actuarial losses on defined benefit pension schemes	-	(292,000)	-	(292,000)
Net movement in funds	59,925	(781,560)	803,982	82,347

4 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Capital grants	-	69,570	69,570	865,820
Other donations	-	10,000	10,000	10,000
	-	79,570	79,570	875,820

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	3,854,705	3,854,705	2,775,546
Other DfE / ESFA grants	-	109,002	109,002	93,787
	-	3,963,707	3,963,707	2,869,333
Other government grants				
Local authority grants	-	18,258	18,258	23,004
	-	3,981,965	3,981,965	2,892,337

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	49,065	-	49,065	43,868
Uniform sales	981	-	981	824
Academy trips	114,779	-	114,779	137,988
Other income	22,184	-	22,184	7,576
	187,009	-	187,009	190,256

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Interest from short term deposits	407	-	407	1,796

8 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2017 £	Total 2016 £
		Premises £	Other £		
Expenditure on raising funds	-	-	113,244	113,244	87,046
Academy's educational operations					
- Direct costs	2,624,790	-	166,111	2,790,901	2,220,291
- Allocated support costs	870,846	405,065	302,340	1,578,251	1,278,525
Total support costs	3,495,636	405,065	581,695	4,482,396	3,585,862

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Expenditure (Continued)

Net (expenditure)/income for the year includes:	2017	2016
	£	£
Depreciation of tangible fixed assets	195,107	142,856
Net interest on defined benefit pension liability	31,000	42,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	14,050	12,070
- Other services	4,945	5,000
	<u>19,995</u>	<u>17,070</u>

9 Charitable activities

	Unrestricted funds	Restricted funds	Total	Total
	£	£	2017	2016
			£	£
Direct costs - educational operations	-	2,790,901	2,790,901	2,220,291
Support costs - educational operations	32,149	1,546,102	1,578,251	1,278,525
	<u>32,149</u>	<u>4,337,003</u>	<u>4,369,152</u>	<u>3,498,816</u>
			2017	2016
			£	£
Analysis of support costs				
Support staff costs			870,846	636,904
Depreciation			195,107	142,856
Premises costs			209,958	242,283
Other support costs			283,345	237,293
Governance costs			18,995	19,189
			<u>1,578,251</u>	<u>1,278,525</u>

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

10 Staff

Staff costs

Staff costs during the year were:

	2017 £	2016 £
Wages and salaries	2,578,258	2,044,153
Social security costs	244,676	169,106
Operating costs of defined benefit pension schemes	532,739	374,712
Total staff costs	3,355,673	2,587,971
Supply staff costs	115,241	94,213
Staff restructuring costs	-	11,064
Staff development and other staff costs	24,722	15,250
	<u>3,495,636</u>	<u>2,708,498</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory payments totalling £nil (2016: £11,064). Individually, the payments were: £nil (2016: £11,064).

Staff numbers

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

	2017 Number	2016 Number
Teachers	46	41
Administration and support	43	32
Management	11	5
	<u>100</u>	<u>78</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1
	<u>2</u>	<u>2</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Academy Trust was £393,895 (2016: £333,583).

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees.

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

Angela Edwards (Headteacher and Accounting Officer until 15 August 2017) received remuneration of £87,696 in 2017 (2016: £84,731) and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £14,488 (2016: £13,964).

Emma Merry (Headteacher and Accounting Officer appointed 15 August 2017) received remuneration of £1,924 in 2017 and is accruing retirement benefits under the Teacher's Pension Scheme. The contributions paid in the year amounted to £317.

Edward McCann (Staff Trustee appointed 26 June 2017) received remuneration of £5,928 in 2017 and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £978.

Lee Donovan (Staff Trustee appointed 26 June 2017) received remuneration of £7,170 in 2017 and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £1,182.

During the year ended 31 August 2017, no expenses were reimbursed to Trustees (2016: £nil).

During the year there were no other related party transactions involving Trustees.

12 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2017 was £1,089 (2016: £743).

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

13 Tangible fixed assets

	Long leasehold buildings	Assets under construction	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2016	5,637,159	10,580	236,346	37,902	5,921,987
Transfer	1,138,117	(1,138,117)	-	-	-
Additions	72,828	1,127,537	66,197	53,627	1,320,189
At 31 August 2017	6,848,104	-	302,543	91,529	7,242,176
Depreciation					
At 1 September 2016	511,366	-	146,361	26,754	684,481
Charge for the year	125,308	-	57,936	11,863	195,107
At 31 August 2017	636,674	-	204,297	38,617	879,588
Net book value					
At 31 August 2017	6,211,430	-	98,246	52,912	6,362,588
At 31 August 2016	5,125,793	10,580	89,985	11,148	5,237,506

14 Debtors

	2017 £	2016 £
Trade debtors	1,125	2,597
VAT recoverable	15,832	55,610
Prepayments and accrued income	130,740	838,492
	147,697	896,699

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Other loans	8,625	8,625
Trade creditors	46,836	110,036
Other taxation and social security	82,283	98,360
Other creditors	37,494	-
Accruals and deferred income (see note 17)	132,088	99,039
	307,326	316,060

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

16 Creditors: amounts falling due after more than one year	2017 £	2016 £
Other loans	10,576	19,200
Analysis of loans		
Wholly repayable within five years	19,201	27,825
Less: included in current liabilities	(8,625)	(8,625)
Amounts included above	10,576	19,200
Loan maturity		
Debt due in one year or less	8,625	8,625
Due in more than one year but not more than two years	8,625	8,625
Due in more than two years but not more than five years	1,951	10,575
	19,201	27,825

Included within other loans is a loan of £19,201 (2016: £27,825) from Salix. The loan is interest free and payable by annual instalments.

17 Deferred income	2017 £	2016 £
Deferred income is included within:		
Creditors due within one year	38,088	44,662
Deferred income at 1 September 2016	44,662	42,659
Released from previous years	(44,662)	(42,659)
Amounts deferred in the year	38,088	44,662
Deferred income at 31 August 2017	38,088	44,662

At 31 August 2017 deferred income was made up of £38,088 (2016: £44,662) for Academy trip income for trips taking place in the following year.

18 Financial instruments	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	80,125	803,597
Carrying amount of financial liabilities		
Other financial liabilities	(19,201)	(27,825)
Measured at amortised cost	(140,836)	(164,413)

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	3,854,705	(3,911,785)	57,080	-
Other DfE / ESFA grants	-	109,002	(109,002)	-	-
Other government grants	-	18,258	(18,258)	-	-
Other restricted funds	-	10,000	(10,000)	-	-
Pension reserve	(1,450,000)	-	(125,000)	345,000	(1,230,000)
	<u>(1,450,000)</u>	<u>3,991,965</u>	<u>(4,174,045)</u>	<u>402,080</u>	<u>(1,230,000)</u>
Restricted fixed asset funds					
Inherited funds	4,552,866	-	(100,988)	-	4,451,878
DfE / ESFA capital grants	927,877	69,570	(24,796)	-	972,651
Capital expenditure from GAG	571,786	-	(37,174)	-	534,612
	<u>6,052,529</u>	<u>69,570</u>	<u>(162,958)</u>	<u>-</u>	<u>5,959,141</u>
Total restricted funds	<u>4,602,529</u>	<u>4,061,535</u>	<u>(4,337,003)</u>	<u>402,080</u>	<u>4,729,141</u>
Unrestricted funds					
General funds	415,405	187,416	(113,244)	(465,426)	24,151
Designated fixed assets	-	-	(32,149)	408,346	376,197
	<u>415,405</u>	<u>187,416</u>	<u>(145,393)</u>	<u>(57,080)</u>	<u>400,348</u>
Total funds	<u>5,017,934</u>	<u>4,248,951</u>	<u>(4,482,396)</u>	<u>345,000</u>	<u>5,129,489</u>

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Funds (Continued)

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

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

Restricted general funds

This fund represents grants received for the Academy Trust's operational activities and development. This includes the pension reserve which represents the potential liability due by the Academy Trust's at the year end.

Restricted fixed asset fund

This fund represents the net book value of fixed assets that the Academy Trust has purchased out of grants received or those that have been transferred on conversion.

Unrestricted funds

The unrestricted funds represent funds available to the Trustees to apply for the general purposes of the Academy Trust.

Included within unrestricted funds is a designated tangible fixed asset fund which recognises tangible fixed assets funded by the Academy out of unrestricted funds. Depreciation charged on those assets is allocated to this fund.

In the current year, a transfer of £408,346 was made between unrestricted general funds and designated fixed asset funds in respect of assets purchased during the year. Further, a fund transfer of £57,080 was made between the general annual grant restricted fund and unrestricted general funds, in order to cover a deficit in restricted funds.

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Funds (Continued)

Funds prior year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	416,560	2,775,546	(3,156,169)	(35,937)	-
Other DfE / ESFA grants	-	93,787	(93,787)	-	-
Other government grants	-	23,004	(23,004)	-	-
Other restricted funds	-	10,000	(10,000)	-	-
Pension reserve	(1,085,000)	-	(73,000)	(292,000)	(1,450,000)
	<u>(668,440)</u>	<u>2,902,337</u>	<u>(3,355,960)</u>	<u>(327,937)</u>	<u>(1,450,000)</u>
Restricted fixed asset funds					
Inherited funds	4,653,854	-	(100,988)	-	4,552,866
DfE / ESFA capital grants	90,949	865,820	(28,892)	-	927,877
Capital expenditure from GAG	503,744	-	(12,976)	81,018	571,786
	<u>5,248,547</u>	<u>865,820</u>	<u>(142,856)</u>	<u>81,018</u>	<u>6,052,529</u>
Total restricted funds	<u>4,580,107</u>	<u>3,768,157</u>	<u>(3,498,816)</u>	<u>(246,919)</u>	<u>4,602,529</u>
Unrestricted funds					
General funds	<u>355,480</u>	<u>192,052</u>	<u>(87,046)</u>	<u>(45,081)</u>	<u>415,405</u>
Total funds	<u>4,935,587</u>	<u>3,960,209</u>	<u>(3,585,862)</u>	<u>(292,000)</u>	<u>5,017,934</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	403,447	-	5,959,141	6,362,588
Current assets	219,727	95,076	-	314,803
Creditors falling due within one year	(212,250)	(95,076)	-	(307,326)
Creditors falling due after one year	(10,576)	-	-	(10,576)
Defined benefit pension scheme liability	-	(1,230,000)	-	(1,230,000)
Total net assets	<u>400,348</u>	<u>(1,230,000)</u>	<u>5,959,141</u>	<u>5,129,489</u>

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Analysis of net assets between funds (Continued)

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	5,237,506	5,237,506
Current assets	750,665	-	815,023	1,565,688
Creditors falling due within one year	(316,060)	-	-	(316,060)
Creditors falling due after one year	(19,200)	-	-	(19,200)
Defined benefit pension scheme liability	-	(1,450,000)	-	(1,450,000)
Total net assets	415,405	(1,450,000)	6,052,529	5,017,934

21 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the financial statements	-	1,000,000

22 Commitments under operating leases

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

	2017 £	2016 £
Amounts due within one year	16,225	-
Amounts due between one and five years	60,016	-
	76,241	-

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

23 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2017 £	2016 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(233,445)	374,347
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(69,570)	(865,820)
Interest receivable	(407)	(1,796)
Defined benefit pension scheme cost less contributions payable	94,000	31,000
Defined benefit pension scheme finance cost	31,000	42,000
Depreciation of tangible fixed assets	195,107	142,856
Movements in working capital:		
Decrease/(increase) in debtors	502	(49,669)
(Decrease)/increase in creditors	(8,734)	43,270
Net cash provided by operating activities	8,453	(283,812)

24 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire County Council. Both are multi-employer defined benefit 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 £37,494 (2016: £30,319) were payable to the schemes at 31 August 2017 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 2014.

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.

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 in June 2014.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

24 Pension and similar obligations (Continued)

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.48% (including a 0.08% administration fee), which was payable from September 2015. The next valuation of the TPS is currently underway based on March 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £318,739 (2016: £256,668).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 12.9% for employers and 5.5 to 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.

Total contributions made	2017 £	2016 £
Employer's contributions	120,000	87,000
Employees' contributions	32,000	25,000
Total contributions	152,000	112,000

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2013 updated to 31 August 2017 by a qualified independent actuary.

	2017 %	2016 %
Rate of increases in salaries	3.4	3.1
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

24 Pension and similar obligations (Continued)

The assumed life expectations on retirement age 65 are:

	2017 Years	2016 Years
Retiring today		
- Males	22.1	22.2
- Females	24.3	24.3
Retiring in 20 years		
- Males	23.8	24.2
- Females	26.6	26.6

The Academy Trust's share of the assets in the scheme

	2017 Fair value £	2016 Fair value £
Equities	913,880	800,000
Bonds	272,800	200,000
Property	109,120	100,000
Other assets	68,200	11,000
Total fair value of assets	1,364,000	1,111,000

The actual return on scheme assets was £107,000 (2016: £186,000).

Amount recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	214,000	118,000
Net interest cost	31,000	42,000
Total operating charge	245,000	160,000

Changes in the present value of defined benefit obligations

	2017 £
At 1 September 2016	2,561,000
Current service cost	214,000
Interest cost	56,000
Employee contributions	32,000
Actuarial gain	(263,000)
Benefits paid	(6,000)
At 31 August 2017	2,594,000

KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

24 Pension and similar obligations (Continued)

Changes in the fair value of the Academy Trust's share of scheme assets	2017 £
At 1 September 2016	1,111,000
Interest income	25,000
Return on plan assets (excluding net interest on the net defined pension liability)	82,000
Employer contributions	120,000
Employee contributions	32,000
Benefits paid	(6,000)
At 31 August 2017	<u>1,364,000</u>

25 Members' liability

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

26 Related party transactions

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

No such related party transactions have occurred in the year, other than certain Trustees remuneration and expense already included in note 11. Key management personnel disclosures are included in note 10.