Woodlands Academy of Learning

(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2016

Company Number : 08077289

Feltons
Chartered Accountants

Birmingham
B1 3JR

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Report and Financial Statements
Year ended 31 August 2016

Contents

Woodlands Academy of Learning
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Reference and Administrative Details

Members	Mr R Butt - Community Trustee - appointed 21/05/12 Miss A Fisher - Parent Trustee - appointed 13/11/12 Mrs L Lowe - Parent Trustee - appointed 21/05/12 (Changed from Parent to Associate 13/12/2015) Mr D Wills - Community Trustee - appointed 28/09/15
Trustees	Mrs V Baker* - Associate Trustee - appointed 25/09/14 Mr D Barker - LA Trustee - appointed 31/03/14 Mr R Butt - (Ex Chair) Community Trustee - appointed 12/05/12, resigned 31/09/15 Mr R Eynon* - Parent Trustee – appointed – 24/02/16 Miss A Fisher - Parent Trustee - appointed -13/11/12 Mr K Glanville - Community Trustee - appointed 01/09/15 Mrs J Graham - Staff Trustee - appointed 19/10/13 Mrs J Jackson - Staff Trustee - appointed 25/09/14 Mr R Lawrence* - (Chair) Community Trustee - appointed 21/05/12 Mrs L Lowe - Associate Trustee - appointed 13/12/15 Mrs C Macpherson* - Associate Trustee - appointed - 16/04/15 Mrs J Meredith - Staff Trustee – appointed 07/06/16 Mr D Mason - Community Trustee - appointed 19/06/14 Mrs T Newton* - Headteacher & Accounting Officer - appointed 13/04/2015 Mrs T Pearce* - Community Trustee - appointed 30/11/14 Mr M Reid* - Parent Trustee - appointed 02/03/15 Miss H Shepherd – Staff Trustee – appointed 02/05/2016 resigned 21/02/2016 Mrs H Smith - Parent Trustee - appointed 19/06/15 resigned 17/03/16 Mr E West* - Parent Trustee - appointed 23/01/15 Mr I Whitehouse* - Parent Trustee - appointed 13/11/12 Mr D Wills* - Community Trustee - appointed 28/09/15
Company secretary	Mrs D De Bear – c/o Services 4 Schools
Senior management team	
• Headteacher	Mrs T Newton
• Deputy Headteacher	Mrs C Macpherson
• Assistant Headteacher	Mrs L Garcha
• Assistant Headteacher	Mrs J Jackson
• Pupil Premium Lead	Mrs V Pavey
• Business Manager	Mrs V Baker
Company name	Woodlands Academy of Learning
Principal and registered office	Bloxwich Road North Willenhall West Midlands WV12 5PR
Company registration number	08077289

Reference and Administrative Details (continued)

Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank 41 Market Street Stoke on Trent ST13 1BN
Solicitors	Browne Jacobson Victoria Square House Victoria Square Birmingham B2 4BU

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report and a directors' report (incorporating a strategic report) under company law.

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Walsall. It has a pupil capacity of 472 and had a roll of 471 in the school census on 6th October 2016.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Woodlands Academy of Learning are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Woodlands Academy of Learning.

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

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

Parent Trustees are elected by the parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when she/he is elected.

Community Trustees may be appointed by the Governing Body provided that the person who is appointed as a Community Trustee is:

- a person who lives or works in the community served by the Academy; or
- a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

Staff Trustees are elected by employees of the Academy Trust.

The above selection procedures are:

Staff - the post is advertised on the staff board and verbally advertised at staff briefing. A staff member indicates to the Head Teacher that they would like to stand for the post. If there is more than one candidate then all employees of the Academy are invited to vote through a ballot for their preferred candidate. The candidate with the most votes is elected as Staff Trustee.

Parents – Letters are sent to all parents making them aware of the vacancy, parents are invited to nominate themselves/each other for the post. Nominees are asked to meet with the Chair of Trustees and the Headteacher to discuss the role of a governor. If there is more than one candidate then all parents are invited to vote through a ballot for their preferred candidate. The candidate with the most votes is elected as Parent Trustee.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governing Body has a Service Level Agreement with the Trustee Support department of Services 4 Schools, to provide training, advice and support to the Governing Body.

Newly elected Trustees attend Induction Training for new Trustees, and in addition select specific training provided by Trustee Support in accordance with their needs.

One of the Trustees is appointed as Link Trustee, attends relevant training and provides information to Trustees following such training.

One of the Trustee Governors is the Lead for professional Development for all Trustees, and in liaison with the Deputy Head Teacher is the Lead for Professional Development in school, they ensure that Trustees are provided with opportunities to receive training in accordance with their role, and the school's Training Plan.

Organisational structure

The Governing Body has established committees and appoints Trustees to serve on each of the committees annually. The committees for the period of the report were:

- Finance, Staffing and Buildings
- Curriculum and Standards
- Head Teacher Performance Management
- Governors Leadership and Development

The written terms of reference of the committees include the monitoring of the preparation and management of the Academy's budget and implementation of the Academy's financial management policies, including risk assessment.

The Governing Body also appoints a Responsible Officer and this role has been fully implemented in accordance with the Academy Trust's Financial Procedures.

Decisions relating to appointment of senior staff (Assistant Head and above) are reserved for the board of trustees, Headteacher and identified member of the SLT. Those responsibilities delegated to management include day to day organisation of the academy and appointment of staff other than Assistant Head and above.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration decisions for key management personnel are undertaken by FSB Committee and are based upon previous performance in line with their job description and their appraisal statements.

Related parties and other Connected Charities and Organisations

- Walsall LA
- Member of two cluster
- Ryders Hayes
- Elite Health and Safety in Education
- Concept Education
- Total Finance

Objectives and activities

Objects and aims

The strategic goal of Woodlands Academy of Learning is to provide a broad and balanced curriculum to all pupils in accordance with the Funding Agreement between the Academy Trust and the Department for Education.

Objectives, strategies and activities

Long Term Vision for Woodlands Academy of Learning

- To achieve a level of provision that is outstanding in all aspects for every child, irrespective of age, gender, race, religion or disability.
- To fully implement the Woodlands Vision by providing our children with the skills of learning for life and aspiration for their next and later steps into the global community.
- To ensure the WACI curriculum (Woodland's Adventurous, creative and Innovative Curriculum) meets the needs of every child and enables every child to make good or outstanding progress and fulfil their potential.
- To meet (and surpass) National Benchmarks in the core areas of learning.
- To be a lead school in a Multi Academy Trust and to impact on the development of another school/s through sharing Woodlands practice and expertise.
- Woodlands Academy to remain a community school and meets the needs of the local community as it evolves, with a strong partnership with parents.
- To provide value for money for the funds expended.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

The main objectives for the year are:

Priority 1 - **To increase the percentage of children working at ARE in each cohort in reading, writing and maths, with a high focus on reading**

- YN – To attain 40% at ARE
- YR – To attain 70% at ARE (good Level of Development)
- Y1 – Y6 To attain 75% at ARE

Priority 2 - **To increase the percentage of children working at ARE in each cohort in reading**

- YN – To attain 40% at ARE
- YR – To attain 70% at ARE
- Y1 – Y6 To attain 75% at ARE

Priority 3 - **To increase the percentage of children working at greater depth in each cohort in reading, writing and maths.**

- YN – To attain 10% at ARE
- YR – To attain 15% at ARE
- Y1 – Y6 To attain 15% at ARE or surpass National Expectations

Priority 4 **To further develop the Woodlands Adventurous, Creative and Innovative Curriculum so that it incorporates the 2014 National Curriculum, providing breadth, depth and progression.**

- 2016 – 2017 To create and introduce the WACI curriculum
- 2017 – 2018 To embed and refine the WACI curriculum

Priority 5 - To raise standards of teaching and learning so that every teacher moves to the next band within the teaching continuum.

Priority 6 - To increase the percentage of children by 10% of children working at ARE in N, R and Y1 in speech and language.

Priority 7 - To increase the attendance percentage to be in line (or exceed) the national figure and reduce the absence statistic to be in line with National figures.

Trustees' report (continued)

Priority 8 - To continue to build upon progress in the identified Ofsted Priorities from 2013.

Significant Activities over the past year have been:

- Development of Woodland's Vision for every child
- Implementation of 2014 National Curriculum in the core subjects
- Development of assessment procedures to track achievement and attainment (without levels)
- Introduction of wrap around care
- Focus on the teaching and learning of phonics so that the number of children passing the benchmark is increased.
- Focus on safeguarding professional development to ensure all staff can be proactive in safeguarding every child
- Implementation of British Values into the Curriculum
- Focus on speech and language
- Implementation of new approach to teaching and learning of mathematics based upon the Singaporean approach
- Increase number of children attaining GLD in EYFS

Public benefit

In setting our objectives and planning our activities, the Governing Body has given careful consideration to the Charity Commission's general guidance on public benefit.

Woodlands Academy of Learning is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Strategic Report

Achievements and Performance

KS 2 Results 2016

KS2	Ws ARE+ (At or above the benchmark)	Ws Children working at "Greater Depth"	Ws Woodlands Progress Score
R,W,M Combined	64%	0%	
Reading	72%	10%	0.3
Writing	86%	6%	1.8
Maths	76%	0%	-1.1
EGPS	76%	22%	

Key Performance Indicators

Ofsted Inspection Date: 19/04/2013

- Outcome Overall Inspection 2
- Achievement of pupils 2
- Quality of teaching 2
- Behaviour and safety of pupils 2
- Leadership and management 2

Roll and Admissions

	YN AM	YN PM	RR	RJ	1P	1H	2S	2RG	3P	Y3 C/P	4R	4N	5T	5A	6P	6E	Total
Autumn '16 Census	24	24	30	30	30	30	30	30	30	30	30	30	30	30	31	32	471

Attendance

	% of sessions missed due to absence	Overall attendance	Unauthorised absence	Authorised absence	Persistent Absence below 90%	Persistent Absence below 85%
2014 - 2015	4.5	95.29%	0.54%	4.17%		2.8%
2015 - 2016	4.14	95.86%	0.93%	3.21%	6.25%	2.8%

Results Overview 2016

Phonic Check	2015	2016
Year 1	70%	84%
Year 2	89%	63%

EYFS 2015	EYFS 2016
48%	62%

KS1	Children meeting the benchmark	Children working at Greater depth
Reading	60%	15%
Writing	48%	14%
Maths	60%	18%

KS2	Children meeting the benchmark	Children working at Greater depth	Progress Score
R,W,M Combined	64%	0%	
Reading	72%	10%	0.3
Writing	86%	6%	1.8
Maths	76%	0%	-1.1

- Direct costs as a percentage of total costs were 69.4% (2015 : 70.5%)
- Support costs as a percentage of total costs were 30.6% (2015 : 28.7%)
- Total payroll costs as a percentage of recurring income were 78.6% (2015 : 70.6%)

Going concern

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

Financial Review

The financial results of Woodlands Academy of Learning are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Finance Handbook for Academies published by the EFA and requirements as laid down by the Academy's Financial Handbook.

The principal funding source is grant income from the EFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the Academy.

During the year ended 31 August 2016 total resources expended were £2,173,904 and the surplus of expenditure over income was £102,893 which included depreciation of £114,925.

Reserves Policy

The Trustees continually monitor the reserves of the Charitable Company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the Governing Body's general policy to continue to build reserves which can be used for future educational purposes.

The Academy had total funds at 31 August 2016 of £2,072,834 which included £376,645 restricted funds not available for general purposes of the Academy Trust, £54,369 of free reserves defined as unrestricted funds available for general purposes and £2,722,820 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus/deficit of £431,014.

In addition, the deficit on the restricted pension fund of £1,081,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

Budgeted expenditure for 2016/17 is £2,215,699.

Investment Policy

There are no investment policies held by the academy.

Principal Risks and Uncertainties

The Trustees have considered the major risks and uncertainties facing the Charitable Company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

Plan for Future Periods

The school was inspected in April 2013. We were given a grade of "good" for all areas.

It is not yet an outstanding school because:

- Attainment in writing is not yet as strong as in reading and mathematics.
- More-able pupils and disabled pupils and those who have special educational needs are not always able to work in the way most suited to the way they learn and as a result they do not always make the best possible progress.
- Teachers do not always make effective use of written feedback to give clear guidance about how pupils can further improve their work.
- Children in Early Years Foundation Stage do not always have enough opportunities to make use of the exciting areas inside and outside to explore.

What does the school need to do to improve further?

Improve teaching so more is outstanding by:

- ensuring that written feedback clearly indicates what pupils must do to improve their work and teachers give them time in lesson to respond to this.
- creating more opportunities for children in Early Years Foundation Stage to explore the inside and outside areas in order to learn through following their own interest.

Raise achievement in English and Mathematics, particularly in writing, by:

- increasing the opportunities for more-able pupils to tackle open-ended writing tasks.
- providing disabled pupils and those who have special educational needs with more varied tasks in whole-class lessons that more closely meet their specific needs.

How are we going to achieve these recommendations?

- Continuing Professional Development (CPD) - weekly CPD meetings and the five CPD days throughout the year, linked to needs as identified in the SDP and through appraisals discussions.
- School Development Plan linked to the budget and needs as identified by Ofsted and through self-evaluation.
- Staff appraisal, identifying staff needs for development and support, and identified school needs.

Key Issues 2016/2017

- Development of approach to teaching and learning so that children attain a greater depth of understanding
- Development of challenge for most able
- Development of questioning linked to Bloom's Taxonomy.
- Review of milestones in foundation curriculum to ensure breadth and depth of each subject
- Implementation of Classroom Monitor to enable tracking of achievement
- Introduction of a modern foreign language
- Implement a new reading scheme

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Trustees' report (continued)

- Develop the leadership capacity of the middle managers
- Continue the high focus on speech and communication (Well comm, Talk Boost, SALT consultant)
- Safeguarding: Implement new document 'Keeping Children Safe'. Focus on development of Early Help, emotion coaching and e safety
- SEND: Explore strategies to track pupil progress for children with SEND

Funds Held as Custodian Trustee on Behalf of Others

None.

Auditor

Insofar 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.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ..8th Dec.... 2016 and signed on the board's behalf by:

..R.F. Lawrence.................. Mr R Lawrence - Chair of Trustees

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Woodlands Academy of Learning 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 Woodlands Academy of Learning 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meeting attended	Out of a possible
Mrs V Baker* - Associate Trustee - appointed 25/09/14	4	4
Mr D Barker - LA Trustee - appointed 31/03/14	4	4
Mr R Butt - (Ex Chair) Community Trustee - appointed 12/05/12, resigned 31/09/15	0	0
Mr R Eynon* - Parent Trustee – appointed – 24/02/16	2	2
Miss A Fisher - Parent Trustee - appointed -13/11/12	1	4
Mr K Glanville - Community Trustee - appointed 01/09/15	2	4
Mrs J Graham - Staff Trustee - appointed 19/10/13	4	4
Mrs J Jackson - Staff Trustee - appointed 21/05/12	1	4
Mr R Lawrence* - (Chair) Community Trustee - appointed 21/05/12	4	4
Mrs L Lowe - Associate Trustee - appointed 13/12/15	2	4
Mrs C Macpherson* - Associate Trustee - appointed - 16/04/15	4	4
Mrs J Meredith - Staff Trustee – appointed 07/06/16	1	1
Mr D Mason - Community Trustee - appointed 19/06/14	4	4
Mrs T Newton* - Headteacher & Accounting Officer - appointed 13/04/15	4	4
Mrs T Pearce* - Community Trustee - appointed 30/11/14	1	4
Mr M Reid* - Parent Trustee - appointed 02/03/15	4	4
Mrs H Smith - Parent Trustee - appointed 19/06/15 resigned 17/03/16	0	2
Mr E West* - Parent Trustee - appointed 23/01/15	3	4
Mr I Whitehouse* - Parent Trustee - appointed 13/11/12	2	4
Mr D Wills* - Community Trustee - appointed 28/09/15	4	4

Conclusion

The evidence seen in this review, and the conversations with governors and senior staff shows that **governance is sound.** In order for governance to be strong, the governing body needs to develop ways of focusing their work and supporting and challenging the headteacher, so that real progress in school improvement is essentially what the governing body is doing in the school.

Recommendations

In order to further develop governance at the school, the governing body should:

- Discuss with the Headteacher the kind of reporting they need from her to enable them to carry out their role effectively;
- Use the School Development Plan to develop a focus for agendas for meetings, and for the work of governors;
- Develop ways of discussing impact on learning outcomes, attendance, and school improvement, as opposed to the completion of processes and tasks;
- Have a clear structure for meetings that ensures all governors have good engagement with school improvement;
- Use external professional reports to provide greater direct information about the school from outside the school;
- Improve the quality of clerking at GLD meetings, so the minutes meet the right standard.

Various aspects of the report have already been acted upon

- Format of the School Improvement Plan has been amended to enable Governors to have a clear focus on the main priorities.
- Link Governors have been assigned to the key priorities to monitor and challenge outcomes
- Head Teacher's Termly report will link to the key priorities
- Minutes for GLD have been remedied
-

The Trust intends to review progress next Summer 2017

The **finance committee** is a sub-committee of the main board of trustees. Its purpose is to look at – financial management, staffing, effective use of resources, challenging plans for improvement, determining best value and strategic infrastructure plans.

Trustee	Meeting attended	Out of a possible
Mrs V Baker* - Associate Trustee - appointed 25/09/14	4	4
Mr R Eynon* - Parent Trustee – appointed – 24/02/16	2	2
Mr R Lawrence* - (Chair) Community Trustee - appointed 21/05/12	4	4
Mrs C Macpherson* - Associate Trustee - appointed - 16/04/15	3	4
Mrs T Newton* - Headteacher & Accounting Officer - appointed 13/04/15	4	4
Mrs T Pearce* - Community Trustee - appointed 30/11/14	2	4
Mr M Reid* - Parent Trustee - appointed 02/03/15	4	4
Mr E West* - Parent Trustee - appointed 23/01/15	1	4
Mr I Whitehouse* - Parent Trustee - appointed 13/11/12	1	4
Mr D Wills* - Community Trustee - appointed 28/09/15	4	4

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 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:

Applying the four principles of best value:

- **Challenge** - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- **Compare** - How does the school's pupil performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools?
- **Consult** - How does the school seek the views of stakeholders about the services the school provides?
- **Compete** - How does the school secure efficient and effective services? Are services of appropriate quality, economic?

These four principles have been applied when making decisions about:

- the allocation of resources to best promote the aims and values of the school.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all pupils.

Governors and school managers will not waste time and resources:

- on investigating minor areas where few improvements can be achieved
- to make minor savings in costs
- by seeking tenders for minor supplies and services

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

Purchasing

Governors and school managers develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:

- Competitive tendering procedures (e.g. for goods and services above £50,000)
- Three quotes for goods and services in excess of £10,000
- Procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- Procedures which minimise office time by the purchase of goods or services under £1000 direct from known, reliable suppliers (e.g. stationery, small equipment)

Governors and school managers:

- deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management.
- consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning.
- deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.
- review the quality of curriculum provision and quality of teaching, to provide parents and pupils with:
    - a curriculum which meets the requirements of the National Curriculum, the LA agreed RE syllabus and the needs of pupils
    - teaching which builds on previous learning and has high expectations of children's achievement
- review the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve nationally expected progress, e.g. setting of annual pupil achievement targets and striving to improve on or maintain previous year's results and attendance
- review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.
- review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Woodlands Academy of Learning for the year to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31 August 2016 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:-

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance, Staffing and Buildings Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed a Responsible Officer to carry out a programme of internal checks, her role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control accounts / bank reconciliations

On a termly basis, the Responsible Officer prepares a report for the board of trustees, through the finance, staffing and building committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Recommendations

- Wherever possible, official orders are raised on the Corero (Finance system) and sent off to suppliers, in order to protect the academy.
- When training courses are booked by staff, confirmation orders should be raised on the Corero system as soon as possible.
- The academy should ensure that they get quotes for large items of expenditure and take these quotes

Governance statement (continued)

to governors in order to get the relevant approval before an order is raised. This will ensure that the money is committed.
- When quotes for goods / services are discussed at Governor Meetings, the minutes should clearly detail all suppliers and amounts and which quote has been approved.
- Tenders / quotes should be kept in one central file, in date order.
- The academy needs a set procedure for chasing outstanding dinner money. This will ensure that outstanding amounts are not allowed to build up.
- The academy to have a financial policy and procedures manual that is approved by governors. This would ensure governors are aware of the financial procedures in school and also help staff to understand their roles and responsibilities.
- The Academy should consider having a full financial systems check by an independent company who specialises in academy finance.

Recommendations that have already been acted upon:
- Official orders are raised on the finance system where possible.
- Staff are aware that training courses should be booked through the official ordering system allowing costs to be committed.
- An online payment system (Parent Pay) has been sourced to manage dinner/trip payments which will also reduce the amount of cash payments to the school
- A new finance policy and procedures manual has been written and agreed by governors. Staff are aware of the financial procedures.
- The finance policy is followed and appropriate quotes will be obtained as required.

Review of Effectiveness

As Accounting Officer Mrs T Newton (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;
- 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, Staffing and Buildings Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 8th Dec 2016 and signed on its behalf by:

R. E. Lawrence

Mr R Lawrence
Chair of Governors

T S Newton

Mrs T Newton
Accounting Officer

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Statement of regularity, propriety and compliance

As accounting officer of Woodlands Academy of Learning I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA 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 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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 the EFA.

.... Mrs T Newton – Accounting Officer

8th Dec 2016

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on ....8th Dec...... 2016 and signed on its behalf by:

R. F. Lawrence......... Mr R Lawrence – Chair of Trustees

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Woodlands Academy of Learning

We have audited the financial statements of Woodlands Academy of Learning (A Company Limited by Guarantee) for the period ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities (set out on page 17), the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements :

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

Independent Auditor's Report on the Financial Statements to the Members of Woodlands Academy of Learning
(continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Feltons

David W Farnsworth FCA (Senior Statutory Auditor)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

12 December 2016

Independent Reporting Accountant's Assurance Report on Regularity to Woodlands Academy of Learning and the Education Funding Agency

In accordance with the terms of our engagement letter dated 1 May 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woodlands Academy of Learning during the period 1 September 2015 to 31 August 2016 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 Woodlands Academy of Learning and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Woodlands Academy of Learning and the EFA 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 Woodlands Academy of Learning and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Woodlands Academy of Learning's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Woodlands Academy of Learning's funding agreement with the Secretary of State for Education dated 20 February 2012 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the Academy Trust's Funding Agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Woodlands Academy of Learning and the Education Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Feltons

David W Farnsworth FCA (Senior Statutory Auditor)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

12... December 2016

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2016
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
Income from :							
Donations and capital grants	2	-	-	-	8,941	8,941	8,907
Funding for the academy trust's educational operations	3	124,051	-	1,937,037	-	2,061,088	2,119,069
Other educational activities	4	472	-	-	-	472	2,400
Investments	5	510	-	-	-	510	469
Total		125,033	-	1,937,037	8,941	2,071,011	2,130,845
Expenditure on :							
Charitable activities:							
Academy trust's educational operations	6	91,701	57,000	1,910,278	114,925	2,173,904	2,041,267
Total		91,701	57,000	1,910,278	114,925	2,173,904	2,041,267
Net income/(expenditure) before transfers		33,332	(57,000)	26,759	(105,984)	(102,893)	89,578
Transfers between funds	14	-	-	(45,692)	45,692	-	-
Net income/(expenditure) after transfers		33,332	(57,000)	(18,933)	(60,292)	(102,893)	89,578
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	14, 22	-	(445,000)	-	-	(445,000)	(55,000)
Net movement in funds		33,332	(502,000)	(18,933)	(60,292)	(547,893)	34,578
Reconciliation of funds							
Total funds brought forward	14	21,037	(579,000)	349,886	2,828,804	2,620,727	2,586,149
Total funds carried forward		54,369	(1,081,000)	330,953	2,768,512	2,072,834	2,620,727

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

Company number : 08077289
Balance sheet as at 31 August 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	11		2,768,512		2,828,804
Current assets					
Debtors	12	65,530		81,231	
Cash at bank and in hand		436,844		404,697	
		502,374		485,928	
Liabilities					
Creditors: amounts falling due within one year	13	117,052		115,005	
Net current assets			385,322		370,923
Net assets excluding pension liability			3,153,834		3,199,727
Defined benefit pension scheme liability	22		(1,081,000)		(579,000)
Total net assets			2,072,834		2,620,727
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	14	2,768,512		2,828,804	
General fund	14	330,953		349,886	
Pension reserve	14	(1,081,000)		(579,000)	
Total restricted funds			2,018,465		2,599,690
Unrestricted income funds	14		54,369		21,037
Total funds			2,072,834		2,620,727

The financial statements on pages 22 to 43 were approved by the trustees, and authorised for issue on 8th Dec 2016 and are signed on their behalf by:

R.F. Lawrence .... Mr R Lawrence - Chair of Trustees

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Statement of cash flows for the year ended 31 August 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	18	77,329	45,444
Cash flows from investing activities	19	(45,182)	(22,612)
Change in cash and cash equivalents in the reporting period		32,147	22,832
Cash and cash equivalents at 1 September 2015		404,697	381,865
Cash and cash equivalents at 31 August 2016	20	436,844	404,697

1. Statement of accounting policies

Basis of preparation

The financial statements of the academy trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Woodlands Academy of Learning meets the definition of a public benefit entity under FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Woodlands Academy of Learning prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Woodlands Academy of Learning for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Going concern

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

Income

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

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

1. Statement of accounting policies (continued)

Income (continued)

- **Grants (continued)**
  General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

  Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

- **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. Upon sale the fair value of the goods is charged against, and the proceeds are recognised as, 'Income from other trading activities'.

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

1. Statement of accounting policies (continued)

Expenditure (continued)

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

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

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

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

Leasehold buildings	- straight line over 50 years
Fittings and equipment	- straight line over 7 years
Computer hardware	- straight line over 3 years

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

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

Debtors

Operational and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Statement of accounting policies (continued)

Liabilities

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

Leased assets

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

Taxation

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

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1. Statement of accounting policies (continued)

Pension benefits (continued)

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
Capital grants	-	-	8,941	8,941	8,907
	-	-	8,941	8,941	8,907
2015 total	-	-	8,907	8,907	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
DfE/EFA grants					
General Annual Grant (GAG)	-	1,652,331	-	1,652,331	1,670,020
Other DfE/EFA grants	-	174,054	-	174,054	248,199
	-	1,826,385	-	1,826,385	1,918,219
Other government grants					
Local authority grants	-	110,652	-	110,652	114,001
	-	110,652	-	110,652	114,001
Other income from the academy trust's educational operations	124,051	-	-	124,051	86,849
	124,051	110,652	-	234,703	200,850
	124,051	1,937,037	-	2,061,088	2,119,069
2015 total	86,849	2,032,220	-	2,119,069	

4. Other educational activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	472	-	472	2,400
	472	-	472	2,400
2015 total	2,400	-	2,400	

5. Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	510	-	510	469
2015 total	469	-	469	

6. Resources expended

	Staff costs £	Non pay expenditure Premises £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
Direct costs	1,295,679	78,149	135,373	1,509,201	1,439,726
Allocated support costs	332,194	136,056	196,453	664,703	601,541
	1,627,873	214,205	331,826	2,173,904	2,041,267
2015 total	1,505,325	188,013	347,929	2,041,267	

Net incoming/(outgoing) resources for the year include :

		Total 2016 £	Total 2015 £
Operating leases	- plant and machinery	3,052	7,087
Depreciation		114,925	109,434
Fees payable to auditor	- audit	6,500	6,375
	- other services	-	1,030

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	Total 2016 £	Total 2015 £
Educational operations					
Direct costs	23,870	-	1,485,331	1,509,201	1,439,726
Support costs	67,831	57,000	539,872	664,703	601,541
	91,701	57,000	2,025,203	2,173,904	2,041,267
2015 total	79,421	28,000	1,933,846	2,041,267	

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	Total 2016 £	Total 2015 £
Analysis of support costs					
Support staff	-	57,000	275,194	332,194	278,319
Depreciation	-	-	36,776	36,776	22,981
Technology costs	-	-	37,439	37,439	39,902
Premises costs	-	-	99,280	99,280	78,579
Other support costs	67,831	-	79,014	146,845	165,234
Governance costs	-	-	12,169	12,169	16,526
Total support costs	67,831	57,000	539,872	664,703	601,541
2015 total	58,405	28,000	515,136	601,541	

8. Staff

a) Staff costs

Staff costs during the period were:

	Total 2016 £	Total 2015 £
Wages and salaries	1,222,353	1,180,890
Social security costs	83,919	73,032
Operating costs of defined benefit pension schemes	246,292	195,700
	1,552,564	1,449,622
Supply staff costs	75,309	55,703
	1,627,873	1,505,325

8. Staff (continued)

b) Staff numbers

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

	2016 Number	2015 Number
Charitable activities		
Teachers	42	40
Administration and support	23	23
Management	6	6
	71	69

c) Higher paid staff

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

	Total 2016 Number	Total 2015 Number
£60,001 - £70,000	1	-

d) 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 £361,221 (2015: £331,404).

9. Related Party Transactions - Trustees' remuneration and expenses

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

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

T Newton (principal and trustee)	
Remuneration	£60,000 - £65,000 (2015 : £50,000 - £55,000)
Employer's pension contributions paid	£10,000 - £15,000 (2015 : £5,000 - £10,000)
J Jackson (staff trustee)	
Remuneration	£15,000 - £20,000 (2015 : £40,000 - £45,000)
Employer's pension contributions paid	£0 - £5,000 (2015 : £5,000 - £10,000)
J Graham (staff trustee)	
Remuneration	£20,000 - £25,000 (2015 : £20,000 - £25,000)
Employer's pension contributions paid	£0 - £5,000 (2015 : £0 - £5,000)
C Macpherson (associate governor from 16/04/15)	
Remuneration	£45,000 - £50,000 (2015 : £15,000 - £20,000)
Employer's pension contributions paid	£5,000 - £10,000 (2015 : £0 - £5,000)
V Baker (associate governor)	
Remuneration	£30,000 - £35,000 (2015 : £30,000 - £35,000)
Employer's pension contributions paid	£0 - £5,000 (2015 : £0 - £5,000)
H Smith (staff trustee to 17/03/16)	
Remuneration	£5,000 - £10,000 (2015 : £5,000 - £10,000)
Employer's pension contributions paid	£0 - £5,000 (2015 : £0 - £5,000)
J Meredith (staff trustee from 07/06/16)	
Remuneration	£0 - £5,000
Employer's pension contributions paid	£0 - £5,000
H Shepherd (staff trustee from 02/07/15 to 21/02/16)	
Remuneration	£15,000 - £20,000 (2015 : £0 - £5,000)
Employer's pension contributions paid	£0 - £5,000 (2015 : £0 - £5,000)

During the year ended 31 August 2016, travel and subsistence expenses totalling £143 (2015 : £nil) were reimbursed or paid directly to three (2015 : none) trustees. Other related party transactions involving the trustees are set out in note 23.

10. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £363 (2015 : £317). The cost of this insurance is included in the total insurance cost.

11. Tangible fixed assets

	Leasehold land and buildings £	Fittings and equipment £	Computer hardware £	Total £
Cost or valuation				
At 1 September 2015	2,844,643	251,205	52,087	3,147,935
Additions	15,202	13,357	26,074	54,633
At 31 August 2016	2,859,845	264,562	78,161	3,202,568
Depreciation				
At 1 September 2015	170,254	122,268	26,609	319,131
Charge for the year	56,893	37,063	20,969	114,925
At 31 August 2016	227,147	159,331	47,578	434,056
Net book values				
At 31 August 2016	2,632,698	105,231	30,583	2,768,512
At 31 August 2015	2,674,389	128,937	25,478	2,828,804

Leasehold property was valued at 1 July 2012 by The Valuation Office Agency – DVS and the fittings and equipment and computer hardware were valued as at the same date by the trustees. The basis on which the valuations were made was depreciated replacement cost.

Cost or valuation at 31 August 2016 is represented by :	Leasehold land and buildings £	Fittings and equipment £	Computer hardware £	Total £
Valuation in 2012	2,620,000	35,821	31,380	2,687,201
Cost	239,845	228,741	46,781	515,367
	2,859,845	264,562	78,161	3,202,568

12. Debtors

	Total 2016 £	Total 2015 £
Debtors from operations	195	1,460
VAT recoverable	7,482	19,323
Prepayments and accrued income	57,853	60,448
	65,530	81,231

13. Creditors

	Total 2016 £	Total 2015 £
Amounts falling due within one year :		
Creditors from operations	723	45,790
Accruals and deferred income	70,034	11,170
Other creditors	46,295	58,045
	117,052	115,005

Deferred income		
Resources deferred in the year	39,214	-
Deferred income at 31 August 2016	39,214	-

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free Schools meals and other various revenues in advance of educational visits.

14. Funds

	Balance at 31 August 2015	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	349,886	1,652,331	(1,625,572)	(45,692)	330,953
Other DfE/EFA grants	-	174,054	(174,054)	-	-
Other grants	-	110,652	(110,652)	-	-
	349,886	1,937,037	(1,910,278)	(45,692)	330,953
Restricted fixed asset funds					
Transfer on conversion	2,479,845	-	(67,977)	-	2,411,868
DfE/EFA capital grants	106,960	8,941	(29,117)	-	86,784
Capital expenditure from GAG	241,999	-	(17,831)	45,692	269,860
	2,828,804	8,941	(114,925)	45,692	2,768,512
Pension reserve	(579,000)	-	(57,000)	(445,000)	(1,081,000)
Total restricted funds	2,599,690	1,945,978	(2,082,203)	(445,000)	2,018,465
Unrestricted funds					
Other income	21,037	125,033	(91,701)	-	54,369
Total unrestricted funds	21,037	125,033	(91,701)	-	54,369
Total funds	2,620,727	2,071,011	(2,173,904)	(445,000)	2,072,834

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education Funding Agency and Walsall Metropolitan Borough Council.

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 2016.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by The Education Funding Agency and Walsall Metropolitan Borough Council where the asset acquired or created is held for a specific purpose.

15. Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	2,768,512	2,768,512
Current assets	54,369	-	448,005	-	502,374
Current liabilities	-	-	(117,052)	-	(117,052)
	54,369	-	330,953	2,768,512	3,153,834
Pension scheme liability	-	(1,081,000)	-	-	(1,081,000)
Total net assets	54,369	(1,081,000)	330,953	2,768,512	2,072,834

16. Capital commitments

There were no capital commitments at 31 August 2016 (2015 - £nil).

17. Commitments under operating leases

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:	Other	
	Total 2016	Total 2015
	£	£
Amounts due within one year	3,052	10,139
Amounts due between one and five years	4,675	7,180
Amounts due after five years	728	1,274
	8,455	18,593

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

	Total 2016	Total 2015
	£	£
Net income/(expenditure) for reporting period (as per the SoFA on page 22)	(102,893)	89,578
Depreciation (note 11)	114,925	109,434
Capital grants from EFA and other capital income	(8,941)	(8,907)
Interest receivable (note 5)	(510)	(469)
Defined benefit pension scheme cost less contributions payable	35,000	15,000
Defined benefit pension scheme finance cost/(income) (note 22)	22,000	13,000
Decrease / (increase) in debtors	15,701	51,228
Increase / (decrease) in creditors	2,047	(223,420)
Net cash provided by / (used in) operating activities	77,329	45,444

19. Cash flows from investing activities

	Total 2016 £	Total 2015 £
Interest received	510	469
Purchase of tangible fixed assets	(54,633)	(31,988)
Capital grants from DfE/EFA	8,941	8,907
Net cash provided by / (used in) investing activities	(45,182)	(22,612)

20. Analysis of cash and cash equivalents

	At 31 August 2016 £	At 31 August 2015 £
Cash at bank and in hand	436,844	404,697
	436,844	404,697

21. Member's liability

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

22. Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

22. Pension and similar obligations (continued)

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

Not less than every four years 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 will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the year amounted to £105,557 (2015 : £152,047).

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

Under the definitions set out in FRS 102, the TPS is 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.

22. Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £103,000 (2015 : £95,000), of which employer's contributions totalled £75,000 (2015 : £71,000) and employees' contributions totalled £28,000 (2015 : £24,000). The agreed contribution rates for future years are 13.3% for employers and 6.5% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 27 years.

Principal actuarial assumptions	At 31 August 2016	At 31 August 2015
Rate of increase in salaries	3.75%	4.15%
Rate of increase for pensions in payment / inflation	2.00%	2.40%
Discount rate for scheme liabilities	2.20%	4.00%
Inflation assumption (CPI)	2.00%	2.40%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis	As disclosed	Discount rate	Pension increases	In life expectancy
		+ 0.1% pa	+ 0.1% pa	+ 1 year
	£'000s	£'000s	£'000s	£'000s
Present value of total obligation	1,711	1,666	1,750	1,757
Projected service cost	170	166	174	175
		- 0.1% pa	- 0.1% pa	- 1 year
	£'000s	£'000s	£'000s	£'000s
Present value of total obligation	1,711	1,755	1,673	1,668
Projected service cost	170	174	166	166

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

	At 31 August 2016	At 31 August 2015
Retiring today		
Males	23.1	23.0
Females	25.8	25.6
Retiring in 20 years		
Males	25.3	25.2
Females	28.1	28.0

22. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	374,000	259,000
Government bonds	44,000	32,000
Other bonds	54,000	44,000
Property	50,000	37,000
Cash/liquidity	40,000	22,000
Other	68,000	40,000
Total market value of assets	630,000	434,000

The actual return on scheme assets was £94,000 (2015 : £17,000).

	2016 £	2015 £
Amount recognised in the statement of financial activities		
Current service cost (net of employee contributions)	110,000	86,000
Net interest cost	22,000	35,000
Total operating charge	132,000	121,000

Changes in the present value of defined benefit obligations were as follows :	2016 £	2015 £
At 1 September 2015	1,013,000	819,000
Current service cost	110,000	86,000
Interest cost	41,000	35,000
Change in financial assumptions	520,000	50,000
Employee contributions	28,000	24,000
Benefits paid	(1,000)	(1,000)
At 31 August 2016	1,711,000	1,013,000

22. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the fair value of academy's share of scheme assets were as follows :	2016	2015
	£	£
At 1 September 2015	434,000	323,000
Interest on assets	19,000	15,000
Return on assets less interest	75,000	2,000
Employer contributions	75,000	71,000
Employee contributions	28,000	24,000
Benefits paid	(1,000)	(1,000)
At 31 August 2016	630,000	434,000
Net pension scheme liability	(1,081,000)	(579,000)

23. Related party transactions

Owing to the nature of the academy trust 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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account other than trustees' remuneration and expenses already disclosed in note 9.

24. Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015.