

Company Registration No. 08698831 (England and Wales)

**BEAVER ROAD ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**



**Haines Watts**  
Chartered Accountants & Registered Auditors  
Bridge House  
157A Ashley Road  
Hale  
Altrincham  
Cheshire  
WA14 2UT

# **BEAVER ROAD ACADEMY TRUST**

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# BEAVER ROAD ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

Paul Barker-Matthews #  
Helen Chilton  
Sian Hanison (appointed 30 January 2017)  
Patricia Holmes #  
Sarah Turner  
David How #  
Holly Myers # (maternity leave until 21 December 2016)  
Christopher Atkinson #  
Lynne Allan  
Pauline Black  
Louise Garvey #  
Siobhan Holmes #  
Wendy Whitehead (appointed 15 May17)

# members of the finance and audit committees

### Members

Andrew Harty  
Lynne Allan  
Christopher Atkinson  
Paul Barker-Matthews  
Patricia Holmes

### Senior leadership team

- Head teacher
- Assistant head
- Assistant head
- Assistant head
- Assistant head
- Deputy head
- Director of Finance and Resources

David How  
Victoria Jackson  
Joanna Burrows  
Julie-Anne Shaughnessy  
Ruth Byrne  
Christopher Warren  
Tina Smith

### Company registration number

08698831 (England and Wales)

### Registered office

Beaver Road, Didsbury, Manchester, M20 6SX

### Independent auditors

Haines Watts, Bridge House, Ashley Road, Hale, Altrincham, WA14 2UT

### Bankers

Lloyds Bank, 42 – 46 Market Street, Deansgate, Manchester, M1 1PW

# BEAVER ROAD ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

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The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year 1 September 2016 to 31 August 2017. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area in Didsbury. It has a pupil capacity of 720 which includes a 90 place nursery and had a roll of 712 in the schools census on 18 May 2017.

#### Structure, governance and management

##### Constitution

The academy trust is a company limited by guarantee (company number: 08698831) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Beaver Road Academy Trust are also directors of the charitable company for the purposes of company law. The charitable company is known as Beaver Road Primary School.

Details of the trustees who served during the year are included in the reference and administrative details on page 1 together with details of the company's registered office.

##### 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

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme.

##### Method of recruitment and appointment or election of trustees

The board of trustees is responsible for the appointment of trustees except for parent and staff trustees that are elected through an election process directed by the board of trustees. In the event that these positions are not filled, the board of trustees is able to appoint these positions. Beaver Road Academy Trust shall have the following trustees:

- 5 Staff trustees
- 6 Parent trustees
- 1 LA trustee
- 3 Community trustees

##### Policies and procedures adopted for the induction and training of trustees

The trustees are appointed based on the skills that they will bring to the board of trustees or based on a proposal to the board of trustees by representative groups. On appointment, trustees receive information relating to Beaver Road Academy Trust, attend a briefing and receive an induction pack on the role and responsibilities of trustees. During this year, trustees were offered all necessary training.

# BEAVER ROAD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### Organisational structure

The structure consists of two levels, the trustees and senior leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, adopting a strategic school development plan and setting the budget. They also monitor Beaver Road Academy Trust by the use of financial reports and examination results and make major decisions about the direction of Beaver Road Academy Trust, capital expenditure and senior staff appointments.

The school leadership team is the headteacher, the deputy headteacher, 4 assistant headteachers and the director of finance & resources. These leaders control Beaver Road Academy Trust at an executive level implementing the policies laid down by the trustees and are accountable to them for the performance of the school.

The board of trustees has seven committees. Each committee has its own terms of reference detailing the responsibilities discharged to the committee and to the headteacher. The terms of reference and meeting frequency for each committee is reviewed and approved by the trustees annually. The terms of reference for the finance committee detail the academy's authorised spending limits.

The committees of the board of trustees are:

- Finance
- Curriculum
- Audit committee
- Headteachers' performance management
- Pay committee
- Pay appeals
- Disciplinary

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

Key management personnel are defined as being those who have 'authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise'. Beaver Road Academy Trust defines this as the school leadership team. The arrangements for setting pay and remuneration is set out in the academies pay policy which is reviewed annually.

#### **Objectives and activities**

##### Objects and aims

Beaver Road Academy Trust's principal activities 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, managing and developing an academy, offering a broad and balanced curriculum.

Beaver Road Academy Trust's object is to ensure that as a child they have:

- A chance to dream and dreams are fostered
- Have many chances to showcase their talents
- Encouragement to understand their emotions and manage them
- Encouragement to develop their social skills and how to use them
- Experience in the joy of discovering nature
- Experience in the joys and wonders of Manchester and the surrounding region
- The right to be respected and a duty to respect others

Its aim is to provide the children with the necessary academic, creative, physical and social skills that will develop throughout their education and lay the foundations for a fulfilled adult life.

# BEAVER ROAD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### Objectives, strategies and activities

The wider aims of Beaver Road Academy Trust are:

- To play our part in raising national standards in education through sharing good practice with other schools and teachers across Manchester
- To take a leading role in national initiatives

Beaver Road Academy Trust's Key Focus Areas for the year ending 31 August 2017 were:

- Progress and rate of progress of all pupils from year to year and not just from year 2 to year 6
- Early identification by class teachers of, and appropriate intervention/action for. Children making less than expected progress during a year or between years, particularly where those children are Pupil Premium supported
- Involvement and inclusion of all children in identifying and understanding their learning needs and how to improve
- Involvement and inclusion of all parents and carers in identifying and understanding their children's learning needs and how to help them improve

Beaver Road Academy Trust's priorities for the year ending 31 August 2017 were:

- Clever Classrooms – from research into practice
- Developing our school as a Reading School
- Establishing summative assessment for subject knowledge in Science and formative assessment of Scientific Enquiry throughout the year
- Establishing Digital Leaders in classes and year groups across the school
- Mathematics – a scheme for teaching and learning

#### Attendance

The academy's attendance for 2016/2017 was 96.2%.

#### Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit when reviewing the charity's aim and objectives and in planning future activities. In particular the trustees considered how planned activities will contribute to the aims and objectives they have set.

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

#### **Strategic report**

##### Achievements and performance

67.8% of pupils attained the expected standard in all three subjects (Reading, Writing and Maths) which was 6.8% above the national average. 11.1% attained a high standard (greater depth) in all three subjects which was 2.1% above the national average.

The progress of pupils in Reading, Writing and Maths was above the nationally set floor standards.

Ofsted 'outstanding' in all measures:

Beaver Road Academy Trust was last inspected in 2011 when the academy trust was deemed 'outstanding'. The academy trust constantly reviews and monitors its own progress through self-evaluation and against other academies nationally and locally to ensure that the academy trust continues to be 'outstanding'.

##### Key performance indicators

The senior leadership team considers the following to be the key performance indicators for the school:

- Attendance
- Attainment and achievement
- Ofsted 'outstanding' in all measures

The results achieved in the year for these key performance indicators are included above.

# BEAVER ROAD ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that Beaver Road 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 statement of accounting policies.

#### Financial review

Most of Beaver Road Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2017 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the unrestricted fund. This resulted in the pension fund showing a deficit of £465,000 which has been carried forward to 2017/2018. It should be noted that this does not present a liquidity problem for the academy and that we are reviewing contributions to the pension scheme in order to see a reduction in the pension deficit in the future years.

#### Reserves policy

The level of reserves held at 31 August 2017 total £3,480,000, of which £306,000 are free reserves. A proportion of the reserves will be allocated as part of the School Development Plan, to update, improve and maintain facilities and resources. A capital spending plan has been completed detailing the short, medium and long term needs and plans of Beaver Road Academy Trust for which reserves will be allocated and determined in order of priority to meet the needs of the school. The trustees will review the reserve levels annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

#### Investment policy

Beaver Road Academy Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. Beaver Road Academy Trust does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

#### Principal risks and uncertainties

Beaver Road Academy Trust has a risk management policy. The main risks identified include both strategic and operational risks and have been assessed under the following categories:

Professional – achieving strategic aims, management structures, educational priorities, conduct, and liability beyond classroom and staff and pupil procedures. Physical – injury to staff and pupils, property, financial, legal, environmental, contractual, technological and disaster recovery.

The trustees are aware of their responsibility of the major risks to which Beaver Road Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of Beaver Road Academy Trust and its finances. The trustees have implemented a number of systems to assess risks that the academy trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school visits) and in relation to the control of finances. The trustees will introduce further systems, including refinements of internal financial controls in order to minimise risks so that they are satisfied that systems are in place to mitigate any exposure to major risks. They have ensured they have adequate insurance cover. Beaver Road Academy Trust has an effective system of internal financial controls.

A formal review of Beaver Road Academy Trust's risk management process is undertaken on an annual basis and key controls in place will include:

- Formal agendas for all committee activity
- Terms of reference for all board of trustees and delegated committees under the direction of the board of trustees
- Pecuniary interests of trustees reviewed at each meeting
- Comprehensive budgeting and management reporting
- Established organisational structure and clear lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for protection for the vulnerable

## BEAVER ROAD ACADEMY TRUST

### TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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#### **Plans for future periods**

Beaver Road Academy Trust will continue striving to improve and develop its provisions for pupils and will continue its efforts to ensure all pupils reach their full potential.

Beaver Road Academy Trust has a secure understanding of its current strengths and areas for development based on ongoing self-evaluation and analysis of student data. The academy trust development plan has set clear priorities for the year ahead and has been agreed by the board of trustees. Progress towards the development plan targets are regularly monitored and are amended annually by the SLT and trustees. It is underpinned by appropriate budget links.

#### **Auditor**

In so far as the trustees are aware:

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

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors on 18 December 2017 and signed on the board's behalf by:



Paul Barker-Matthews  
Chair of trustees

# BEAVER ROAD ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Beaver Road 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 Beaver Road 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 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Paul Barker-Matthews (Chair)	8	8
Helen Chilton	4	8
Sian Hanison (from 30 January 2017)	4	4
Patricia Holmes	8	8
Sarah Turner	6	8
David How	8	8
Holly Myers (from 21 December 2016)	3	4
Chris Atkinson	4	8
Lynne Allen	7	8
Pauline Black	7	8
Louise Garvey	4	8
Siobhan Holmes	4	8
Wendy Whitehead	2	2

There has been no governance review undertaken during this financial year. The MAT governance is currently in the process of being reviewed with a new MAT governance structure to be in place for spring 2018. A program of review will be discussed once this is in place.

The finance committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the board of trustees by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibility to ensure sound management of Beaver Road Academy Trust's finances and resources, including proper planning, monitoring and probability. This committee will make appropriate comments and recommendations on such matters to the board of trustees on a regular basis. Major issues will be referred to the board of trustees for ratification. Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Chris Atkinson (Chair)	2	4
Louise Garvey	4	4
Paul Barker-Matthews	4	4
Patricia Holmes	3	4
David How	4	4
Siobhan Holmes	2	4
Holly Myers (from 21 December 2016)	2	2

The audit committee is also a sub-committee of the main board of trustees. Its purpose is to maintain an oversight of the academy trust's governance, risk management, internal control and value for money framework. This committee will report its findings annually to the board of trustees and the accounting officer as a critical element of the audit committee's annual reporting requirements. The committee members are the same members of the finance committee. For this reason the audit committee was held at the same time as the finance committee and attendance at the meetings was the same as the above finance committee.

# BEAVER ROAD ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### **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:

#### Raising student attainment and improving progress

##### **Key Stage 2**

- Progress – For reading and maths the school has average progress which is in line with vast majority of other schools. However, for writing the school's progress is deemed below average and in the bottom 20% nationally.
- Reading – There is evidence of much improvement in reading results when compared with 2016. This now puts the school securely above the national average for both the percentage meeting expectations and also for working at the higher standard.
- Writing - The percentage of pupils meeting the year 6 expectations was up on the previous year by 1% but is still below the national average by 3%. The percentage attaining greater depth has improved in comparison to last year by 6% but is still below the national average.
- Maths -The percentage of pupils meeting the year 6 expectations was down on the previous year by 1% but is still above the national average by 6%. The percentage attaining greater depth has improved by 6% in comparison to last year and remains above the national average.
- Combined – There is evidence of improvement in reading results when compared with 2016. This now puts the school securely above the national average for both the percentage meeting expectations and also for working at the higher standard.
- Boys/ Girls – Girls outperform boys in respect of percentages working at greater depth in all subjects except for maths by the end of year 6. However, boys outperform other boys nationally in all areas apart from writing. Similarly, girls outperform other girls nationally in all areas except for writing.
- Disadvantaged – The performance of the 17 disadvantaged pupils did not match up well with other non-disadvantaged pupils nationally across each subject. Diminishing the difference between advantaged and disadvantaged pupils could well be a major area of future development.

##### **Key Stage 1**

- Reading – The percentage of pupils meeting the year 2 expectations was slightly down on the previous year but is still just above the national average by 1%. The percentage attaining greater depth has improved in comparison to last year but still remains below the national average.
- Writing - The percentage of pupils meeting the year 2 expectations was down on the previous year by 8% but is still just above the national average by 2%. The percentage attaining greater depth has vastly improved in comparison to last year and is now in line with the national average.
- Maths -The percentage of pupils meeting the year 2 expectations was down on the previous year by 5% and is now below the national average by 2%. The percentage attaining greater depth has improved by 3% in comparison to last year but remains below the national average.
- Boys/ Girls – Girls outperform boys in respect of percentages meeting the year 2 national expectations. However, boys outperform other boys nationally in reading and writing but not in maths. Girls match other girls nationally in respect of meeting the year 2 expectations and are close to the national average for writing and maths.
- In respect of attaining greater depth, a higher percentage of boys than girls attained greater depth in reading and maths. The percentage of boys attaining greater depth is close to the national average for other boys nationally for all three subjects. Similarly, the percentage of girls attaining greater depth is close to the national average for other girls nationally except in reading where girls are below other girls nationally.
- Disadvantaged – None of the 10 disadvantaged pupils attained the greater depth and the percentage that met the national expectation for year 2 was well below the national average for non-disadvantaged pupils.

# **BEAVER ROAD ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2017**

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#### Robust governance and oversight of academy trust's finances

The academy trust has a suitably qualified responsible officer (RO). The RO reviews key financial policies, systems and procedures, including the use of tenders and presents reports in compliance to the academy trust's business manager, headteacher and board of trustees.

The academy trust receives finance support on compliance and accounting practices from an external consultant and has appointed external auditors.

The academy trust's board of trustees approve the budget each year and is mindful of the need to balance expenditure against income to ensure that the academy trust remains a 'going concern'. The board of trustees also receive and approve the annual accounts and the external auditor's management report.

#### Ensuring the operation of the trust shows good value for money and efficient and effective use of resources.

Beaver Road Academy Trust requires all suppliers to compete on grounds of cost and quality of products. The academy trust actively seeks out the best products at the best price; regardless of how much Beaver Road Academy Trust aims to spend.

All orders are viewed by the headteacher or deputy head teacher and the academy's director of finance & resources to ensure that money is being utilised and allocated wisely.

For any order of £10,000 or over the academy trust will obtain three quotes. Successful companies will be chosen on grounds of price, quality and previous track record.

The academy trust is always mindful that minor improvements or savings are not cost effective if the administration involves substantial time or costs. Time wasted on these minor improvements and savings can also distract management from more important or valuable areas. The trust therefore uses well known suppliers for small orders (e.g. stationery, small equipment).

The academy trust's staffing structure is reviewed annually to ensure the most appropriate provision for our pupils. This ensures that value for money is maximised in terms of quality of teaching and learning, curriculum management and ensuring the correct adult-pupil ratios.

The academy trust has an asset register which manages the allocation of resources in terms of costing, effectiveness and depreciation.

The trust targets its use of the Pupil Premium so that the trust's most deprived pupils have the opportunity to raise their individual levels of attainment resulting in improved educational outcomes for all.

Beaver Road Academy Trust is a National Support School and the headteacher a National Leader of Education. The trust is commissioned by both local authority and academy trusts to support other schools experiencing difficulties or challenges.

The academy trust also shares good practice with a number of local schools which helps to drive up standards and keep costs to a minimum.

The academy trust runs before and after school care for pupils, as well as wraparound nursery care. This provides the academy trust with a reliable revenue stream whilst maximising income generation for the trust.

Beaver Road Academy Trust benchmarks financial performance against other academy trusts to demonstrate that the academy trust provides good 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 system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Beaver Road Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

**BEAVER ROAD ACADEMY TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The risk and control framework**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Patricia Holmes, a trustee, as a responsible officer (RO) to carry out a programme of internal checks.

The responsible officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the responsible officer reports to the board of trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of trustees financial responsibilities.

The responsible officer has delivered their schedule of work as planned and provided details of any material control issues arising as a result of the review. There were no material control issues arising from the review.

**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:

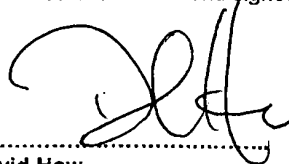
- the work of the responsible officer;
- the work of the external auditor; and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 18 December 2017 and signed on its behalf by:



Paul Barker-Matthews  
Chair of trustees



David How  
Accounting officer

# **BEAVER ROAD ACADEMY TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

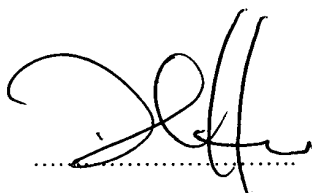
***FOR THE YEAR ENDED 31 AUGUST 2017***

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

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

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

A handwritten signature in black ink, appearing to read 'D. How', written over a dotted line.

**David How**  
**Accounting officer**

Dated: 18 December 2017

## BEAVER ROAD ACADEMY TRUST

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2017**

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The trustees (who also act as governors for Beaver Road Academy Trust and are also the directors of Beaver Road Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 18 December 2017 and signed on its behalf by:



Paul Barker-Matthews  
Chair of trustees

# BEAVER ROAD ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAVER ROAD ACADEMY TRUST

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Opinion

We have audited the accounts of Beaver Road Academy Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### 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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

# BEAVER ROAD ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAVER ROAD ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, 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 accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts 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.

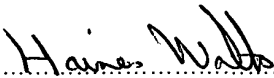
## **BEAVER ROAD ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAVER ROAD ACADEMY TRUST (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**John Whittick BSc FCA (Senior Statutory Auditor)**

**for and on behalf of Haines Watts**

**Chartered Accountants**

**Statutory Auditor**

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: 18/4/17

# **BEAVER ROAD ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEAVER ROAD ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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In accordance with the terms of our engagement letter dated 4 April 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Beaver Road Academy Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Beaver Road Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Beaver Road Academy Trust's funding agreement with the Secretary of State for Education dated 29 October 2013 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

## BEAVER ROAD ACADEMY TRUST

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEAVER ROAD ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

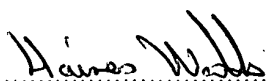
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The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

#### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
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**Haines Watts**  
**Reporting Accountant**

Dated: 18/11/17 .....

# BEAVER ROAD ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2017 £000	Total 2016 £000
<b>Income and endowments from:</b>						
Donations and capital grants	2	12	-	533	545	359
Charitable activities:						
- Funding for educational operations	3	-	2,851	-	2,851	2,823
Other trading activities	4	470	-	-	470	404
Investments	5	1	-	-	1	1
<b>Total income and endowments</b>		<u>483</u>	<u>2,851</u>	<u>533</u>	<u>3,867</u>	<u>3,587</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	<u>243</u>	<u>4,098</u>	<u>80</u>	<u>4,421</u>	<u>3,399</u>
<b>Total expenditure</b>	6	<u>243</u>	<u>4,098</u>	<u>80</u>	<u>4,421</u>	<u>3,399</u>
<b>Net income/(expenditure)</b>		240	(1,247)	453	(554)	188
Transfers between funds		(202)	735	(533)	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	17	<u>-</u>	<u>791</u>	<u>-</u>	<u>791</u>	<u>(514)</u>
<b>Net movement in funds</b>		38	279	(80)	237	(326)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>268</u>	<u>(744)</u>	<u>3,719</u>	<u>3,243</u>	<u>3,569</u>
Total funds carried forward		<u>306</u>	<u>(465)</u>	<u>3,639</u>	<u>3,480</u>	<u>3,243</u>

# BEAVER ROAD ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £000	2016 £000
<b>Fixed assets</b>			
Tangible assets	11	3,639	3,674
<b>Current assets</b>			
Debtors	12	198	109
Cash at bank and in hand		427	690
		625	799
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	(261)	(91)
<b>Net current assets</b>		364	708
<b>Total assets less current liabilities</b>		4,003	4,382
Creditors: amounts falling due after more than one year	14	(58)	(58)
<b>Net assets excluding pension liability</b>		3,945	4,324
Defined benefit pension liability	17	(465)	(1,081)
<b>Net assets</b>		3,480	3,243
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>	16		
- Fixed asset funds		3,639	3,674
- Restricted income funds		-	337
- Pension reserve		(465)	(1,081)
<b>Total restricted funds</b>		3,174	2,930
<b>Unrestricted income funds</b>	16	306	313
<b>Total funds</b>		3,480	3,243

The accounts were approved by the board of trustees and authorised for issue on 18 December 2017 and are signed on its behalf by:

*P. J. Barker-Matthews*

Paul Barker-Matthews  
Chair of trustees

Company Number 08698831

**BEAVER ROAD ACADEMY TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

		2017		2016	
	Notes	£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	19		(754)		(62)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE and ESFA		533		349	
Payments to acquire tangible fixed assets		(45)		(53)	
			489		297
<b>Cash flows from financing activities</b>					
New long term bank loan		12		-	
Repayment of long term bank loan		(10)		(8)	
			2		(8)
<b>Change in cash and cash equivalents in the reporting period</b>			(263)		227
Cash and cash equivalents at 1 September 2016			690		463
<b>Cash and cash equivalents at 31 August 2017</b>			427		690

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1 Accounting policies

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.

##### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Beaver Road Academy Trust meets the definition of a public benefit entity under FRS 102.

##### 1.2 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 accounts 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 accounts.

##### 1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

###### Grants receivable

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.

###### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

###### Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

###### Other income

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

**BEAVER ROAD ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1 Accounting policies**

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets are 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.

**1.4 Expenditure**

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

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

**1.5 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.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of an 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1 Accounting policies

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

Land and buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	7 years

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.

#### 1.6 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.

#### 1.7 Leasing and hire purchase commitments

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

#### 1.8 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.

#### 1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

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

#### 1.10 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education and other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

#### 1.11 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.

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 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 2 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2017 £000	Total 2016 £000
Capital grants	-	533	533	349
Other donations	12	-	12	10
	<u>12</u>	<u>533</u>	<u>545</u>	<u>359</u>

The income from donations and capital grants was £545,000 (2016 - £359,000) of which £12,000 was unrestricted (2016 - £10,000) and £533,000 was restricted fixed assets (2016 - £349,000).

### 3 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2017 £000	Total 2016 £000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	2,379	2,379	2,375
Other DfE / ESFA grants	-	227	227	227
	<u>-</u>	<u>2,606</u>	<u>2,606</u>	<u>2,602</u>
<b>Other government grants</b>				
Local authority grants	-	245	245	221
	<u>-</u>	<u>245</u>	<u>245</u>	<u>221</u>
<b>Total funding</b>	<u>-</u>	<u>2,851</u>	<u>2,851</u>	<u>2,823</u>

The income from funding for educational operations was £2,851,000 (2016 - £2,823,000) which was all restricted.

There were no unfulfilled conditions or other contingencies attached to grants that have been recognised as income.

**BEAVER ROAD ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**4 Other trading activities**

	Unrestricted funds £000	Restricted funds £000	Total 2017 £000	Total 2016 £000
Catering income	82	-	82	75
Music tuition	28	-	28	26
Trips	52	-	52	60
Nursey income	96	-	96	70
Other income	212	-	212	173
	<u>470</u>	<u>-</u>	<u>470</u>	<u>404</u>

The income from other trading activities was £470,000 (2016 - £404,000) of which £470,000 was unrestricted (2016 - £404,000).

**5 Investment income**

	Unrestricted funds £000	Restricted funds £000	Total 2017 £000	Total 2016 £000
Short term deposits	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

The income from funding for investment income was £1,000 (2016 - £1,000) of which £1,000 (2016 - £1,000) was unrestricted.

**6 Expenditure**

	Staff costs £000	Premises & equipment £000	Other costs £000	Total 2017 £000	Total 2016 £000
<b>Academy's educational operations</b>					
- Direct costs	2,144	72	277	2,493	2,480
- Allocated support costs	<u>419</u>	<u>1,072</u>	<u>437</u>	<u>1,928</u>	<u>919</u>
	<u>2,563</u>	<u>1,144</u>	<u>714</u>	<u>4,421</u>	<u>3,399</u>
<b>Total expenditure</b>	<u>2,563</u>	<u>1,144</u>	<u>714</u>	<u>4,421</u>	<u>3,399</u>

The expenditure on raising funds was £nil (2016 - £nil).

**BEAVER ROAD ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**6 Expenditure**

<b>Net income/(expenditure) for the year includes:</b>	<b>2017 £000</b>	<b>2016 £000</b>
Fees payable to auditor for:		
- Audit	6	6
- Other services	1	1
Operating lease rentals	10	40
Depreciation of tangible fixed assets	80	92

**7 Charitable activities**

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2017 £000</b>	<b>Total 2016 £000</b>
Direct costs - educational operations	63	2,430	2,493	2,480
Support costs - educational operations	180	1,748	1,928	919
	<u>243</u>	<u>4,178</u>	<u>4,421</u>	<u>3,399</u>

The expenditure on educational operations was £4,421,000 (2016 - £3,399,000) of which £243,000 was unrestricted (2016 - £274,000), £4,098,000 was restricted (2016 - £3,033,000) and £80,000 was restricted fixed assets (2016 - £92,000).

<b>Analysis of costs</b>	<b>2017 £000</b>	<b>2016 £000</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	2,124	2,094
Staff development	20	20
Depreciation and amortisation	72	83
Technology costs	24	15
Educational supplies and services	177	181
Other direct costs	76	87
	<u>2,493</u>	<u>2,480</u>
<b>Support costs</b>		
Support staff costs	419	309
Depreciation and amortisation	8	9
Technology costs	4	21
Maintenance of premises and equipment	1,064	122
Cleaning	54	50
Energy costs	32	35
Rent and rates	36	32
Insurance	13	27
Catering	180	200
Interest on net pension obligation	73	20
Other support costs	21	68
Governance costs	24	26
	<u>1,928</u>	<u>919</u>

**BEAVER ROAD ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**8 Staff costs**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	1,889	1,836
Social security costs	167	141
Operating costs of defined benefit pension schemes	375	303
Staff costs	2,431	2,280
Supply staff costs	112	123
Staff development and other staff costs	20	20
Total staff expenditure	2,563	2,423

**Staff numbers**

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

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Teachers	29	26
Administration and support	51	61
Management	6	6
	86	93

**Higher paid staff**

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

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
£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) received by key management personnel for their services to the academy trust was £383,000 (2016 - £264,000).

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 9 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, no travel and subsistence payments were made (2016: £nil).

The value of trustees' remuneration was as follows:

David How (Principal and trustee)		
Remuneration:	£75,001 - £80,000	(2016: £75,001 - £80,000)
Employer's pension contributions:	£10,001 - £15,000	(2016: £10,001 - £15,000)
Louise Garvey (Staff trustee)		
Remuneration:	£20,001 - £25,000	(2016: £20,001 - £25,000)
Employer's pension contributions:	£1 - £5,000	(2016: £1 - £5,000)
Holly Myers (Staff trustee)		
Remuneration:	£30,001 - £35,000	(2016: £20,001 - £25,000)
Employer's pension contributions:	£1 - £5,000	(2016: £1 - £5,000)
Sarah Turner (Staff trustee)		
Remuneration:	£50,001 - £55,000	(2016: £40,001 - £45,000)
Employer's pension contributions:	£5,001 - £10,000	(2016: £5,001 - £10,000)
Siobhan Holmes (Staff trustee)		
Remuneration:	£35,001 - £40,000	(2016: £25,001 - £30,000)
Employer's pension contributions:	£5,001 - £10,000	(2016: £1 - £5,000)

Other related party transactions involving the trustees are set out within the related parties note.

#### 10 Trustees and officers insurance

The academy trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**BEAVER ROAD ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**11 Tangible fixed assets**

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000
<b>Cost</b>				
At 1 September 2016	3,728	116	59	3,903
Additions	-	6	39	45
At 31 August 2017	3,728	122	98	3,948
<b>Depreciation</b>				
At 1 September 2016	133	79	17	229
Charge for the year	47	23	10	80
At 31 August 2017	180	102	27	309
<b>Net book value</b>				
At 31 August 2017	3,548	20	71	3,639
At 31 August 2016	3,595	37	42	3,674

**12 Debtors**

	2017 £000	2016 £000
Trade debtors	-	10
VAT recoverable	86	21
Prepayments and accrued income	112	78
	198	109

**13 Creditors: amounts falling due within one year**

	2017 £000	2016 £000
Government loans	11	9
Trade creditors	29	-
Accruals and deferred income	221	82
	261	91

**BEAVER ROAD ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>14</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
		<b>£000</b>	<b>£000</b>
	Government loans	58	58
		<u>58</u>	<u>58</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	69	67
	Less: included in current liabilities	(11)	(9)
		<u>69</u>	<u>67</u>
	Amounts included above	58	58
		<u>58</u>	<u>58</u>
	<b>Loan maturity</b>		
	Debt due in one year or less	11	9
	Due in more than one year but not more than two years	11	9
	Due in more than two years but not more than five years	33	29
	Due in more than five years	14	20
		<u>69</u>	<u>67</u>
		<u>69</u>	<u>67</u>
	The Government loan is part of funding approved by the ESFA. The funding was delivered as a combination of capital grant and a 0% "Salix" loan.		
<b>15</b>	<b>Deferred income</b>	<b>2017</b>	<b>2016</b>
		<b>£000</b>	<b>£000</b>
	Deferred income is included within:		
	Creditors due within one year	77	60
		<u>77</u>	<u>60</u>
	Deferred income at 1 September 2016	60	73
	Released from previous years	(60)	(73)
	Amounts deferred in the year	77	60
		<u>77</u>	<u>60</u>
	<b>Deferred income at 31 August 2017</b>	<b>77</b>	<b>60</b>
		<u>77</u>	<u>60</u>

At the balance sheet date, the academy trust was holding funds received in advance for Universal Infant Free School Meals funding.

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 16 Funds

	Balance at 1 September 2016 £000	Incoming resources £000	Resources expended £000	Gains, losses & transfers £000	Balance at 31 August 2017 £000
<b>Restricted general funds</b>					
General Annual Grant	-	2,379	(3,451)	1,072	-
Other DfE / ESFA grants	337	227	(227)	(337)	-
Other government grants	-	245	(245)	-	-
	<u>337</u>	<u>2,851</u>	<u>(3,923)</u>	<u>735</u>	<u>-</u>
Funds excluding pensions	337	2,851	(3,923)	735	-
Pension reserve	(1,081)	-	(175)	791	(465)
	<u>(744)</u>	<u>2,851</u>	<u>(4,098)</u>	<u>1,526</u>	<u>(465)</u>
<b>Restricted fixed asset funds</b>					
DfE / ESFA capital grants	-	533	-	(533)	-
Inherited funds	3,612	-	(78)	-	3,534
Expenditure from unrestricted funds	107	-	(2)	-	105
	<u>3,719</u>	<u>533</u>	<u>(80)</u>	<u>(533)</u>	<u>3,639</u>
<b>Total restricted funds</b>	<u>2,975</u>	<u>3,384</u>	<u>(4,178)</u>	<u>993</u>	<u>3,174</u>
<b>Unrestricted funds</b>					
General funds	268	483	(243)	(202)	306
<b>Total funds</b>	<u>3,243</u>	<u>3,867</u>	<u>(4,421)</u>	<u>791</u>	<u>3,480</u>

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objectives of the academy.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are at the discretion of the trustees.

Transfers out of unrestricted funds of £202,000 were made to meet the shortfall in restricted GAG funding compared to resources expended.

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

# **BEAVER ROAD ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2017**

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#### **17 Pensions 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 Tameside Metropolitan Borough Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

#### **Teachers' Pension Scheme**

##### **Introduction**

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

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

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

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £163,000 (2016: £173,000).

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

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

#### 17 Pensions and similar obligations

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

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 5.5 to 12.5 per cent for employees and 19.1 per cent for employers. The estimated value of employer contributions for the forthcoming year is £110,000.

As described above the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Total contributions made	2017 £000	2016 £000
Employer's contributions	110	97
Employees' contributions	35	32
Total contributions	145	129
Principal actuarial assumptions	2017 %	2016 %
Rate of increases in salaries	3.2	3.4
Rate of increase for pensions in payment	2.4	2.1
Discount rate	2.5	2.1

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

##### Sensitivity analysis

Changes in assumptions at 31 August 2017	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	268
0.5% increase in the Salary Increase Rate	3%	59
0.5% increase in the Pension Increase Rate	11%	204

# BEAVER ROAD ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

#### 17 Pensions and similar obligations

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

	2017 Years	2016 Years
Retiring today		
- Males	21.5	21.4
- Females	24.1	24.0
Retiring in 20 years		
- Males	23.7	24.0
- Females	26.2	26.6

#### The academy trust's share of the assets in the scheme

	2017 Fair value £000	2016 Fair value £000
Equities	1,047	952
Bonds	230	225
Cash	72	66
Property	86	79
Total market value of assets	1,435	1,322

Actual return on scheme assets - gain/(loss)	(20)	210
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#### Amounts recognised in the statement of financial activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	212	130
Net interest cost	73	20

#### Changes in the present value of defined benefit obligations

	2017 £000	2016 £000
Obligations at 1 September 2016	2,403	1,497
Current service cost	212	130
Interest cost	53	60
Employee contributions	35	32
Actuarial loss	(791)	684
Benefits paid	(12)	-
At 31 August 2017	1,900	2,403

**BEAVER ROAD ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**17 Pensions and similar obligations**

**Changes in the fair value of the academy trust's share of scheme assets**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Assets at 1 September 2016	1,322	983
Interest income	(20)	40
Return on plan assets (excluding amounts included in net interest): Actuarial gain	-	170
Employer contributions	110	97
Employee contributions	35	32
Benefits paid	(12)	-
At 31 August 2017	<u>1,435</u>	<u>1,322</u>

**18 Analysis of net assets between funds**

	<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
	<b>Funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	3,639	3,639
Current assets	306	319	-	625
Creditors falling due within one year	-	(261)	-	(261)
Creditors falling due after one year	-	(58)	-	(58)
Defined benefit pension liability	-	(465)	-	(465)
	<u>306</u>	<u>(465)</u>	<u>3,639</u>	<u>3,480</u>

**19 Reconciliation of net income/(expenditure) to net cash flows from operating activities**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Net (expenditure)/income for the reporting period	(554)	188
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(533)	(349)
Investment income receivable	(1)	(1)
Defined benefit pension costs less contributions payable	102	33
Defined benefit pension net finance cost	73	20
Depreciation of tangible fixed assets	80	92
(Increase) in debtors	(89)	(16)
Increase/(decrease) in creditors	168	(29)
<b>Net cash used in operating activities</b>	<u>(754)</u>	<u>(62)</u>

# **BEAVER ROAD ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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### **20 Related party transactions**

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

During the prior year the trust made purchases of £58 from Zoom Play Centre Limited. P Holmes is a director of that company.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2016.

### **21 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.