

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2018**

Company Registration Number
08077289 (England and Wales)

**Feltons
Chartered Accountants**

**Birmingham
B1 3JR**

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

**Report and Financial Statements
Year ended 31 August 2018**

Contents	Page
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	11
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditor's Report on the Financial Statements	18
Independent Reporting Accountant's Report on Regularity	22
Statement of Financial Activities incorporating Income & Expenditure Account	24
Balance Sheet	25
Statement of Cash Flows	26
Notes forming part of the Financial Statements, incorporating :	
Statement of Accounting Policies	27
Other Notes to the Financial Statements	32

Reference and Administrative Details

Members	Mr R Butt Miss A Fisher Mrs L Lowe Mr D Wills	Community Trustee Parent Trustee Associate Trustee Community Trustee
Trustees	Mrs V Baker* Mr D Barker* Mr R Eynon* Miss A Fisher* Mrs K Glanville Mrs J Graham Miss N Hill* Mrs J Jackson Mr R Lawrence* Mrs L Lowe Mrs C Macpherson* Mr D Mason Mrs J Meredith* Mrs T Newton* Mrs T Pearce Mr M Reid* Mrs S Spriggs Mr E West Mr I Whitehouse Mr D Wills*	Associate Trustee LA Trustee Parent Trustee Parent Trustee Community Trustee Staff Trustee Parent Trustee Staff Trustee (Chair) Community Trustee Associate Trustee Associate Trustee Community Trustee - resignation 05/07/18 Staff Trustee Head teacher/Accounting Officer Community Trustee Parent Trustee Community Trustee - appointed 20/09/2018 Parent Trustee - resigned 20/09/18 Parent Trustee Community Trustee – resigned 20/09/2018 (remains as a Member)
Company secretary	Mrs D De Bear	c/o Services 4 Schools
Senior management team		
• Head teacher	Mrs T Newton	
• Deputy Head teacher	Mrs C Macpherson	
• Assistant Head teacher	Mrs L Garcha	
• Assistant Head teacher	Mrs J Jackson	
• Finance & Operations Lead	Mrs V Baker	
Company name	Woodlands Academy of Learning	
Principal and registered office	Bloxwich Road North Willenhall West Midlands WV12 5PR	
Company registration number	8077289	
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR	

Reference and Administrative details

Bankers	Lloyds Bank 41 Market Street Stoke on Trent ST13 1BN
Solicitors	Browne Jacobson Victoria Square House Victoria Square Birmingham B2 4BU

Trustees' report

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

The trust operates 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 467 in the school census on 4th October 2018.

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 and to the date these accounts are approved 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 board of trustees 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 board of trustees, is committed to the government and success of the academy.

Staff Trustees are elected by employees of the academy trust.

The trustee 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.

Trustees' report (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The board of trustees has a service level agreement with the trustee support department of Services for School provide training, advice and support to the board of trustees.

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.

The head teacher is the leader for professional development in school, and she ensures that trustees are provided with opportunities to receive training in accordance with their role, and the school's training plan.

Organisational structure

The board of trustees 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 board of trustees 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, Head teacher 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*
- *Feltons*

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.

Trustees' report (continued)

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 ensure that all children make at least expected progress, whilst continuing to raise the attainment of all children to bring into line with National Benchmarks for age related expectations and at greater depth in the core subjects. With a significant emphasis on reading.

Priority 2: Woodlands to become a Language First Centre of Excellence

Priority 3: To continue the development and implementation of Woodlands Adventurous, Creative and Inspirational Curriculum.

Priority 4: To increase the percentage of outstanding teaching, learning and assessment.

Priority 5: To develop questioning skills to ensure higher levels of challenge and therefore greater impact on progress.

Priority 6: Accurate assessment of individual pupil needs resulting in a personalised curriculum, with effective individual pupil tracking for pupils with SEND.

Significant Activities over the past year have been:

- Rise in percentages attaining age related expectations in the majority of core subjects in Y2 and Y6, Implementation of 2014 National Curriculum in the core subjects
- Focus on increasing the level of demand for all children through the introduction of the B.A.D. approach towards teaching and learning.
- Increased challenge across the curriculum, linked to Blooms taxonomy – Higher level thinking skills.
- Focus on the assessment of phonics so that the number of children passing the benchmark increased.
- Focus on safeguarding professional development to ensure all staff can be proactive in safeguarding every child
- Increased Leadership capacity with Woodlands operating as four phases, led by a developed Phase Leader.
- New structure and approach towards Performance Management as staff are more accountable in their responsibilities
- Development of subject leader's role. Writing their own School Improvement Plans and reporting to Governors on a termly basis.

Trustees' report (continued)

- Development of the foundation skill based curriculum. Curriculum maps written for each subject.
- Attained 360 online safety mark following external audit
- Attained Basic Skills Quality Mark following external audit
- Attained Silver Award for Games.
- Attained Silver Award for A Stars

Public benefit

In setting our objectives and planning our activities, the board of trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at www.gov.uk/topic/running-charity/managing-charity in exercising their powers or duties.

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 2018

KS2	Ws ARE+ (At or above the benchmark)	Ws Children working at "Greater Depth"	Ws Woodlands Progress Score
R,W,M Combined	47%	8%	
Reading	56%	17%	-1.1
Writing	83%	10%	1.3
Maths	75%	14%	0.1
EGPS	78%	25%	

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

Ofsted Short Inspection Date: 11/07/2017

- The school is judged to continue to be good

Trustees' report (continued)

Roll and Admissions

	YN AM	YN PM	RE	RJ	1P	1H	2B	2L	3R	Y3 C/G	4G	4N	5C	5M	6P	6E	Total
Autumn '18 Census	26	21	30	30	30	30	30	29	30	30	30	30	29	29	31	30	466

Attendance

	<u>% of sessions missed due to absence</u>	<u>Overall attendance</u>	<u>Unauthorise d absence</u>	<u>Authorised absence</u>	<u>Persistent Absence below 90%</u>	<u>Persistent Absence below 85%</u>
2014 - 2015	4.71	95.29	0.54	4.17	NA	3.1
2015 – 2016	4.2	95.88	0.93	3.1	8.2	NA
2016– 2017	3.78	96.22	1.77	2.01	4.4	NA
2017– 2018	3.4	96.55	1.3	2.1	5.2	NA

Results Overview 2018

Phonic Check	2015	2016	2017	2018
Year 1	70%	84%	68%	81%
Year 2	89%	63%	95%	87%

KS1	Children meeting the benchmark	Children working at Greater depth
Reading	65%	18%
Writing	62%	13%
Maths	72%	23%

KS2	Children meeting the benchmark	Children working at Greater depth	Progress Score
R,W,M Combined	47%	8%	
Reading	56%	17%	-1.1
Writing	83%	10%	1.3
Maths	75%	14%	0.1

- Direct costs as a percentage of total costs were 68.5% (2017: 70.1%)
- Support costs as a percentage of total costs were 31.5% (2017: 29.9%)
- Total payroll costs as a percentage of recurring income were 81.8% (2017: 82.1%)

Trustees' report (continued)

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 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 ESFA and requirements as laid down by the Academy's Financial Handbook.

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

During the year ended 31 August 2018 total resources expended were £2,362,055 and the deficit of income over expenditure was £128,935 which included depreciation of £110,208.

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 board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The academy had total funds at 31 August 2018 of £1,980,073 which included £260,365 restricted funds not available for general purposes of the academy trust, £173,977 of free reserves defined as unrestricted funds available for general purposes and £2,704,731 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 of £434,342.

In addition, the deficit on the restricted pension fund of £1,159,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of 1 months of expenditure. Budgeted expenditure for 2018/19 is £2,272,495 and hence the minimum target is £189,374. Unrestricted reserves at 31 August 2018 therefore represent 1 months.

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.

Trustees' report (continued)

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

We were given a grade of "good" for all areas in the 2013 Ofsted inspection. A short inspection carried out in July 2017 judged the school to continue to be good.

Next steps for the school identified during the short inspection of 2017

Leaders and those responsible for governance should ensure that:

- the most effective teaching and assessment of reading are shared more widely so that rates of progress continue to rise
- teachers' questioning skills are developed further so that pupils are given adequate time to reflect and respond
- teachers' planning secures an even greater level of challenge for the most able pupils.

Ofsted and self-evaluation identified the following Key Issues for 2018/2019

- Implement a new approach in the teaching of reading to increase attainment
- 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
- Extend the implementation of a modern foreign language across KS2
- Develop the leadership capacity of the middle managers
- Continue the high focus on speech and communication (DFE initiative – language first in EYFS, Well comm, Talk Boost, SALT consultant)
- SEND: External audit highlighted initial assessment as a key focus

How are we going to achieve these recommendations?

- A detailed School Improvement Plan linked to the budget that lists actions to be undertaken in order to ensure the above.
- 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.

Staff appraisal, identifying staff needs for development and support, and identified school needs.

Trustees' report (continued)

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held as Custodian trustee on behalf of others.

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 ~~1st December~~ 2018 and signed on the board's behalf by:

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

Governance statement

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 Head teacher, 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	Meetings attended	Out of a possible
Mrs V Baker* - Associate Trustee	4	4
Mr D Barker* - LA Trustee	3	4
Mr R Eynon* - Parent Trustee	2	4
Miss A Fisher* - Parent Trustee	1	4
Mr K Glanville – Community Trustee	3	4
Mrs J Graham - Staff Trustee	3	4
Miss N Hill – Parent Trustee	4	3
Mrs J Jackson - Staff Trustee	4	4
Mr R Lawrence* - (Chair) Community Trustee	4	4
Mrs L Lowe - Associate Trustee	1	4
Mrs C Macpherson* - Associate Trustee	4	4
Mr D Mason - Community Trustee	0	2
Mrs J Meredith* - Staff Trustee	2	4
Mrs T Newton* - Head teacher & Accounting Officer	4	4
Mrs T Pearce - Community Trustee	1	4
Mr M Reid* - Parent Trustee	2	4
Mr E West - Parent Trustee	3	4
Mr I Whitehouse* - Parent Trustee	1	4
Mr D Wills* - Community Trustee	1	4

An external review of Governance in summer 2016 found that:

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 head teacher, 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 Head teacher the kind of reporting they need from her to enable them to carry out their role effectively;

Governance statement

- Use the School Improvement 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 2019

Governance statement (continued)

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	Meetings attended	Out of a possible
Mrs V Baker* - Associate Trustee	5	5
Mr D Barker* - LA Trustee	4	5
Mr R Eynon* - Parent Trustee	4	5
Miss A Fisher* - Parent Trustee	1	5
Miss N Hill – Parent Trustee	5	5
Mr R Lawrence* - (Chair) Community Trustee	5	5
Mrs C Macpherson* - Associate Trustee	4	5
Mrs J Meredith* - Staff Trustee	4	5
Mrs T Newton* - Head teacher & Accounting Officer	4	5
Mr M Reid* - Parent Trustee	4	5
Mr D Wills* - Community Trustee	5	5

Review of value for money

As accounting officer the head teacher 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:

Governance statement (continued)

- 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 on-going process designed to identify and prioritise the risks to the achievement of the academy trust'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 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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;

Governance statement (continued)

- 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 considered the need for a specific internal audit function and decided to appoint an internal reviewer during the 17/18 academic year to carry out a programme of internal checks; their 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

The internal reviewer prepares two reports annually 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.

Review of Effectiveness

As accounting officer, Mrs T Newton (the Head teacher) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal reviewer
- the work of the external auditor;
- the work of the lead 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 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 board of trustees on 6th December 2018 and signed on its behalf by:


.....

Mr Robert Lawrence
Chair of Trustees


.....

Mrs Tamsin Newton
Accounting Officer

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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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

 Mrs Tamsin Newton – Accounting Officer

6th December-2018

Statement of Trustees' Responsibilities

The trustees (who 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 Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of trustees on 6th December 2018 and signed on its behalf by:

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

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

Opinion

We have audited the financial statements of Woodlands Academy of Learning (the 'academy trust') for the period ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills 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 the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2018, 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
- have been prepared in accordance with the requirements of the Companies Act 2006
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 financial statements are authorised for issue.

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
(continued)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

Responsibilities for the financial statements

As explained more fully in the trustees' responsibilities statement (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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy 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 academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.

**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
(continued)**

Auditor's responsibilities for the audit of the financial statements (continued)

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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 2018

**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 and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 May 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Woodlands Academy of Learning during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Woodlands Academy of Learning and the ESFA 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 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 Woodlands Academy of Learning and the ESFA, 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy 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 and Skills Funding Agency (continued)

Conclusion

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



David W Farnsworth FCA (Reporting Accountant)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

12 December 2018

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2018
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2017/18 £	Total 2016/17 £
Income from :							
Donations and capital grants	2	-	-	-	9,121	9,121	8,986
Funding for the academy trust's educational operations	3	149,416	-	2,074,260	-	2,223,676	2,133,862
Investments	4	323	-	-	-	323	337
Total		149,739	-	2,074,260	9,121	2,233,120	2,143,185
Expenditure on :							
Charitable activities: Academy trust's educational operations	5	87,933	130,000	2,033,914	110,208	2,362,055	2,281,011
Total		87,933	130,000	2,033,914	110,208	2,362,055	2,281,011
Net income/(expenditure) before transfers		61,806	(130,000)	40,346	(101,087)	(128,935)	(137,826)
Transfers between funds	13	-	-	(127,394)	127,394	-	-
Net income/(expenditure) after transfers		61,806	(130,000)	(87,048)	26,307	(128,935)	(137,826)
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	13, 21	-	267,000	-	-	267,000	(93,000)
Net movement in funds		61,806	137,000	(87,048)	26,307	138,065	(230,826)
Reconciliation of funds							
Total funds brought forward	13	112,171	(1,296,000)	347,413	2,678,424	1,842,008	2,072,834
Total funds carried forward		173,977	(1,159,000)	260,365	2,704,731	1,980,073	1,842,008

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

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Company number : 08077289

Balance sheet as at 31 August 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	10		2,704,731		2,678,424
Current assets					
Debtors	11	59,533		68,106	
Cash at bank and in hand		<u>597,102</u>		<u>500,264</u>	
		656,635		568,370	
Liabilities					
Creditors: amounts falling due within one year	13	<u>222,293</u>		<u>108,786</u>	
Net current assets			434,342		459,584
Net assets excluding pension liability			<u>3,139,073</u>		<u>3,138,008</u>
Defined benefit pension scheme liability	21		(1,159,000)		(1,296,000)
Total net assets			<u><u>1,980,073</u></u>		<u><u>1,842,008</u></u>
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	13	2,704,731		2,678,424	
General fund	13	260,365		347,413	
Pension reserve	13	<u>(1,159,000)</u>		<u>(1,296,000)</u>	
Total restricted funds			1,806,096		1,729,837
Unrestricted income funds	13		173,977		112,171
Total funds			<u><u>1,980,073</u></u>		<u><u>1,842,008</u></u>

The financial statements on pages 24 to 47 were approved by the trustees, and authorised for issue on 6th December 2018 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 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	17	223,909	76,070
Cash flows from investing activities	18	(127,071)	(12,650)
Change in cash and cash equivalents in the reporting period		<u>96,838</u>	<u>63,420</u>
Cash and cash equivalents at 1 September 2017		500,264	436,844
Cash and cash equivalents at 31 August 2018	19	<u>597,102</u>	<u>500,264</u>

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018

1. Statement of 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.

Basis of preparation

The financial statements 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

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.

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

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

Income (continued)

Donations

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

Other income

Other income, including the hire of facilities, 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.

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.

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Long 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 and reclassified to freehold or leasehold land and buildings.

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

Liabilities

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

Leased assets

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

Financial instruments (continued)

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

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each 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.

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

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 and Skills 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the financial statements for the year ended 31 August 2018 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	Total 2017/18 £	Total 2016/17 £
Capital grants	-	-	9,121	9,121	8,986
	-	-	9,121	9,121	8,986
2017 total	-	-	8,986	8,986	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	Total 2017/18 £	Total 2016/17 £
DfE/ESFA grants					
General Annual Grant (GAG)	-	1,697,516	-	1,697,516	1,650,621
Other DfE Group grants	-	229,295	-	229,295	218,280
	-	1,926,811	-	1,926,811	1,868,901
Other government grants					
Local authority grants	-	145,084	-	145,084	125,590
	-	145,084	-	145,084	125,590
Other income from the academy trust's educational operations	149,416	2,365	-	151,781	139,371
	149,416	147,449	-	296,865	264,961
	149,416	2,074,260	-	2,223,676	2,133,862
2017 total	136,131	1,997,731	-	2,133,862	

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

4. Investment income

	Unrestricted funds £	Restricted funds £	Total 2017/18 £	Total 2016/17 £
Short term deposits	323	-	323	337
2017 total	337	-	337	

5. Expenditure

	Staff costs £	Non pay expenditure		Total 2017/18 £	Total 2016/17 £
		Premises £	Other £		
Academy's educational operations					
Direct costs	1,395,164	72,737	149,696	1,617,597	1,597,906
Allocated support costs	431,551	151,305	161,602	744,458	683,105
	<u>1,826,715</u>	<u>224,042</u>	<u>311,298</u>	<u>2,362,055</u>	<u>2,281,011</u>
2017 total	1,758,927	208,253	313,831	2,281,011	

Net income/(expenditure) for the period includes :

		2017/18 £	2016/17 £
Operating leases	- plant and machinery	2,661	3,052
Depreciation		110,208	112,061
Fees payable to auditor	- audit	6,900	6,700
	- other services	<u>4,275</u>	<u>-</u>

Notes to the financial statements for the year ended 31 August 2018 (continued)

6. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	Total 2017/18 £	Total 2016/17 £
Educational operations					
Direct costs	33,482	-	1,584,115	1,617,597	1,597,906
Support costs	54,451	130,000	560,007	744,458	683,105
	<u>87,933</u>	<u>130,000</u>	<u>2,144,122</u>	<u>2,362,055</u>	<u>2,281,011</u>
2017 total	<u>78,666</u>	<u>122,000</u>	<u>2,080,345</u>	<u>2,281,011</u>	
Analysis of support costs					
Support staff costs	-	130,000	301,551	431,551	402,973
Depreciation	-	-	37,471	37,471	23,533
Technology costs	-	-	21,458	21,458	25,000
Premises costs	-	-	101,670	101,670	86,758
Other support costs	54,451	-	78,443	132,894	130,196
Governance costs	-	-	19,414	19,414	14,645
Total support costs	<u>54,451</u>	<u>130,000</u>	<u>560,007</u>	<u>744,458</u>	<u>683,105</u>
2017 total	<u>48,450</u>	<u>122,000</u>	<u>512,655</u>	<u>683,105</u>	

7. Staff

a) Staff costs

Staff costs during the period were:

	Total 2017/18 £	Total 2016/17 £
Wages and salaries	1,318,040	1,290,596
Social security costs	109,615	105,755
Pension costs	<u>368,644</u>	<u>338,130</u>
	1,796,299	1,734,481
Agency staff costs	30,416	24,446
	<u>1,826,715</u>	<u>1,758,927</u>

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

7. Staff (continued)

b) Staff numbers

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

	2017/18 Number	2016/17 Number
Teachers	18	16
Administration and support	40	30
Management	9	6
	<u>67</u>	<u>52</u>

c) Higher paid staff

	2017/18 Number	2016/17 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£60,001 - £70,000	<u>1</u>	<u>1</u>

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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £402,631 (2017: £390,777).

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

8. Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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	£65,000 - £70,000 (2017 : £60,000 - £65,000)
Employer's pension contributions paid	£10,000 - £15,000 (2017 : £10,000 - £15,000)
C Macpherson (associate governor)	
Remuneration	£50,000 - £55,000 (2017 : £50,000 - £55,000)
Employer's pension contributions paid	£5,000 - £10,000 (2017 : £5,000 - £10,000)
J Jackson (staff trustee)	
Remuneration	£45,000 - £50,000 (2017 : £45,000 - £50,000)
Employer's pension contributions paid	£5,000 - £10,000 (2017 : £5,000 - £10,000)
V Baker (associate governor)	
Remuneration	£35,000 - £40,000 (2017 : £30,000 - £35,000)
Employer's pension contributions paid	£5,000 - £10,000 (2017 : £5,000 - £10,000)
J Graham (staff trustee)	
Remuneration	£20,000 - £25,000 (2017 : £20,000 - £25,000)
Employer's pension contributions paid	£0 - £5,000 (2017 : £0 - £5,000)
J Meredith (staff trustee)	
Remuneration	£10,000 - £15,000 (2017 : £10,000 - £15,000)
Employer's pension contribution paid	£0 - £5,000 (2017 : £0 - £5,000)

During the year ended 31 August 2018, travel and subsistence expenses totalling £139 (2017: £nil) were reimbursed or paid directly to 1 (2017: 0) trustees.

9. 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 2018 was £106 (2017 : £107). The cost of this insurance is included in the total insurance cost.

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

10. Tangible fixed assets

	Leasehold land and buildings £	Fittings and equipment £	Computer hardware £	Total £
Cost or valuation				
At 1 September 2017	2,868,910	265,637	89,994	3,224,541
Additions	102,364	15,276	18,875	136,515
At 31 August 2018	<u>2,971,274</u>	<u>280,913</u>	<u>108,869</u>	<u>3,361,056</u>
Depreciation				
At 1 September 2017	284,372	197,126	64,619	546,117
Charge for the year	57,379	36,932	15,897	110,208
At 31 August 2018	<u>341,751</u>	<u>234,058</u>	<u>80,516</u>	<u>656,325</u>
Net book values				
At 31 August 2018	<u>2,629,523</u>	<u>46,855</u>	<u>28,353</u>	<u>2,704,731</u>
At 31 August 2017	<u>2,584,538</u>	<u>68,511</u>	<u>25,375</u>	<u>2,678,424</u>

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 2018 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	351,274	245,092	77,489	673,855
	<u>2,971,274</u>	<u>280,913</u>	<u>108,869</u>	<u>3,361,056</u>

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

11. Debtors

	Total 2018 £	Total 2017 £
Debtors from operations	205	-
VAT recoverable	9,471	9,288
Prepayments and accrued income	<u>49,857</u>	<u>58,818</u>
	<u>59,533</u>	<u>68,106</u>

12. Creditors

	Total 2018 £	Total 2017 £
Amounts falling due within one year :		
Other taxation and social security	50,249	48,934
Accruals and deferred income	170,562	59,852
Other creditors	<u>1,482</u>	<u>-</u>
	<u>222,293</u>	<u>108,786</u>

Deferred income

Deferred income at 1 September 2017	34,797	39,214
Resources deferred in the year	36,963	34,797
Amounts released from previous years	<u>(34,797)</u>	<u>(39,214)</u>
Deferred income at 31 August 2018	<u>36,963</u>	<u>34,797</u>

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

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

13. Funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	347,413	1,697,516	(1,657,170)	(127,394)	260,365
Pupil Premium	-	229,295	(229,295)	-	-
Other grants	-	145,084	(145,084)	-	-
Other income	-	2,365	(2,365)	-	-
	<u>347,413</u>	<u>2,074,260</u>	<u>(2,033,914)</u>	<u>(127,394)</u>	<u>260,365</u>
Restricted fixed asset funds					
Transfer on conversion	2,353,305	-	(56,438)	-	2,296,867
DfE Group capital grants	69,248	9,121	(19,836)	-	58,533
Capital expenditure from GAG	255,871	-	(33,934)	127,394	349,331
	<u>2,678,424</u>	<u>9,121</u>	<u>(110,208)</u>	<u>127,394</u>	<u>2,704,731</u>
Pension reserve	<u>(1,296,000)</u>	<u>-</u>	<u>(130,000)</u>	<u>267,000</u>	<u>(1,159,000)</u>
Total restricted funds	<u>1,729,837</u>	<u>2,083,381</u>	<u>(2,274,122)</u>	<u>267,000</u>	<u>1,806,096</u>
Unrestricted funds					
Other income	112,171	149,739	(87,933)	-	173,977
Total unrestricted funds	<u>112,171</u>	<u>149,739</u>	<u>(87,933)</u>	<u>-</u>	<u>173,977</u>
Total funds	<u>1,842,008</u>	<u>2,233,120</u>	<u>(2,362,055)</u>	<u>267,000</u>	<u>1,980,073</u>

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 and Skills 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 2018.

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.

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

13. Funds (continued)

Restricted fixed asset funds

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

Comparative information in respect of the preceding period is as follows :

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	330,953	1,650,621	(1,621,174)	(12,987)	347,413
Pupil Premium	-	218,280	(218,280)	-	-
Other grants	-	125,590	(125,590)	-	-
Other income	-	3,240	(3,240)	-	-
	<u>330,953</u>	<u>1,997,731</u>	<u>(1,968,284)</u>	<u>(12,987)</u>	<u>347,413</u>
Restricted fixed asset funds					
Transfer on conversion	2,411,868	-	(58,563)	-	2,353,305
DfE Group capital grants	86,784	8,986	(26,522)	-	69,248
Capital expenditure from GAG	269,860	-	(26,976)	12,987	255,871
	<u>2,768,512</u>	<u>8,986</u>	<u>(112,061)</u>	<u>12,987</u>	<u>2,678,424</u>
Pension reserve	<u>(1,081,000)</u>	<u>-</u>	<u>(122,000)</u>	<u>(93,000)</u>	<u>(1,296,000)</u>
Total restricted funds	<u>2,018,465</u>	<u>2,006,717</u>	<u>(2,202,345)</u>	<u>(93,000)</u>	<u>1,729,837</u>
Unrestricted funds					
Other income	54,369	136,468	(78,666)	-	112,171
Total unrestricted funds	<u>54,369</u>	<u>136,468</u>	<u>(78,666)</u>	<u>-</u>	<u>112,171</u>
Total funds	<u>2,072,834</u>	<u>2,143,185</u>	<u>(2,281,011)</u>	<u>(93,000)</u>	<u>1,842,008</u>

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

13. Funds (continued)

A current year 12 months and prior year 12 months combined position is as follows :

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	330,953	3,348,137	(3,278,344)	(140,381)	260,365
Pupil Premium	-	447,575	(447,575)	-	-
Other grants	-	270,674	(270,674)	-	-
Other income	-	5,605	(5,605)	-	-
	<u>330,953</u>	<u>4,066,386</u>	<u>(3,996,593)</u>	<u>(140,381)</u>	<u>260,365</u>
Restricted fixed asset funds					
Transfer on conversion	2,411,868	-	(115,001)	-	2,296,867
DfE Group capital grants	86,784	18,107	(46,358)	-	58,533
Capital expenditure from GAG	269,860	-	(60,910)	140,381	349,331
	<u>2,768,512</u>	<u>18,107</u>	<u>(222,269)</u>	<u>140,381</u>	<u>2,704,731</u>
Pension reserve	<u>(1,081,000)</u>	<u>-</u>	<u>(252,000)</u>	<u>174,000</u>	<u>(1,159,000)</u>
Total restricted funds	<u>2,018,465</u>	<u>4,084,493</u>	<u>(4,470,862)</u>	<u>174,000</u>	<u>1,806,096</u>
Unrestricted funds					
Other income	54,369	286,207	(166,599)	-	173,977
Total unrestricted funds	<u>54,369</u>	<u>286,207</u>	<u>(166,599)</u>	<u>-</u>	<u>173,977</u>
Total funds	<u>2,072,834</u>	<u>4,370,700</u>	<u>(4,637,461)</u>	<u>174,000</u>	<u>1,980,073</u>

14. Analysis of net assets between funds

Fund balances at 31 August 2018
are represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	2,704,731	2,704,731
Current assets	173,977	-	482,658	-	656,635
Current liabilities	-	-	(222,293)	-	(222,293)
	<u>173,977</u>	<u>-</u>	<u>260,365</u>	<u>2,704,731</u>	<u>3,139,073</u>
Pension scheme liability	-	(1,159,000)	-	-	(1,159,000)
Total net assets	<u>173,977</u>	<u>(1,159,000)</u>	<u>260,365</u>	<u>2,704,731</u>	<u>1,980,073</u>

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

14. Analysis of net assets between funds (continued)

Comparative information in respect of the preceding period is as follows :

	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	2,678,424	2,678,424
Current assets	122,171	-	456,199	-	578,370
Current liabilities	-	-	(108,786)	-	(108,786)
	122,171	-	347,413	2,678,424	3,148,008
Pension scheme liability	-	(1,296,000)	-	-	(1,296,000)
Total net assets	122,171	(1,296,000)	347,413	2,678,424	1,852,008

15. Capital commitments

There were no capital commitment as at 31 August 2018

16. Commitments under operating leases

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

	Total 2018	Other Total 2017
	£	£
Amounts due within one year	3,431	2,661
Amounts due between one and five years	5,379	2,560
Amounts due after five years	-	182
	8,810	5,403

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

	Total 2017/18	Total 2016/17
	£	£
Net income/(expenditure) for reporting period (as per the SoFA)	(128,935)	(137,826)
Adjusted for :		
Depreciation (note 10)	110,208	112,061
Capital grants from DfE and other capital income	(9,121)	(8,986)
Interest receivable (note 4)	(323)	(337)
Defined benefit pension scheme cost less contributions payable	98,000	99,000
Defined benefit pension scheme finance cost/(income) (note 21)	32,000	23,000
Decrease / (increase) in debtors	8,573	(2,576)
Increase / (decrease) in creditors	113,507	(8,266)
Net cash provided by / (used in) operating activities	223,909	76,070

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

18. Cash flows from investing activities

	Total 2017/18 £	Total 2016/17 £
Interest received	323	337
Purchase of tangible fixed assets	(136,515)	(21,973)
Capital grants from DfE Group	9,121	8,986
Net cash provided by / (used in) investing activities	<u>(127,071)</u>	<u>(12,650)</u>

19. Analysis of cash and cash equivalents

	At 31 August 2018 £	At 31 August 2017 £
Cash at bank and in hand	597,102	500,264
	<u>597,102</u>	<u>500,264</u>

20. Members' liability

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

21. 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 Midland 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 2016.

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

Notes to the financial statements for the year ended 31 August 2018 (continued)

21. 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' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £117,740 (2017 : £111,896).

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 an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

**Woodlands Academy of Learning
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

21. 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 2018 was £154,000 (2017 : £111,000), of which employer's contributions totalled £122,000 (2017 : £81,000) and employees' contributions totalled £32,000 (2017 : £30,000). The agreed contribution rates for future years are 17.7% for employers and 6.8% 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 28 years.

Principal actuarial assumptions	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.80%	4.20%
Rate of increase for pensions in payment / inflation	2.30%	2.70%
Discount rate for scheme liabilities	2.65%	2.60%
Inflation assumption (CPI)	2.30%	2.70%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis	As disclosed	Discount rate	CPI rate	In life expectancy
	£'000s	+ 0.1% pa £'000s	+ 0.1% pa £'000s	+ 1 year £'000s
Present value of total obligation	2,131	2,074	2,141	2,199
Projected service cost	191	186	191	197
	£'000s	- 0.1% pa £'000s	- 0.1% pa £'000s	- 1 year £'000s
Present value of total obligation	2,131	2,189	2,121	2,065
Projected service cost	191	196	191	185

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 2018	At 31 August 2017
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24.0
Females	26.7	26.6

Notes to the financial statements for the year ended 31 August 2018 (continued)

21. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	615,000	513,000
Government bonds	70,000	59,000
Other bonds	36,000	31,000
Property	79,000	59,000
Cash/liquidity	36,000	40,000
Other	136,000	108,000
Total market value of assets	972,000	810,000

The actual return on scheme assets was £10,000 (2017 : £115,000).

	2017/18 £	2016/17 £
Amount recognised in the statement of financial activities		
Current service cost (net of employee contributions)	220,000	180,000
Net interest cost	32,000	23,000
Total amount recognised in the SoFA	252,000	203,000

Changes in the present value of defined benefit obligations were as follows :

	2017/18 £	2016/17 £
At 1 September 2017	2,106,000	1,711,000
Current service cost	220,000	180,000
Interest cost	55,000	38,000
Changes in financial assumptions	(280,000)	91,000
Change in demographic assumptions	-	(22,000)
Experience (gain) on defined benefit obligation	-	111,000
Benefits paid net of transfers in	(2,000)	(33,000)
Contributions by participants	32,000	30,000
At 31 August 2018	2,131,000	2,106,000

Woodlands Academy of Learning
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

21. 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 :

	2017/18 £	2016/17 £
At 1 September 2017	810,000	630,000
Interest income	23,000	15,000
Return on assets less interest	(13,000)	100,000
Other actuarial (losses)	-	(13,000)
Employer contributions	122,000	81,000
Contributions by participants	32,000	30,000
Benefits paid net of transfers in	(2,000)	(33,000)
Business combinations	-	-
At 31 August 2018	972,000	810,000
 Net pension scheme liability	 (1,159,000)	 (1,296,000)

22. 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 relating to connected and related party transactions.

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 8.