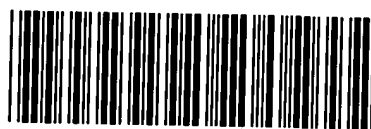


Company Registration No. 08511781 (England and Wales)

BROCKS HILL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

SATURDAY



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26/01/2019
COMPANIES HOUSE

BROCKS HILL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mrs D Miller
Mrs J Mogra (resigned 30 November 2017)
Dr J Sugden
Mr D Bhasin
Mr N Farooq

Trustees

Mrs D Miller (Chair of Trustees)
Mrs H Pugsley (co-Vice Chair)
Mr D Bhasin
Mrs J Mogra (Resigned 30 November 2017)
Ms C Moseley
Dr J Sugden
Ms M Walton (Headteacher and Accounting Officer)
Mrs S Ahsan
Mrs R Collin (nee Freer)
Mrs J Kendall
Mrs J Bola
Mrs J Lockley
Mr J Bill (Appointed 13 December 2017)

Senior management team

- Headteacher	Ms M Walton
- Head of School	Mr D Schofield (from 1 June 2018)
- Deputy Headteacher	Mr D Schofield (to 31 May 2018)
- Deputy Headteacher	Miss H Drury (appointed 1 June 2018)
- Assistant Headteacher	Miss R Turner (resigned 28 February 2018)

Company secretary

Mrs K Wilcox

Company registration number

08511781 (England and Wales)

Principal and registered office

Brocks Hill Academy Trust
Howdon Road
Oadby
Leicester
LE2 5WP

Independent auditor

RSM UK Audit LLP
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

BROCKS HILL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank plc
54-56 Chestnut Ave
Oadby
Leicester
LE2 5JG

Solicitors

Leicestershire County Council
County Hall
Glenfield
Leicester
LE3 8RE

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT

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

The Trust operates Brocks Hill Primary School academy in Oadby for 4 – 11 year olds, which has a pupil capacity of 420 pupils and had 426 on roll in the school census in October 2018. Brocks Hill Primary School became a 4-11 year old primary school from 1 September 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees act as trustees for charitable activities of Brocks Hill Primary School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Brocks Hill Primary School.

Details of the Trustees who served throughout the year except as noted 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

Academy Liability Insurance has been obtained by the Trust for the benefit of the Trustees. The cover under this policy is for £3 million, with a premium of £312 being paid.

Method of recruitment and appointment or election of Trustees

Parent Trustees are elected by means of a parent vote with all parents of children in the school eligible to vote.

Staff Trustees are elected by means of a staff vote with all staff members eligible to vote.

Community Trustees are appointed by a vote of existing Trustees.

Policies and procedures adopted for the induction and training of Trustees

There is a Trustee Induction Policy which outlines the way in which Trustee induction takes place. Trustees have access to documents stored in an online portal such as previous minutes and papers, Articles of Association and Memorandum, training documents, policies.

Brocks Hill Primary School subscribes to Leicestershire's Governor Development Service, which offers free training and all Trustees are encouraged to attend.

Organisational structure

The Full Governing Body carries out all the statutory duties expected of an Academy which cannot be delegated to individuals or committees. Delegated powers are outlined in the Scheme of Delegation which is reviewed annually in the autumn meeting. The Headteacher is the Accounting Officer of the Trust.

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Arrangements for setting pay and remuneration of key management personnel

The Business & Audit Committee have delegated responsibility for pay. The committee have ensure that pay is in line with the following criteria:-

- Achieve the aims of the Whole School Pay Policy;
- Make recommendations on staff salaries and wages;
- Apply, fairly, criteria related to discretionary areas of pay which are identified within the Pay Policy;
- Receive an agreed assessment of the performance of the Head Teacher and any other staff on the Leadership and Management pay scales against agreed performance criteria;
- Determine pay at the time of annual review for all teaching staff, including the Head Teacher and any other staff on the Leadership and Management pay scales;
- Ensure that statutory and contractual requirements are applied to all staff groups;
- Ensure that staff are notified in writing of decisions made along with details of the agreed appeals procedure.

Related parties and co-operation with other organisations

The Academy is a member of Oadby Learning Partnership Limited which incorporates all of the Oadby Family of Schools and is a Teaching School.

The school is also part of the NCTL (National College for Teaching and Learning) and is a NSS (National Support School).

The Headteacher is part of the lead strategic group for LRS (Leicestershire and Rutland Sports Partnership).

OBJECTIVES AND ACTIVITIES

The objects outlined in the Trust's Articles of Association are:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and
- To promote for the benefit of individuals living in Oadby and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large 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.

The academy aims:

- To ensure the highest academic progress and achievement for each of our children;
- For all of our school community to have mutual respect, kindness and consideration for others and recognise and celebrate the variety of cultures, religions, languages, experiences, needs, views and personal attributes within our school community;
- For all of our children to be happy, enquiring and motivated learners, with a desire and confidence to learn and make decisions, and yet not to be afraid to fail; and
- For all of our children to develop high self-esteem and understanding of the importance of choosing a healthy lifestyle.

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Objectives and activities (continued)

Priorities 2017-18:

Independent, self-directed learning

- To continue to maintain high standards and achievement. Standards maintained and progress is at least good across the whole school
- 6Rs embedded across the whole school and impacting on characteristics of life-long learning; impacting on both academic, social and emotional intelligence
- Develop the learning dispositions continuum explicitly and 'split screen teaching'
- Make more explicit the use of growth mind set to impact on independent learning
- Introduce the Prince William Award into school to support this.
- The 6Rs and learning dispositions used explicitly to enhance social and cultural capital, e.g. the importance of communities working together and social cohesion (linked to British Values), through the curriculum, assemblies, community events, lunchtimes, after school activities etc.
- Wellbeing and positive mental health work in school continues to be developed and enhanced
- Embed the Mastery Model of teaching and learning in all subjects to impact on more pupils exceeding;
- Subject leaders to embed mastery approach and depth of understanding and challenge
- The learning dispositions and subject knowledge are used and applied across the curriculum
- Blooms Taxonomy used effectively across all subject areas
- Develop and ensure the Y6 curriculum and ensure this extends the learning already covered impacting on high standards and achievement at the end of KS2 and readiness for secondary school
- Continue to develop the provision for 'Talk' and language to impact on standards in reading, writing and maths, particularly for vulnerable groups, such as EAL and White British children; invest in training and resources for 'Talk Boost' KS2 to build on the impact of the work in the Foundation Stage and Key Stage 1 and accelerate further the progress made in writing.
- Subject leaders - ensure all groups are making good progress and any gap continues to narrow between different groups (ethnicity, gender, SEN, Pupil Premium, EAL, more able);
- Assessment without levels' embedded across the school and reflects the schools creative curriculum
- Embed the assessment grids with 'Big Ideas' including incorporation of key learning skills and behaviours, Blooms Taxonomy as a way of incorporating challenge and developing the more able provision – subject leaders to evaluate the impact of mastery and Blooms questioning and increase the number of pupils exceeding.
- Continue to review, moderate and evaluate assessment judgements made across the school, and evidence to support this, in all subjects to ensure consistency across the school.
- Develop and ensure the Y6 assessment without levels builds on and extends the work already covered impacting on high standards of achievement in all areas and that the years leading up to Y6 continue to prepare children for success in SATs.
- All children complete at least one piece of independent extended writing every two weeks
- 'Grapple' lessons are used on a regular basis to ascertain children's knowledge and understanding and next steps
- 'Blue paper' assessments are used regularly to provide an extensive evidence base to support attainment and progress judgements
- The learning community - all teaching and support staff taking part in evidence based research and moderation to ensure all groups are making good progress and any gap continues to narrow between different groups (ethnicity, gender, SEN, Pupil Premium, EAL, more able)
- To continue to narrow any gaps for specific groups (cohort related) and increase further the number of pupils exceeding expected standards

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Objectives and activities (continued)

Personal Development, Behaviour and Welfare

To continue to improve children's welfare and maintain high standards and progress through rapid intervention being in place when well-being concerns are raised and developing positive wellbeing strategies.

6RS embedded across the whole school and impacting on characteristics of life-long learning: impacting on both academic and emotional intelligence

- Develop the learning dispositions continuum explicitly and 'split screen teaching'
- Make more explicit the use of growth mind set to impact on independent learning
- Introduce the Prince William Award into school to support this.
- The 6Rs and learning dispositions used explicitly to enhance social and cultural capital, e.g. the importance of communities working together and social cohesion (linked to British Values), through the curriculum, assemblies, community events etc.

To continue to narrow any gaps for specific groups (cohort related) and increase further the number of pupils exceeding expected standards.

- Pupil Premium used effectively to impact on achievement of vulnerable pupils and increase the number of PP pupils exceeding expected standards: review pupil premium profiles
- Pupil Premium funding used to ensure all children have access to the curriculum and learning both within and outside of school
- Ensure SEN pupils are able to access the new mastery curriculum in English and Maths
- Ensure all new members of staff have Level 1 or above autism training;
- Introduce new ways to monitor progress for SEN pupils based around the learning dispositions and emotional development across the school
- Confidence of girls in mathematics continues to be developed to impact on achievement.
- The outdoor curriculum is used to motivate and enhance learning for boys and impact on narrowing gender gaps further (cohort related)
- Continue to narrow the gap for White British pupils in particular cohorts
- The Learning Community evidence based research impacts on narrowing the gap for vulnerable pupils.
- Embed R-Time across the school

Talk Boost' and 'Talk for Writing' to be used to improve the reading and writing of EAL children with little or no English Wellbeing and positive mental health work in school continues to be developed and enhanced:

- Monitoring of well-being embedded throughout the school and early intervention impacting on outcomes (pupils know what to do to help improve their own wellbeing)
- Pupils' strategies and understanding of the impact of mental illness and positive mental health developed at appropriate age related expectations
- Develop parents understanding further of the wellbeing and positive mental health activities children are doing in school; hold a wellbeing day in the autumn term
- Wellbeing and Educational Link Leader (WELL) impacting on well-being of children, including attendance and 'lates' as well as providing well-being support for parents and develop children's understanding of mental illness
- The learning dispositions - make explicit the social and emotional aspects of learning as well as academic (lifelong learning)
- PE and Sport funding continues to impact on fitness, health and welfare of all children, a range of alternative sports, maintaining increased opportunities to take part in competitive sport and staff CPD; the new PE apprentice programme enhances and supports the outstanding PE provision
- Embed opportunities for growing and cooking through the Food for Life Partnership and opportunities for outdoor learning
- Review and evaluate the PSHE curriculum
- Embed 'Happy Lunchtime' initiative, developing the leadership of this through the lunchtime supervisors
- PE and Sport funding used effectively to improve the well-being and fitness of students to impact on achievement at school; Identify further resources to support well-being for vulnerable pupils

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Objectives and activities (continued)

Community Partnerships

- To further enhance community partnerships to impact on lifelong learning, wellbeing, the quality of teaching, learning and assessment, CPD and outcomes for pupils
- As a National Support School (NSS) continue to support system leadership further through school to school improvement, research and CPD to impact on achievement in the wider community
- To enhance and extend pupils' understanding and knowledge of community cohesion and social capital
- To continue and maintain a strong parent partnership impacting on improved outcomes
- 6RS embedded across the whole school and impacting on characteristics of life-long learning; impacting on both academic and emotional intelligence
 - Develop the learning dispositions continuum explicitly and 'split screen teaching'
 - Make more explicit the use of growth mindset to impact on independent learning
 - Introduce the Prince William Award into school to support this.
 - The 6Rs and learning dispositions used explicitly to enhance social and cultural capital, e.g. the importance of communities working together and social cohesion (linked to British Values), through the curriculum, assemblies, community events etc.
- System leadership continues to improve the quality of leadership, teaching, learning and assessment and school improvement in the wider community
- Maintain the work of the Oadby Learning National Teaching School partnership through CPD, school to school support and research and co-ordinator networks
- Investigate and plan for an onsite nursery for 0-5 years ran by an outstanding provider
- Develop and evaluate the Y6 curriculum and ensure this extends the learning already covered impacting on high standards and achievement at the end of KS2 and readiness for secondary school
- A strong parent partnership maintained; ensure parents are able to support their children at home through developing knowledge and understanding of the 'mastery' curriculum and assessment without levels, how to support their children with positive mental health and wellbeing and e-safety.
- Parents develop understanding of how they can support their children with a mastery curriculum and deepening their learning through developing understanding of the 6RS – 6R research project, parent partnership meeting and building on the success of the 'Family ' project
- Friends of Brocks Hill School (FOBHS) continue to fund raising for the school and support the school with community events and developing a strong cohesive community
- To continue to develop links with pre-school providers to impact on the quality of provision provided through training and moderation
- PE and Sport funding and Sports Partnerships continue to impact on fitness, health and welfare of all children, a range of alternative sports, maintaining increased opportunities to take part in competitive sport and staff CPD; the new PE apprentice programme enhances and supports the outstanding PE provision
- To maintain partnerships with other organisations to impact on global learning, global citizenship and supporting vulnerable people in our local and global community
- To enhance and extend pupils understanding of community cohesion through the 6Rs, learning dispositions, curriculum and assemblies etc.
- To achieve Level 1 of the 'Rights Respecting School' award to impact on school and community cohesion
- Ensure BH continues to be effective as a training school for ITT, work experience and investigate further apprenticeship programmes
- Develop pupils understand of business and finance through working with Young Enterprise and business and holding a business week

Public benefit

The Academy Trust has provided education for children in Leicester and Leicestershire and has supported community development and cohesion with families in the school and the wider community. Its premises are used for several community lettings.

The Academy Trust's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission on their website, in exercising their powers or duties.

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Pupil Outcomes

Brocks Hill School data 2018

Attainment	School	LA	National
EYFS Data. % of children with a Good Level of Development	72%	70.9%	71.5%

KS1 Data- teacher assessment			
Reading	87%	75.1%	75.4%
Writing	80%	69.5%	69.9%
Maths	87%	76.0%	76.1%
Combined Reading, Writing and Maths	75%	65.3%	63.9%

Year 1 Phonics	100%	83.5%	82.5%
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KS2 Data at expected standard and above			
Reading test	100%	76.4%	75.2%
Writing teacher assessment	100%	80.2%	78.2%
Maths test	100%	76.7%	76%
Combined Reading, Writing and Maths	100%	65.3%	64.3%
Grammar, spelling, punctuation test	95%	79%	78%
Science teacher assessment	100%	83.9%	82%

KS2 Data achieving the higher standard			
Reading test	73%	27.3%	28%
Writing teacher assessment	52%	21.2%	20%
Maths test	77%	23.6%	24%
Grammar, spelling, punctuation test	67%	33.7%	34

KS2 Progress scores

Subject	Brocks Hill School KS2 Scaled Score	Scaled score KS1 to KS2 Progress	National average scaled score
Maths	112.8	+5.8	104
Reading	112.5	+4.5	105
GPS	111.5	+5.3	106

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Financial review

For the year 2017/18 the Trustees are satisfied with the financial performance of the Academy throughout the period under review and of the financial position at the year end. Most of the Trust's income is obtained from the DfE via the EFSA in the form of recurrent grants, i.e. the General Annual Grant (GAG), the use of which is restricted for particular purposes.

The summary financial performance for 2017/18 was as follows:

Income	£1,827,653 (2017: £1,861,825)
Expenditure	£1,911,744 (2017: £1,709,600)
Net movement of funds	£5,909 (2017: £321,225)

All the expenditure was applied to deliver the Trust's stated aim of delivering public benefit education.

Assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Trust has an Investment Policy and a Reserves Policy which are reviewed annually.

Financial and risk management objectives and policies

The charity Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The Academy Trust has a Risk Register and Business Continuity Plan. These are reviewed on an annual basis and risks are added as they arise. There is an agenda item relating to risk review at each Full Governing Body meeting.

Risks identified to the academy are:

Risk Description	Risk Control	Additional Control
Risk of budget streams of funding being reduced in the future i.e new National Funding Formula (NFF).	<ul style="list-style-type: none">• Close monitoring and budget control.• Look to secure funding from other sources.• Keeping up to date with coverage regarding NFF and how this could affect funding.	Monitored and reviewed by all Trustees of Academy.
Risk that pension scheme is in significant deficit / contribution rate increases.	<ul style="list-style-type: none">• Annual updates and newsletters from LGPS.• Incorporate annual update in budget forecast.	Financial policies and Funding Agreement to be adhered to. Monitoring and review by Business & Audit Committee.

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Reserves policy

The Trust has given careful consideration to the level of reserves held by Brocks Hill Academy Trust. The Trust seeks to maintain its commitment to delivering high quality education at the best value for money within the funding available from the ESFA and other sources.

The Trustees review the reserve levels of the academy Trust in Finance and Audit Committee meetings which take place four times per year. This review will look at the income and expenditure streams and the need to match income and expenditure commitments. The Trust need to have sufficient capital to cover unexpected emergencies such as urgent maintenance.

At 31 August 2018 the Academy Trust as total funds of £630,036 (2017: £624,127) of which unrestricted funds are £115,522 (2017: £124,926).

The Academy Trustees are aware of the significant pension fund deficit for the Local Government Pension Scheme (LGPS). This however does not mean that this is an immediate liability as employer contributions have been set a level which responds to the deficit level and will be reviewed every 3 years to ensure that this continues to be the case.

Investment policy

The Trust has a simple investment policy stating that the Trust will invest surplus cash funds to optimise returns, ensuring that there is no risk to the loss of these cash funds.

Key performance indicators

- Ofsted inspection outcomes - Ofsted rated Brocks Hill Outstanding in 2009 and have not returned which indicated that their risk assessments have been carried out but have not seen any reason to indicate that standards have fallen;
- Key stage results - see above;
- Pupil attendance data - pupil attendance 2017/18 was 96.2%;
- Pupil recruitment data - the school is consistently full; and
- Financial performance -the school closed the year with a balanced budget.

Going concern

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

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Plans for future periods

Quality of teaching, learning and assessment / Independent, self-directed Learning (6Rs)

To continue to improve children's welfare and maintain high standards and progress through rapid intervention being in place when well-being concerns are raised and developing positive wellbeing strategies

Overall Goals:

- **Global Learning** is developed across the school to impact on equality and equity, understanding and knowledge of environmental concerns and the development of partnerships with other organisations across the world
- **Embed the Mastery Model** of teaching and learning in all subjects to impact on more pupils exceeding expected age related expectations:
 - Subject leaders to continue to embed mastery approach and depth of understanding and challenge
 - **Subject leaders** - ensure all groups are making good progress and any gap continues to narrow between different groups (ethnicity, gender, SEN, Pupil Premium, EAL, more able);
 - The leaning dispositions and subject knowledge are used and applied across the curriculum
 - Blooms Taxonomy used effectively across all subject areas
 - **Further enhancement of curriculum, greater focus on vocabulary and experiential learning**
 - **Technical and subject specific vocabulary developed in all Foundation Subjects**
 - **Develop the approach of fluency, reasoning and problem solving used in mathematics to other areas of the curriculum**
 - Continue to develop the provision for 'Talk' and language to impact on standards in reading, writing and maths, particularly for vulnerable groups, such as **EAL and White British children**.
 - **Work in partnership with Skillforce to complete the Prince William Award in Year 4 to add further depth to the children's understanding of character development**
- **Assessment without levels** embedded across the school and reflects the schools creative curriculum and on pupils outcomes:
 - Embed the assessment grids with **'Big Ideas'** including incorporation of **key learning skills and behaviours**, **Blooms Taxonomy** as a way of incorporating challenge and developing the more able provision – subject leaders to evaluate the impact of mastery and Blooms questioning and increase the number of pupils exceeding.
 - Ensure technical and subject specific vocabulary is evident and being developed in all of the Foundation Subjects as well as core subjects
 - Continue to review, **moderate** and evaluate assessment judgements made across the school, and evidence to support this, in **all subjects** to ensure consistency across the school; Continue to **moderate** judgements with a wide range of other primary schools.
 - **All children complete at least one piece of independent extended writing every two weeks**
 - **'Grapple' lessons are used on a regular basis to ascertain children's knowledge and understanding and next steps**
 - **'Blue paper' assessments are used regularly to provide an extensive evidence base to support attainment and progress judgements**
 - The **learning community** - all teaching and support staff taking part in **evidence based research** and moderation to ensure all groups are making good progress and any gap continues to narrow between different groups (ethnicity, gender, SEN, Pupil Premium, EAL, more able);
- **Wellbeing and positive mental health work in school continues to be developed and enhanced**

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Plans for future periods (continued)

Personal development, behaviour and welfare

To continue to improve children's welfare and maintain high standards and progress through rapid intervention being in place when well-being concerns are raised and developing positive wellbeing strategies

Overall Goals:

- **Global Learning is developed across the school to impact on equality and equity, understanding and knowledge of environmental concerns and the development of partnerships with other organisations across the world**
- **To continue to narrow any gaps for specific groups (cohort related) and increase further the number of pupils exceeding expected standards:**
 - **Pupil Premium used effectively to impact on achievement of vulnerable pupils and increase the number of PP pupils exceeding expected standards: review pupil premium profiles**
 - **Pupil Premium funding used to ensure all children have access to the curriculum and learning both within and outside of school**
 - **Ensure SEN pupils are able to access the curriculum**
 - **Develop new ways to monitor progress for SEN pupils based around the learning dispositions and emotional development across the school**
 - **Confidence of girls in mathematics continues to be developed to impact on achievement.**
 - **The outdoor curriculum is used to motivate and enhance learning for boys and impact on narrowing gender gaps further (cohort related)**
 - **Continue to narrow the gap for White British pupils in particular cohorts**
 - **The Learning Community evidence based research impacts on narrowing the gap for vulnerable pupils.**
 - **'Talk Boost' and 'Talk for Writing' to be used to improve the reading and writing of EAL children with little or no English**
- **Wellbeing and positive mental health work in school continues to be developed and enhanced:**
 - **Monitoring of well-being embedded throughout the school and early intervention impacting on outcomes (pupils know what to do to help improve their own wellbeing)**
 - **Pupils' strategies and understanding of the impact of mental illness and positive mental health developed at appropriate age related expectations**
 - **Develop parents understanding further of the wellbeing and positive mental health activities children are doing in school through holding a wellbeing day each term**
 - **Well-being and Educational Link Leader (WELL) impacting on well-being of children, including attendance and 'lates' as well as providing well-being support for parents and develop children's understanding of mental illness**
 - **The learning dispositions - make explicit the social and emotional aspects of learning as well as academic (lifelong learning)**
 - **PE and Sport funding continues to impact on fitness, health and welfare of all children, a range of alternative sports, maintaining increased opportunities to take part in competitive sport and staff CPD; the PE apprentice programme enhances and supports the outstanding PE provision**
 - **Opportunities for growing and cooking through the Food for Life Partnership and opportunities for outdoor learning impact on pupil's understanding of a healthy lifestyle**
 - **PSHE – Sex and Relationship CPD for staff in line with the new statutory guidelines and policy**
 - **'Happy Lunchtime' project continues to impact on the social and emotional learning of pupils**
 - **PE and Sport funding used effectively to improve the well-being and fitness of students to impact on achievement at school, including taking part in the Leicestershire and Rutland PE, Sport and Wellbeing (LRS) 'Daily Boost'**

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Plans for future periods (continued) Community Partnerships

To further enhance community partnerships to impact on lifelong learning, wellbeing, the quality of teaching, learning and assessment, CPD and outcomes for pupils

As a National Support School (NSS) continue to support system leadership further through school to school improvement, research and CPD to impact on achievement in the wider community

To enhance and extend pupils' understanding and knowledge of community cohesion and social capital
To continue and maintain a strong parent partnership impacting on improved outcomes

Overall Goals:

- *Global Learning is developed across the school to impact on equality and equity, understanding and knowledge of environmental concerns and the development of partnerships with other organisations across the world*
- *CPD for staff including visiting and looking at effective practice and research outside of the UK; developing partnerships with organisations including schools in Europe*
- Develop partnerships with other organisations to impact on global learning, global citizenship, environmental concerns and supporting vulnerable people in our local and global community
- To enhance and extend pupils understanding of community and global cohesion through the 6Rs, learning dispositions, PSHE curriculum and assemblies etc.
- To achieve Level 2 of the 'Rights Respecting School' award to impact on school and community cohesion
- Ensure BH continues to be effective as a training school for ITT, work experience and investigate further apprenticeship programmes
- Develop and embed pupils understand of business and finance through working with Young Enterprise and business and holding a business week.
- **System leadership continues to improve the quality of leadership, teaching, learning and assessment and school improvement in the wider community**
- Maintain and develop the work of the Oadby Learning National Teaching School partnership through CPD, school to school support and research and co-ordinator networks
- **Continue to pursue an onsite nursery** for 0-5 years to be ran by an outstanding provider
- A strong **parent partnership** maintained: continue to develop and deepen parents understanding of how they can support their children with the 6RS, learning dispositions and a growth mindset, a positive mental health, wellbeing and e-safety at home.
- Friends of Brocks Hill School (FOBHS) continue to fund raising for the school and support the school with community events and developing a strong cohesive community
- **PE and Sport funding and Sports Partnerships** continue to impact on fitness, health and welfare of all children, a range of alternative sports, maintaining increased opportunities to take part in competitive sport and staff CPD; the PE apprentice programme enhances and supports the outstanding PE provision

Principal risks and uncertainties

- Y6 – as a result of Age range changes within the Family of Schools – ensure pupil outcomes remain above national averages and this is reflected in KS2 SAT results;
- Reduction in numbers of pupils - ensure high quality standards of attainment and progress;
- Reductions in funding - networking and staying alert to any announcements relating to future changes and budgeting accordingly; and
- Increase in budget demands due to high levels of students needing curriculum or wellbeing support - apply for funding where possible; develop local networks to share wellbeing support links drawing on statutory agencies where possible.

Fundraising

The Trust does not partake in external fundraising. Pupils are invited to take part in any fundraising activities such as Friends of Brocks Hill School (FoBHS), of which funds go towards equipment in the trust, or hold activities raising money for other charities, such as LOROS and Cancer Research.

Trustees monitor fundraising activities that take place thereby regulating the frequency.

BROCKS HILL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust does not hold any funds as a custodian trustee on behalf of others.

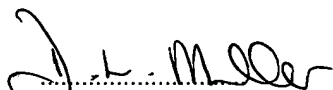
AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office 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 auditor is 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 13 December 2018 and signed on its behalf by:



Mrs D Miller

Chair of Trustees

BROCKS HILL ACADEMY TRUST

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the headteacher as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between Brocks Hill Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 11 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mrs D Miller (Chair of Trustees)	11	11
Mrs H Pugsley (co-Vice Chair)	5	7
Mr D Bhasin	5	7
Mrs J Mogra (Resigned 30 November 2017)	0	0
Ms C Moseley	11	11
Dr J Sugden	11	11
Ms M Walton (Headteacher and Accounting Officer)	11	11
Mrs S Ahsan	5	7
Mrs R Collin (nee Freer)	7	7
Mrs J Kendall	11	11
Mrs J Bola	7	8
Mrs J Lockley	4	8
Mr J Bill (Appointed 13 December 2017)	2	4

Governance reviews

The Chair of Trustees keeps the governing body under review and the governing body annually reviews its practices to ensure that the governing body carries out its statutory and public duties effectively. It also conducts regular skills audits and targets new Trustee recruitment accordingly.

The Business & Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure financial probity, effective staff management including performance related pay, monitoring issues raised by audit.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mrs D Miller (Chair of Trustees)	4	4
Mrs J Mogra (Resigned 30 November 2017)	0	0
Ms M Walton (Headteacher and Accounting Officer)	4	4
Mrs J Kendall	4	4
Mrs J Bola	3	4
Mrs J Lockley	2	4
Mr J Bill (Appointed 13 December 2017)	1	2

BROCKS HILL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

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:

CPD, Assessment for Learning, Wellbeing and community partnerships enable high standards of learning which aids with the value for money.

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 school using the services of the Local Authority Audit Department to perform an audit of the school internal controls on a yearly basis. The system of internal control has been in place in Brocks Hill Academy Trust for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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 year ending 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Academy 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, Staffing, Pay and Audit 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; and
- the Board of Trustees has considered the need for a specific internal audit function and has appointed the Leicestershire County Council as internal auditor.

BROCKS HILL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (*continued*)

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On an annual basis the auditor reports to the Business & Audit Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal audit highlighted the following weaknesses

- Register of Business and Pecuniary Interests – The copy of the register of business and pecuniary interests, posted on the website should be updated
- Risk Management – Risk management should be a standing agenda item at each termly meeting of the appropriate Committee
- Charge Card – Consideration should be given to replacing the debit card with a Government Procurement Card (GPC)

These points were addressed, reported and minuted at the Finance Committee in June 2017.


Review of effectiveness

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

- The work of the internal auditor;
- The work of the external auditor;
- The work of the School Business Manager 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 Business & Audit 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 ~~13 December~~
2018 and signed on its behalf by:



Mrs D Miller
Chair of Trustees



Ms M Walton
Headteacher and Accounting Officer

BROCKS HILL ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Brocks Hill Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust'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 2017.

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

Ms M Walton
Accounting Officer



13 December 2018

BROCKS HILL ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of Brocks Hill Academy Trust 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 the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

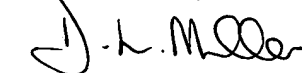
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 ~~13 December~~ **13 December** 2018 and signed on its behalf by:



Mrs D Miller
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROCKS HILL ACADEMY TRUST

Opinion

We have audited the financial statements of Brocks Hill Academy Trust (the "charitable company") for the year ended 31 August 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors report and the incorporated Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors Report and the incorporated Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROCKS HILL ACADEMY TRUST (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 Directors Report and the incorporated Strategic Report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 19, the Trustees (who act as trustees for the charitable activities of the charitable company 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.

Use of our 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and 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
...18/12/18...

BROCKS HILL ACADEMY TRUST

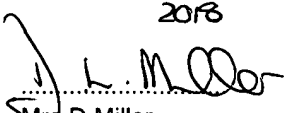
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed asset Funds £	Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and capital grants	4	-	3,536	14,640	18,176	271,087
Charitable activities:						
- Funding for educational operations	5	-	1,638,186	-	1,638,186	1,448,873
Other trading activities	6	171,133	-	-	171,133	141,598
Investments	7	158	-	-	158	267
Total		<u>171,291</u>	<u>1,641,722</u>	<u>14,640</u>	<u>1,827,653</u>	<u>1,861,825</u>
Expenditure on:						
Raising funds	8	73,071	-	-	73,071	62,455
Charitable activities:						
- Educational operations	9	-	1,794,916	43,757	1,838,673	1,647,145
Total	8	<u>73,071</u>	<u>1,794,916</u>	<u>43,757</u>	<u>1,911,744</u>	<u>1,709,600</u>
Net income/(expenditure)		98,220	(153,194)	(29,117)	(84,091)	152,225
Transfers between funds	17	(107,624)	97,194	10,430	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	24	-	90,000	-	90,000	169,000
Net movement in funds		(9,404)	34,000	(18,687)	5,909	321,225
Reconciliation of funds						
Total funds brought forward		<u>124,926</u>	<u>(345,000)</u>	<u>844,201</u>	<u>624,127</u>	<u>302,902</u>
Total funds carried forward		<u>115,522</u>	<u>(311,000)</u>	<u>825,514</u>	<u>630,036</u>	<u>624,127</u>

BROCKS HILL ACADEMY TRUST**BALANCE SHEET****AS AT 31 AUGUST 2018**

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	13		825,514		826,108
Current assets					
Debtors	14	12,806		13,461	
Cash at bank and in hand		231,362		245,904	
		<u>244,168</u>		<u>259,365</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(128,646)		(116,346)	
Net current assets			<u>115,522</u>		<u>143,019</u>
Net assets excluding pension liability			<u>941,036</u>		<u>969,127</u>
Defined benefit pension scheme liability	24		(311,000)		(345,000)
Net assets			<u>630,036</u>		<u>624,127</u>
Funds of the Academy Trust:					
Restricted funds	17				
- Restricted fixed asset funds			825,514		844,201
- Pension reserve			(311,000)		(345,000)
Total restricted funds			<u>514,514</u>		<u>499,201</u>
Unrestricted income funds	17		<u>115,522</u>		<u>124,926</u>
Total funds			<u>630,036</u>		<u>624,127</u>

The financial statements on pages 22 to 43 were approved by the Board of Trustees and authorised for issue on 13 December 2018 and are signed on their behalf by:


 Mrs D Miller
 Chair of Trustees

BROCKS HILL ACADEMY TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	22		13,823		(72,183)
Cash flows from investing activities					
Dividends, interest and rents from investments		158		267	
Capital grants from DfE Group		9,640		16,324	
Capital funding received from sponsors and others		5,000		250,200	
Purchase of tangible fixed assets		(43,163)		(248,431)	
Net cash (used in)/provided by investing activities			(28,365)		18,360
Net decrease in cash and cash equivalents in the reporting period			(14,542)		(53,823)
Cash and cash equivalents at beginning of the year			245,904		299,727
Cash and cash equivalents at end of the year			231,362		245,904

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

General information

Brocks Hill Academy Trust is a charitable company (the 'Academy Trust'). The address of the Trust's principal place of business is given on page 1. The nature of the Academy Trust 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 2017 to 2018 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 assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

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

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies (Continued)

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, catering income, after school club and trip income, 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.

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. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies (Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets on a straight line basis over its expected useful life to its residual value on the following bases:

Long leasehold buildings	over 10 or 50 years (lease term)
Computer equipment	over 3 years on a straight line basis
Fixtures, fittings and equipment	over 10 years on a straight line basis

Included within long leasehold buildings are leasehold improvements which are depreciated on a straight-line basis over the expected useful life of 10 years.

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

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

Liabilities

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

Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Financial instruments

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

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), unless the arrangement constitutes a financing transaction. 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, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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.

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies (Continued)

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

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.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each 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 recognised gains and losses.

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

Fund accounting

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

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies (Continued)

Fund accounting (continued)

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

Short-term employment benefits

Short-term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render services to the Academy Trust. The cost of any unused holiday entitlement the Academy Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

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 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The judgements (apart from those involving estimation) that have the most significant effect on the amounts recognised in the financial statements are disclosed below:

Leasing

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Academy Trust as lessee.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgement. Depreciation is charged to the income statement 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.

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

3 Comparative year information

Year ended 31 August 2017	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2017
	£	£	£	£
Income and endowments from:				
Donations and capital grants	-	4,563	266,524	271,087
Charitable activities:				
- Funding for educational operations	-	1,448,873	-	1,448,873
Other trading activities	141,598	-	-	141,598
Investments	267	-	-	267
Total	141,865	1,453,436	266,524	1,861,825
Expenditure on:				
Raising funds	62,455	-	-	62,455
Charitable activities:				
- Educational operations	-	1,630,439	16,706	1,647,145
Total	62,455	1,630,439	16,706	1,709,600
Net income/(expenditure)	79,410	(177,003)	249,818	152,225
Transfers between funds	(99,528)	99,528	-	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit pension schemes	-	169,000	-	169,000
Net movement in funds	(20,118)	91,525	249,818	321,225

4 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Capital grants	-	9,640	9,640	266,524
Other donations	-	8,536	8,536	4,563
	-	18,176	18,176	271,087

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,525,547	1,525,547	1,339,149
Other DfE/ESFA grants	-	53,655	53,655	60,155
	-	1,579,202	1,579,202	1,399,304
Other government grants				
Local authority grants	-	27,408	27,408	25,807
Global learning grant	-	16,545	16,545	-
	-	43,953	43,953	25,807
Other incoming resources	-	15,031	15,031	23,762
	-	1,638,186	1,638,186	1,448,873

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	5,371	-	5,371	436
Catering income	44,167	-	44,167	35,152
After school club	69,865	-	69,865	68,601
Trip income	37,395	-	37,395	22,793
Other income	14,335	-	14,335	14,616
	171,133	-	171,133	141,598

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Interest from short term deposits	158	-	158	267

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

8 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2018 £	Total 2017 £
Expenditure on raising funds					
- Direct costs	46,678	-	26,393	73,071	62,455
Academy's educational operations					
- Direct costs	1,071,807	-	60,930	1,132,737	1,031,663
- Allocated support costs	266,543	168,634	270,759	705,936	615,482
Total support costs	1,385,028	168,634	358,082	1,911,744	1,709,600

Net income/(expenditure) for the year includes:

	2018 £	2017 £
Operating lease rentals	19,901	29,132
Depreciation of tangible fixed assets	43,757	16,706
Net interest on defined benefit pension liability	9,000	9,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	14,670	13,750
- Other services	11,225	3,500

9 Charitable activities

	2018 £	2017 £
All from restricted funds:		
Direct costs		
Educational operations	1,132,737	1,031,663
Support costs		
Educational operations	705,936	615,482
	1,838,673	1,647,145

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

9 Charitable activities (Continued)

	2018 £	2017 £
Analysis of support costs		
Support staff costs	266,543	247,388
Depreciation	43,757	16,706
Premises costs	124,877	119,762
Other support costs	241,336	210,256
Governance costs	29,423	21,370
	<u>705,936</u>	<u>615,482</u>

10 Staff

Staff costs

Staff costs during the year were:

	2018 £	2017 £
Wages and salaries	1,027,119	965,933
Social security costs	90,710	85,053
Pension costs	218,922	192,082
	<u>1,336,751</u>	<u>1,243,068</u>
Staff costs	1,336,751	1,243,068
Agency staff costs	25,081	17,938
Staff development and other staff costs	23,196	20,225
	<u>1,385,028</u>	<u>1,281,231</u>
Total staff expenditure	1,385,028	1,281,231

Staff numbers

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

	2018 Number	2017 Number
Teachers	14	12
Administration and support	31	35
Management	6	7
	<u>51</u>	<u>54</u>

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

10 Staff (Continued)

Higher paid staff

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

	2018 Number	2017 Number
£70,001 - £80,000	1	1

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 employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £429,531 (2017: £446,359). The pension contributions included within key management remuneration are based on employer contributions made only.

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The head teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Trustees. The other trustees were not paid any remuneration nor received any other benefits from employment with the Academy Trust.

The value of Ms M Walton, Head Teacher remuneration was £76,451 (2017: £72,442). The Head teacher is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £12,599 (2017: £11,939).

During the year remuneration of £11,910 (2017: £11,270) was paid to Ms C Moseley, a learning support assistant and trustee of the school. She was also accruing benefits under the LGPS pension scheme and contributions paid in the year amounted to £2,718 (2017: £2,561).

During the year remuneration of £31,157 (2017: £26,191) was paid to Miss R Freer, a teacher and trustee of the school. She was also accruing benefits under the Teachers' pension scheme and contributions paid in the year amounted to £5,135 (2017: £4,316).

During the year travel expenses of £543 (2017: £nil) were reimbursed to one trustee (2017: none). The expenses were incurred in respect of travel and subsistence.

Related party transactions involving the trustees are set out in note 25.

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 2018 was £312 (2017: £470).

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

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

13 Tangible fixed assets

	Long leasehold buildings £	Computer equipment £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 September 2017	849,861	15,192	33,291	898,344
Additions	39,000	-	4,163	43,163
At 31 August 2018	888,861	15,192	37,454	941,507
Depreciation				
At 1 September 2017	53,771	14,170	4,295	72,236
Charge for the year	39,674	438	3,645	43,757
At 31 August 2018	93,445	14,608	7,940	115,993
Net book value				
At 31 August 2018	795,416	584	29,514	825,514
At 31 August 2017	796,090	1,022	28,996	826,108

14 Debtors

	2018 £	2017 £
Trade debtors	2,511	-
VAT recoverable	8,787	10,529
Prepayments and accrued income	1,508	2,932
	12,806	13,461

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	44,094	43,787
Accruals and deferred income (see note 16)	84,552	72,559
	128,646	116,346

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16	Deferred income	2018 £	2017 £
	Deferred income is included within:		
	Creditors due within one year	59,126	54,623
		<u>59,126</u>	<u>54,623</u>
	Deferred income at 1 September 2017	54,623	64,895
	Released from previous years	(54,623)	(64,895)
	Resources deferred in the year	59,126	54,623
		<u>59,126</u>	<u>54,623</u>
	Deferred income at 31 August 2018	59,126	54,623

At 31 August 2018 deferred income was made up of £58,543 (2017: £53,389) relating to grant income received in advance and £583 (2017: £1,234) relating to trip income received in advance.

17	Funds	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
	Restricted general funds					
	General Annual Grant (GAG)	-	1,525,547	(1,622,741)	97,194	-
	Other DfE / ESFA grants	-	53,655	(53,655)	-	-
	Other government grants	-	43,953	(43,953)	-	-
	Other restricted funds	-	18,567	(18,567)	-	-
	Pension reserve	(345,000)	-	(56,000)	90,000	(311,000)
		<u>(345,000)</u>	<u>1,641,722</u>	<u>(1,794,916)</u>	<u>187,194</u>	<u>(311,000)</u>
	Restricted fixed asset funds					
	Transfer on conversion	547,993	-	(11,978)	-	536,015
	DfE group capital grants	296,208	14,640	(31,084)	-	279,764
	Capital expenditure from GAG	-	-	(695)	10,430	9,735
		<u>844,201</u>	<u>14,640</u>	<u>(43,757)</u>	<u>10,430</u>	<u>825,514</u>
	Total restricted funds	<u>499,201</u>	<u>1,656,362</u>	<u>(1,838,673)</u>	<u>197,624</u>	<u>514,514</u>
	Unrestricted funds					
	General funds	124,926	171,291	(73,071)	(107,624)	115,522
		<u>124,926</u>	<u>171,291</u>	<u>(73,071)</u>	<u>(107,624)</u>	<u>115,522</u>
	Total funds	<u>624,127</u>	<u>1,827,653</u>	<u>(1,911,744)</u>	<u>90,000</u>	<u>630,036</u>

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 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 2018.

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

Restricted general funds

General Annual Grant (GAG), other DfE/ESFA grants and other government grants are to be applied for the primary purpose of the Academy Trust in line with the master funding agreement and other specific funding letters. This also includes the pension reserve that relates to funds allocated with respect to the Academy Trust pension deficit.

Restricted fixed asset funds

The restricted fixed asset funds relate to the assets acquired from grants received and transferred on conversion to an Academy Trust.

Unrestricted funds

Unrestricted funds represent other incoming resources to the Trust applied for the general purposes of the Trust at the discretion of the Trustees.

Funds prior year

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	36,872	1,339,149	(1,475,549)	99,528	-
Other DfE / ESFA grants	-	60,155	(60,155)	-	-
Other government grants	-	25,807	(25,807)	-	-
Other restricted funds	603	28,325	(28,928)	-	-
Pension reserve	(474,000)	-	(40,000)	169,000	(345,000)
	<u>(436,525)</u>	<u>1,453,436</u>	<u>(1,630,439)</u>	<u>268,528</u>	<u>(345,000)</u>
Restricted fixed asset funds					
Transfer on conversion	559,971	-	(11,978)	-	547,993
DfE group capital grants	34,412	266,524	(4,728)	-	296,208
	<u>594,383</u>	<u>266,524</u>	<u>(16,706)</u>	<u>-</u>	<u>844,201</u>
Total restricted funds	<u>157,858</u>	<u>1,719,960</u>	<u>(1,647,145)</u>	<u>268,528</u>	<u>499,201</u>
Unrestricted funds					
General funds	<u>145,044</u>	<u>141,865</u>	<u>(62,455)</u>	<u>(99,528)</u>	<u>124,926</u>
Total funds	<u>302,902</u>	<u>1,861,825</u>	<u>(1,709,600)</u>	<u>169,000</u>	<u>624,127</u>

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,511	-
Carrying amount of financial liabilities		
Measured at amortised cost	(25,426)	(17,936)

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	825,514	825,514
Current assets	115,522	128,646	-	244,168
Creditors falling due within one year	-	(128,646)	-	(128,646)
Defined benefit pension liability	-	(311,000)	-	(311,000)
Total net assets	115,522	(311,000)	825,514	630,036

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	826,108	826,108
Current assets	124,926	116,346	18,093	259,365
Creditors falling due within one year	-	(116,346)	-	(116,346)
Defined benefit pension liability	-	(345,000)	-	(345,000)
Total net assets	124,926	(345,000)	844,201	624,127

20 Capital commitments

	2018 £	2017 £
Expenditure contracted for but not provided in the financial statements	3,275	-

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

21 Commitments under operating leases

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

	2018 £	2017 £
Amounts due within one year	14,647	14,050
Amounts due between one and five years	32,548	-
	<u>47,195</u>	<u>14,050</u>

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

	2018 £	2017 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(84,091)	152,225
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(14,640)	(266,524)
Interest receivable	(158)	(267)
Defined benefit pension scheme cost less contributions payable	47,000	31,000
Defined benefit pension scheme finance cost	9,000	9,000
Depreciation of tangible fixed assets	43,757	16,706
Movements in working capital:		
Decrease/(increase) in debtors	655	(3,990)
Increase/(decrease) in creditors	12,300	(10,333)
Net cash provided by/(used in) operating activities	<u>13,823</u>	<u>(72,183)</u>

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £14,771 (2017: £14,941) were payable to the schemes at 31 August 2018 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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.

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 2.0% 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 £120,127 (2017: £111,386).

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.

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Pension and similar obligations (Continued)

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 21.2% for employers and 5.5% to 12.5% for employees.

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

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	2018 £	2017 £
Employer's contributions	54,000	54,000
Employees' contributions	13,000	14,000
Total contributions	67,000	68,000

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2018 by a qualified independent actuary.

	2018 %	2017 %
Rate of increase in salaries	3.4	3.4
Rate of increase for pensions in payment/inflation	2.4	2.4
Discount rate for scheme liabilities	2.8	2.5

The assumed life expectations on retirement age 65 are:

	2018 Years	2017 Years
Retiring today		
- Males	22.1	22.1
- Females	24.3	24.3
Retiring in 20 years		
- Males	23.8	23.8
- Females	26.2	26.2

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Pension and similar obligations (Continued)

The Academy Trust's share of the assets in the scheme	2018 Fair value £	2017 Fair value £
Equities	478,000	456,000
Debt instruments	208,000	136,000
Cash	15,000	34,000
Property	69,000	55,000
Total fair value of assets	770,000	681,000

The actual return on scheme assets was £33,000 (2017: £69,000).

Amount recognised in the Statement of Financial Activities	2018 £	2017 £
Current service cost	101,000	85,000
Net interest cost	9,000	9,000
Total operating charge	110,000	94,000

Changes in the present value of defined benefit obligations	2018 £
At 1 September 2017	1,026,000
Current service cost	101,000
Interest cost	27,000
Employee contributions	13,000
Actuarial gain	(75,000)
Benefits paid	(11,000)
At 31 August 2018	1,081,000

Changes in the fair value of the Academy Trust's share of scheme assets	2018 £
At 1 September 2017	681,000
Interest income	18,000
Return on plan assets (excluding net interest on the net defined pension liability)	15,000
Employer contributions	54,000
Employee contributions	13,000
Benefits paid	(11,000)
At 31 August 2018	770,000

BROCKS HILL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

25 Related party transactions

No related party transactions took place in the year, other than certain trustees' remuneration and expenses already disclosed in note 11. Key management personnel disclosures are included in note 10.