

**The Propeller Academy Trust**

**(A Company Limited by  
Guarantee)**

**Annual Report and Financial  
Statements**

**Year ended 31 August 2018**

**Company Registration Number:  
08340120 (England and Wales)**

**Period of account: 1 September 2017 – 31 August 2018**

# The Propeller Academy Trust

## Contents

---

Item	Page
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	20
Statement on Regularity, Propriety and Compliance	25
Statement of Trustees' Responsibilities	26
Independent Auditor's Report on the Financial Statements	27
Independent Reporting Accountant's Assurance Report on Regularity	30
Statement of Financial Activities including Income & Expenditure Account	32
Balance Sheet	33
Statement of Cash Flows	34
Notes to the Financial Statements, incorporating:	35
Statement of Accounting Policies	
Other Notes to the Financial Statements	

## The Propeller Academy Trust

### Reference and Administrative Details

---

#### Members

Terry Stock  
Paul McConaghy  
Diana Batchelor

Marion Tighe\*  
Patricia Hudson\*

#### Trustees

Terry Stock (Chairperson)\*  
Diana Batchelor\*  
Paul McConaghy\*  
Samantha Bamford\*  
Stephanie Coneboy\*  
Julie Mabbertley\*  
Marion Tighe  
Barbara Harker  
Gay Campbell

#### Company Secretary

Tracey Stratton appointed 01/11/17

\*resigned under constitution review (effective 18 July 2018)

# **The Propeller Academy Trust**

## **Reference and Administrative Details (continued)**

---

Senior Management Team: Fitzwaryn School

- Headteacher – Stephanie Coneboy
- Deputy Headteacher – Jane Edwards
- Assistant Headteacher – Chris Slatter
- Head of Accreditation and Transition – Rebecca Broomfield

Senior Management Team: Kingfisher School

- Headteacher – Lorraine Wilson (appointed 01/09/17)
- Deputy Headteacher – Kate Downes (appointed 01/01/18)
- Assistant Headteacher – Lorraine Green (appointed 1/9/2018)
- Head of Accreditation and Transition – Nicki Farmer

Propeller Academy Trust Chief Operations Officer	Tracey Stratton (appointed 01/11/17)
--	--------------------------------------

Company Name	The Propeller Academy Trust
--------------	-----------------------------

Principal and Registered Office	Fitzwaryn School Denchworth Road Wantage Oxon OX12 9ET
---------------------------------	---

Company Registration Number	08340120 (England and Wales)
-----------------------------	------------------------------

Independent Auditor	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP
---------------------	--

Bankers	Lloyds Bank Ock Street Abingdon
---------	---------------------------------------

Solicitors	Knights 1759 Westway Oxford OX2 0PH
------------	---

## **Trustees' Report**

---

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 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 academy trust operates two special academies for pupils aged 2 to 19. Fitzwaryn School serves a catchment area around Wantage in South Oxfordshire, with pupils also being admitted from the neighbouring counties of Wiltshire and West Berkshire. Kingfisher School serves a catchment area around Abingdon, Oxfordshire.

The academies have a combined pupil capacity of 172 (official pupil places as per EFA) and had a roll of 172 in the school census May 2018. The schools are set to expand in September 2018, following an agreed redevelopment with OCC.

## **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 The Propeller Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Propeller Academy Trust.

In May 2018 the Trust received approval from the EFSA to update its articles to the current terms which reduces the restrictions on membership and increases flexibility to recruit by skill set. Whereas the original articles enabled local chairs of governors of the individual schools to have an automatic place on the Trustees Board, this is no longer the case. This means the diversity of skills are increased in line with growth and separation of duties is now evident.

Under the constitution rules the Members duly appointed Trustees in July 2018 and Trustees have formally appointed FGB Governors.

The Trust has made a conscious decision to ensure the separation of roles has been recognised, in direct response to the letter from Eileen Millner, and ensure transparency and independence in its decision making. There are now no conflicting interests. The separation will also allow for greater accountability and impartiality at every level. A full review of the committee structure and scheme of delegation is due to commence in 2018/2019.

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.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Trustees' Indemnities**

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the Academy Trust purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

#### **Method of Recruitment and Appointment or Election of Trustees**

In addition to the traditional recruitment methods, this year the Trust enlisted the services of the Governors for Schools Association and successfully recruited Sam Wolfe (Vice Chair of Trustees) through this partnership to strengthen the business skills across the board.

Trustees are recruited in accordance with a skills assessment, thus ensuring we have business disciplines across the board and in particular seeking a HR specialist.

The Governors for Schools Association continue to work with the Trust to further develop and increase our skill set within the board of Trustees.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

A personal induction schedule is coordinated by the Clerk of the Trust and in some cases the Headteacher and Chief Operations Officer. A governor induction pack is also being developed. Training and induction provided for new Directors will depend on their existing experience. All new Directors will be given a tour of the Academies within the Trust and have a chance to meet staff and pupils.

#### **Organisational Structure**

The structure consists of five levels: Members, Board of Trustees, Local Governing Bodies (LGB), Senior Leadership teams and members of staff. During 2016/2017, the Trust made a review of its own structure and in November 2017 a Chief Operations Officer was appointed to strengthen and develop the Trust as a replacement for the Business Development Manager.

The Vision of the Trust is an overarching vision which continues to evolve for the benefit of children. The PAT continues to encourage each school to retain its own vision and values local to its community and pupil needs.

Within its annual schedule of activity, the Board of Trustees maintains a focus on the strategic aims of the PAT, together with fulfilling its governance responsibilities. Through the Trust's Scheme of Delegation, some matters are delegated to the Local Governing Body (LGB) or to the Headteachers.

The LGBs fulfil their governance requirements in respect to the strategic vision of the individual schools, continually improving quality standards, financial oversight, accountability, safeguarding, health and safety, equality and diversity, admissions procedures and holding the Headteacher to account for the educational performance of the school, its pupils and the performance management of staff.

The day to day management of the individual academies is the responsibility of the individual school Headteacher and their Senior Leadership Team. The Headteachers hold delegated responsibility for financial activities and each operated as the budget holder during this period. Spending control is devolved to the Headteacher and in line with the approved financial manual, expenditure above £10,000 requires additional authorisation from the Board of Trustees.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **LGB Agendas**

The LGBs are responsible for the individual schools. LGB Agendas are set by the LGB Chair in conjunction with the Clerk and the Headteacher and ensure that all the minimum criteria as per the annual schedule are covered throughout the annual cycle of meetings. Minutes of the LGB meetings are available to all Trustees; Trustees in turn communicate with the LGB's.

Local Governing Bodies remain responsible for setting local policies, developing and monitoring the School Development Plans and setting the three year budget.

The Headteachers are responsible for the appointment of all staff with the exception of two Leadership Team posts – Deputy Headteacher and COO as these appointments are made in conjunction with the trustees.

The Governing Bodies at local level continue to operate committees: School Performance Sub-Committee at Kingfisher School and at Fitzwaryn, Strategy and Performance.

The Joint Sub – Committee for resources ensures financial probity for the Trust. The agenda is set by the Joint Sub – Committee for Resources Chair in conjunction with the Clerk. The Joint Sub - Committee for Resources incorporates finance, health and safety and premises matters. However, following the constitution review, this committee was temporarily merged into the local FGBs to bring great financial focus back to each Governing Body. The new Chair of the trustees is working on a new strategy for communication and committee effectiveness which will result in a new structure for 2018-2019.

#### **Trust Board Agendas**

The Agendas are set by the Chair of the Trustees and the Clerk and may include the review of committee minutes, reports from each of the Headteachers and the Chief Operations Officer.

All statutory policies and procedures are reviewed and approved by the Trustees to ensure a consistency of understanding is in place across the PAT. The appropriate members of staff in both schools continue to work together to produce PAT policies and procedures.

The Trustees approve and submit one budget and receive recommendations for any significant revision of the budget. The Trustees monitor the use of budgets and make strategic decisions about the direction of the PAT, capital expenditure and senior staff appointment. It is also responsible for approving the Internal Financial Regulations Manual under which both schools' finances operate.

During the period to which these accounts relate, Stephanie Coneboy, Headteacher of Fitzwaryn School has undertaken the role of Accounting Officer.

## The Propeller Academy Trust

### Trustees' Report (continued)

---

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

The arrangements for setting the pay and remuneration of the academy's key management personnel are monitored by the Pay Committee which comprises at least three non-staff trustees.

The PAT Board adopts the LA model Teachers' Pay Policy which has been based on the national agreement for teachers agreed in consultation with the trade union representatives. The PAT adopts the Green Book for support staff. The Pay Committee has delegated responsibility to implement and monitor the Pay Policy for teachers and for support staff.

The Accounting Officer role and the role of the Chief Operations Officer (COO) is also reviewed through this process.

There are robust performance management procedures for all staff across both schools.

#### Trade Union Facility Time

The Trust does not have any members of staff who perform union roles, and therefore joined the OCC central service level agreement to support union staff in the duties and call upon this service when needed.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0
---	---

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Related Parties and other Connected Charities and Organisations**

Fitzwaryn School and Kingfisher School had established a formal relationship through the creation of a Multi-Academy Trust together with Abingdon & Witney College of FE. Under the new articles this relationship ceased in terms of board membership. The schools continue to work closely together in addition to working with other education providers in order to enhance provision.

#### **Objectives and Activities.**

##### **Objects and Aims**

The Propeller Academy Trust aims to provide outstanding provision from the age of 2 to 19 for children and young adults with special educational needs. It aims to provide a formal and supportive partnership whilst allowing all partners to maintain their independent and autonomous status, ethos and culture.

The objects as set out in the Memorandum and Articles are:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools:
- To offer a broad and balanced curriculum:
- To make special educational provision for pupils with Special Educational Needs:
- To promote for the benefit of the inhabitants of Oxfordshire and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

##### **Fitzwaryn's Vision is:**

'Through learning to learn, pupils will access society'

##### **Fitzwaryn's Mission is:**

'To give each pupil the richest and most appropriate education through which we aim to enhance positive attributes, minimise difficulties and encourage pupil independence'

Our intention is to provide:

- Highly specialised staff who work together to contribute to the delivery of excellent and creative teaching and learning opportunities for all of our pupils.
- A secure and supportive learning environment in which pupils can gain self-confidence through their own personal, emotional and social development and make exceptional progress.
- A broad and balanced curriculum, including the National Curriculum allowing for the Social, Spiritual, Moral and Cultural Development of each child.
- A programme of first rate professional development that enables staff to enhance their skills to meet the individual needs of all our pupils.

## The Propeller Academy Trust

### Trustees' Report (continued)

---

#### Fitzwaryn's Mission is: *(continued)*

- Opportunities for pupils to develop their understanding of 21st Century Britain through the teaching of British Values.
- Small teaching groups to facilitate the implementation of individual programmes.
- Community activities that will enhance the curriculum offer and enable the pupils to achieve their individual goals.
- Opportunities for close cooperation with parents, families, governors and other stakeholders.
- A positive working relationship between school staff and other professional agencies to ensure each child receives outstanding provision.
- To work with our mainstream partners, offering high quality and relevant SEN advice, guidance and training, for professionals, colleagues and parents.

Fitzwaryn's Values are: Friendship, Respect, Perseverance, Co-operation, Fairness and Peace

#### Kingfisher View

- Valued
- Independent
- Enriched
- Worthwhile

Our Kingfisher View - a place where everyone is valued to develop independence through an enriching curriculum which is worthwhile.

- At Kingfisher we aspire to make every member of our school community feel genuinely **valued** for being the unique person that they are.
- We strive to enable our pupils to become as **independent** as they can be both in their learning and in life.
- We aim to ensure that our pupils are offered a range of opportunities and experiences that will mean their lives are improved and **enriched**.
- We make sure that everything we do is meaningful and **worthwhile**.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Objectives, Strategies and Activities**

The vision for the PAT is that, the two special schools will make available exceptional, responsive and highly specialised provision to children and young adults with special educational needs, including those with highly complex and/or profound learning difficulties across south and west Oxfordshire.

- The Trust has strong collaborative links across the two schools.
- The PAT Board has always professed the intention to expand to a larger trust than the current two school model. The PAT's unique "selling point" is that it is a special school Multi Academy Trust.
- The Board of Trustees formerly approved the plans for both schools to expand and is making an application to the EFSA for an increase in planned places.
- In order to accommodate an increase in numbers on roll at Kingfisher, the LA funded the extension of a new classroom to meet the ever-increasing need of special needs places in Oxfordshire; this project was completed in January 2018. Abingdon and Witney College were very supportive in housing the students during the building project and transition to the new classroom at Kingfisher.
- The Trust secured further funding from the LA in this year to support the expansion of Fitzwaryn. Building works commenced April 2018 and was completed in September 2018 facilitating a significant growth in numbers.
- The schools within the Trust are strategic partners in the Oxfordshire Teaching School Alliance (OTSA) and have delivered SEN specific training to NQTs in Special and Mainstream schools.
- A process for peer review has been successfully implemented working with other schools to identify areas for development, utilising areas of strength from all parties and establishing strong collaborative working.

The individual schools within the trust completed their School Development Plans which are specific to the needs of the individual setting. Joint working was evident for some of the improvement work.

#### **Public Benefit**

The Trustees of The Propeller Academy Trust confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The activities undertaken to further the Academy Trust's purpose for the Public Benefit has provided consistently good and outstanding provision of education for all pupils, thereby ensuring the highest outcomes for all pupils.

The Trust has a lettings agreement in place to allow the schools' premises to be hired out to groups in the local community to access its facilities.

The PAT has supported out of hours extended school provision, aware of its commitment to support families and pupils which extends the learning opportunities for pupils, together with providing vital respite for carers and parents.

From September 2017, Fitzwaryn School has been commissioned by the LA to run a holiday club for 20 days a year: the school now employs an Out of School Liaison Officer to run the scheme. The LA and the school are keen for the contract to be extended.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

Kingfisher School hosts the afterschool and holiday provision that is commissioned by the local authority. This is currently run by Barnados.

The Deputy Headteacher at Fitzwaryn is a registered Ofsted inspector and has undertaken a number of inspections both in mainstream and special schools.

Both schools work closely with their local partnership schools to enhance the provision of all children with SEN in the local community. They also work with other Oxfordshire Special Schools and are both participating members of Oxfordshire Association of Special School Headteachers (OASSH)

A programme of Outreach and Inreach work provided to local schools continues with relevant training opportunities offered. A teacher with SENCO responsibilities was employed at Fitzwaryn from January 2018 to further progress this work.

Both schools are strategic partners in the Oxfordshire Teaching School Alliance (OTSA) and each has delivered SEN specific training to NQTs in Special and Mainstream schools.

## **Strategic Report**

### **Achievements and Performance**

#### **Key Performance Indicators**

Neither of the schools has been inspected during the period of reporting

- Kingfisher - Good November 2014
- Fitzwaryn – Outstanding October 2014

Both LGBs are in agreement that these judgements remain the same according to the SEF.

The quarterly internal audit has verified a continual improvement in financial management throughout the year. The PAT operates a robust set of financial procedures.

The PAT support service incorporates the Premises Team, Finance Team, ICT and Administration Team. Key financial tasks and responsibilities are shared, with all finance staff familiar with all operations to ensure business continuity in the event of absence of any one member. The sharing of expertise supports succession planning and security of services by ensuring that more than one member of staff is trained to support key services such as data management and the PAT website and infrastructure, thereby addressing key concerns of risk. The support service developments have improved efficiency in terms of "Best Value" and quality of provision. The back room support services for the PAT continue to model the vision of collaborative working across the multi academy trust.

Both Fitzwaryn and Kingfisher have rigorous procedures for monitoring pupil progress and systems for moderation are in place.

Following a review of the structure within the Academy, a Chief Operations Officer was appointed in November 2017 to further develop the Trust.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Schools**

##### **Fitzwaryn School**

Fitzwaryn was rated as Outstanding in October 2014. The LGB is in agreement with this judgement according to the SEF. The school has not been inspected since.

During the period of reporting the school achieved a range of awards including;

- The School of the Year award from the Breast Cancer Awareness Charity.
- The 'most inclusive' award for the school choir from OCC music service.
- The Sports Mark Gold Award.
- Basic Skills 10 year award for Primary and Secondary age groups.

A significant building project was managed which saw a redundant on-site bungalow be redeveloped into a sixth form provision.

In light of pupil growth, the COO carried out an internal review of office space, the outcome being a reorganisation of space to enable members of the Senior Leadership Team and Admin support being able to work more effectively in newly designed spaces.

The Deputy Headteacher is a registered Ofsted inspector and has undertaken a number of inspections both in mainstream and special schools. She is able to use her knowledge and expertise with members of the SLT across the trust and with the governing body.

FitzKids, the holiday club provision proved to be very successful in its first year of operation aided by a very able Out of School Liaison Officer who has been in post since September 2017.

The school continues to provide a wide ranging CPD programme – working in partnership with Springline Partnership of Schools (7 primaries and Fitzwaryn), Fitzwaryn hosted training with a mental health and well-being focus (SDP priority).

From January 2018, the school has had a teacher with SENCO responsibilities in post to drive the Inreach and Outreach provision forward in addition to leading EHCPs and reviewing EHCP procedures.

A very successful Post 16 information fair was completed in the summer term of 2018 to ensure families of children of all ages are getting the right advice and guidance post 16; this was a trust wide initiative that was well received by all who attended.

A full review of TA appraisal procedures was completed. The new system has been rolled out in September 2018.

The outside learning opportunities have been enhanced following a complete overhaul of the outside learning spaces. A playground development project has been completed providing exciting learning and play opportunities for all the pupils.

The school has continued to enhance the horticulture strand of the curriculum by introducing formal assessment.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

The number of Higher Level Teaching Assistants was increased from 1 to 3 during the year; this has strengthened the leadership of the Teaching Assistants considerably. All three HLTAs have specific areas of responsibility.

#### **Pupil Progress**

At Fitzwaryn the pupils achieve well considering their starting points. For the academic year 2017-2018, the results showed overall good to outstanding progress in English and Maths.

Fitzwaryn has rigorous procedures for monitoring pupil progress and systems for moderation are in place.

#### **Pupil Premium Grant Allocation 2017/2018**

Total Pupil Premium Allocation £25,270

No. Pupils in receipt of premium 24

Nature of PPG expenditure 2017/2018

- Additional Teaching Assistant support to provide Individual interventions based on need in Communication, Literacy and/or Numeracy and necessary additional resources;
- Ensuring access to extra-curricular activities which are chargeable;
- Payment for residential activities;
- Purchase of items for individual pupils to enable them to access the curriculum more comfortably.

#### **Impact of PPG Allocation 2017/2018**

All pupils receiving allocation made progress at least in line with similar pupils at School. In particular the pupils whose Communication and Literacy skills were being targeted made progress in other areas of curriculum and social development over the course of the year.

By the end of the year progress towards outstanding targets in Maths and English of all pupils in receipt of PPG was Outstanding. Targets are set following DfE Progression guidance, CASPA and our own historical data.

A detailed analysis of the impact has been carried out by the Senior Leadership team and reported to Governors and is on the website.

#### **Year 7 Catch Up Grant**

Fitzwaryn School received £5,500

Literacy – progress of all year 7 pupils towards their targets by the end of the year was at least outstanding.

Maths – progress of all year 7 pupils towards meeting these targets was at least outstanding by the end of the year.

The funding was used to provide 1:1 intervention support to improve progress, as well as resources for guided reading that are more age appropriate for our pupils. A nationally known expert on Maths for SEN pupils provided bespoke training for the Trust. Extra resources in Maths were purchased to enhance the interventions devised by teachers and implemented by class staff.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Sports Premium**

As Fitzwaryn do not have a swimming pool on site, we aim to provide pupils with the opportunity to swim for 50% of the year for those below the age related expectations. The pupils have to be transported to and from the local swimming pool where they are taught by swimming teachers.

During 2017 – 2018, we successfully implemented a new whole school inclusive approach to PE (REAL PE – this scheme was chosen due to its cross curricular links with personal, social, cognitive, creative, emotion and physical development).

Pupils are regularly provided with higher quality PE sessions as a result of staff training.

A high priority for us is to provide a sports club for pupils throughout the year to increase the amount of physical exercise for the less active pupils.

All of the above initiatives have been successful.

#### **Kingfisher School**

Kingfisher was rated Good in November 2014. The LGB is in agreement with this judgement according to the SEF.

During the period of reporting the school has developed by appointing a new Headteacher who has brought stability to the school and worked with all stakeholders to clearly define the values and ethos of Kingfisher School. She restructured the Senior Leadership Team to appoint a substantive Deputy Headteacher and increase capacity within the school with the appointment of an Assistant Headteacher.

Kingfisher has rigorous procedures for monitoring pupil progress and systems for moderation are in place.

At Kingfisher pupils achieve well in literacy and numeracy considering their starting points. They also make good to outstanding progress in relation to their EHCP targets which form part of their ILP.

A plan was put in place to develop opportunities to participate in extra-curricular activities and competitive sports. This enabled all pupils to engage in extra curricular activities within the school and to take part in county wide competitions. Linked to the findings of the Rochford Review, Kingfisher School has developed a pathway approach for the curriculum. Working within the Core, Communication, Sensory and Transition Curriculum Pathways ensures that the individual needs of all pupils are met.

As a school we value charitable donations and therefore support countywide, national and international fundraising activities.

#### **Pupil Premium Grant**

A total of 25 pupils were eligible for PPG during the academic year 2017-2018 and this was broken down as the table (left) shows. The total PPG received for the year was £25,687. During the year every eligible pupil in the school received a personalised programme of one-to-one tuition and/or therapeutic intervention linked to their EHCP, developed by their class teacher in conjunction with a Higher Level Teaching Assistant who knows them well.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

The focus of this work is two-fold; to elevate academic attainment and to ensure success as measured by the child's Individual Learning Plan, which is closely linked to the EHCP. Whilst the PPG is specifically targeted at eligible pupils we appreciate that every child in the school has special needs. By spending the PPG wisely we have ensured that every child has benefited from the impact of this additional funding.

The PPG expenditure this year has been summarised here. This is an eclectic mix of enterprises that have each contributed to individual and whole-school attainment. The eligible pupils at Kingfisher School have all achieved at least as well as their peers and in some instances have exceeded expectations. We will continue to monitor this situation very closely to enable us to intervene swiftly if this were not to be the case.

#### **Summary of Expenditure**

- One-to-one tuition
- Communication Workshops
- Intensive Interaction Therapy
- Music Therapy
- Music Tuition
- Rebound Therapy
- Riding for the Disabled
- TEACCH Training/Equipment

#### **Year 7 Catch Up Grant**

##### **Kingfisher School received £2,500**

The Year 7 Catch up per pupil for 2018 – 2019 is currently £500 per pupil

##### **How we use the Year 7 Catch Up Premium**

A total of 10 pupils are currently eligible for Year 7 Catch Up funding. The total Catch up premium received for the year was £5,000.

A total of 7 pupils were eligible for Year 7 Catch up premium during the academic year 2017-2018. The total Catch up premium received for the year was £3,500.

##### **Summary of Expenditure**

Whilst the Year 7 Catch up premium is specifically targeted at eligible pupils we appreciate that every child in the school has special needs. By spending the Year 7 catch up funding wisely we have ensured that every child has benefited from the impact of this additional funding. The focus of work for 2018-2019 will be two-fold. We are investing in a new phonics approach which will enhance the teaching of phonics across the school. This will involve CPD, new resources, investing in bookbags to support a whole approach to reading and writing across the school.

Maths is a particular focus and we will be using the funding. We purchase Twinkl in order to support differentiation of resources.

We also provide targeted 1:1 support in both Literacy and Numeracy to ensure that all pupils are making expected progress and beyond.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Sports & PE Grant**

Kingfisher School received £16,430 (17/18).

#### **How we use the PE and Sports Premium**

Whilst the PE and Sports premium funding is specifically targeted at primary pupils we appreciate that enhancing the resources and activities available will have a positive impact across the age groups in our school. By spending the PE and sports premium funding wisely we have ensured that every child has benefited from the impact of this additional funding.

The focus of work for 2017 – 2018 has been spent on resources, training and staff to run extra-curricular activities.

The largest proportion of the funding was spent on the additional climbing equipment which has been a resounding success with many of our pupils, motivating them and supporting individual priorities. Not only has this been used to increase muscular endurance, muscular strength and skill level this has also been an invaluable resource for some of our very active pupils to have a safe and enjoyable way to release energy or frustration by climbing in a safe and secure way.

The next biggest expenditure was on employing a PE specialist to run extra-curricular lunchtime clubs, offering sporting opportunities that would otherwise not have been available.

Regular access to swimming is a major advantage for Kingfisher pupils, we invested in training teachers in life guarding and swimming to boost staffs' confidence in teaching this and to ensure we have ample trained lifeguards for our pupils to access our school pool regularly.

We also invested in membership of Vale PE and School Sport, this has given us access to a whole range of courses to allow staff to continue their professional development in Physical Education. It also allows us to enter a full programme of sports festivals and competitions which further enhance our pupils' experiences and allow them opportunities to meet young people from other schools, further develop their skill level and enjoy various stages of competition.

#### **Summary of Expenditure**

- Additional Climbing Equipment
- PE specialist – lunch time clubs
- Lifeguard training
- Dance day
- Primary Panathlon
- Swim Panathlon
- Inclusive dance festival
- Membership of Vale SSP
- Football Sessions

## **The Propeller Academy Trust**

### **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 PAT has an overall long term surplus balance of over £891,000 as at 31 August 2018. This has been achieved through long term planning with a view to meeting funding and external cost pressures expected to crystalize next year. Significant investment is required for roofing, exterior maintenance, staff accommodation over the next few years. Therefore these reserves will enable the school to remain safe and legally compliant.

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer or employee contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. As a special needs school our proportion of LGPS deficit is high due to the high numbers of Teaching Assistants in this environment against mainstream schools.

#### **Reserves Policy**

The Propeller Academy Trust has a Reserves Policy in place and has determined that a minimum of one month's salary (£250,000) must be kept in reserve.

Having discussed the use of PAT Reserves, it was confirmed that reserves should be apportioned across the schools according to greatest need; therefore, Kingfisher School should start to explore and develop capital bids for its areas of most acute need as detailed in the Premises and ICT Strategic Plans. The PAT Board has also determined that £60,000 be kept in designated reserves for premises works as identified by a Strategic Condition Survey which also included a review of the boilers.

On 31 August 2018 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value of Fixed Assets and Pension Deficit):

	£
Unrestricted General Funds	224,058
Restricted Capital Funds	29,986
Restricted General Funds	<u>637,392</u>
Reserves at 31 August 2018	891,436

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

## **The Propeller Academy Trust**

### **Trustees' Report (continued)**

---

#### **Investment Policy**

The Propeller Academy Trust has an Investment Policy.

The PAT aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the schools aim to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

At this time the PAT does not have any investments. However in August 2018 the Trustees approved the first set of investments.

#### **Principal Risks and Uncertainties**

There are a number of factors which might affect the principal risks and uncertainties that the PAT faces.

Change in government policy and any further reduction in local authority top up - with a change in government or change in government policy, the funding of the school might change and might in the future reduce funding. The schools have already experienced a reduction in funding from the LA with the removal of exceptional needs funding and a flat rate top up. The PAT has mitigated this by demanding a 3 year balanced in-year budget is sustained and for the year 2017 /18 this was achieved successfully. This approach has continued to support the building of healthy unrestricted reserves which may be used in times where funding is reduced. The continuation of flat funding and the impact of public sector pay awards is also a principal risk.

Within the complexity of special educational needs there are challenging behaviours which if not managed sufficiently well could lead to injury. Robust strategies are in place for managing complex behaviours thereby minimising the risk to a reasonable level.

A high level of first aiders is available across the PAT in order to ensure maximum support is readily available to respond immediately to the high medical needs of students to ensure risk is well managed and care is paramount minimising the risk to a reasonable level.

#### **Fundraising**

Both schools have active parent/teacher associations who carry out various fund raising activities.

The trust has started to build relationships with a number of sponsors and businesses including St James Place Wealth Management fund, Ray Collins Charity and Wantage Masonic Association.

**The Propeller Academy Trust**  
**Trustees' Report (continued)**

---

**Plans for Future Periods**

**Funds Held as Custodian Trustee on Behalf of Others**

The trust holds no Assets and Funds 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;
- 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, approved by order of the board of trustees, as the company directors, on 19/12/18 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'Gay Campbell', written in a cursive style.

**Gay Campbell**

Trustee

## The Propeller Academy Trust

### Governance Statement

---

#### Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher of Fitzwaryn, 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 the Propeller Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Resigned	Joined	Meetings attended	Out of a possible
Pat Hudson	02/09/2018		3	4
Diana Batchelor			3	3
Terry Stock			3	3
Paul McConaghy			2	3
Sam Wolfe		17/07/2018	2	2
Samantha Bamford	31/05/2018		0	2
Stephanie Coneboy	31/05/2018		3	3
Christine Doubleday		17/07/2018	0	2
Marion Tighe			4	4
Barbara Harker				

#### Governance Reviews

The Trust has reviewed at the highest levels its Articles and separation of duties. This review of effectiveness and focus will continue into 18/19.

#### Committees

The Finance and Resources committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- ensure value for money
- ensure budgets are achieved
- ensure compliance

## **The Propeller Academy Trust**

### **Governance Statement (continued)**

---

**Key issues for the Finance and Resources committee were:**

- significant installation of a new playground
- Expansion of both schools through capital investment by OCC

For the year that these accounts relate to the detail from the finance and resources committee was communicated to the Full Governing Bodies of both schools.

### **Review of Value for Money**

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

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

The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Payroll and systems under review as the competitive market place has moved significantly.
- Challenge – the budgets were developed linked to the school's priorities. The School Development Plans set costed objectives and targets with clear links to the budget. The schools have produced and managed in year budgets.
- Compare – scrutiny of the Full Governing Bodies of their own financial position and the trust wide figures provided for the trustees has enabled comparisons to be made.
- Consult – lines of communication have improved across the PAT. Evidence suggests that parents are kept regularly informed of developments in school. The continual improvement in assurance from the internal audit carried out 4 times a year has emphasised robust procedures are in place, not only in processes but in seeking best value through purchasing. Continuous improvement is clearly evident resulting in economy, efficiency and effectiveness. Internal audit also confirms that all appropriate staff are adequately trained in the use of financial systems and are continually building confidence and knowledge. Governors and Trustees were fully involved in the budget-setting process including understanding the school's priorities and plans to achieve them.
- Compete – Audit confirms that sound controls are in place to ensure probity. Audit also confirms that quotations and tenders are obtained for the purchase of goods and services in accordance with the Scheme for Financing Schools. A review of services has taken place and contracts awarded using appropriate frameworks for competitive tendering.
- The Trust is part of an Oxfordshire Business Managers group who work with a procurement company, (Minerva, Hampshire) to ensure compliance to EU Laws and gain discounts through collaborative procurement.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Propeller Academy Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

The Trust has also used Critchleys Audit LLP, auditors, to provide independent verification.

### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2017 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 Propeller Academy Trust**

### **Governance Statement (continued)**

---

#### **The Risk and Control Framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the FGB's and reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has considered the need for specific internal audit function and has decided that in 2018/2019 the audit function will move to an independent group rather than remain in the finance and resources remit.

The internal auditor's 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:

- Review of control accounts
- Review of BFR return
- VAT inspection (post year end)

In addition the COO, Accounting Officer and Headteachers provide the following checks and sampling

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliations
- Testing of credit card purchases
- Testing of SCR
- Testing of recruitment processes
- Testing of safeguarding

The Academy Trust can confirm that the internal auditor has delivered their schedule of work as planned and that there have been no material control issues arising requiring remedial action.

## The Propeller Academy Trust

### Governance Statement (continued)

---

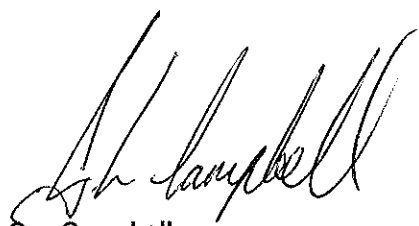
#### Review of Effectiveness

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

- The work of the internal auditor;
- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit committee and a plan to and ensure continuous improvement of the system is in place.

Approved by order of the Members of the Board of Trustees on 19/12/18 and signed on its behalf by:



Gay Campbell

Trustee



Stephanie Coneboy

Accounting Officer

## **The Propeller Academy Trust**

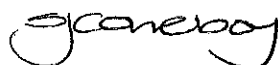
### **Statement on Regularity, Propriety and Compliance**

---

As Accounting Officer of The Propeller Academy Trust 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 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 2017/2018.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 2017/18.

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.



**Stephanie Coneboy**

Accounting Officer

Date: 19.12.18

## The Propeller Academy Trust

### 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 19/12/18 and signed on its behalf by:



Gay Campbell

Trustee

# The Propeller Academy Trust

## Independent Auditor's Report to the members of The Propeller Academy Trust

---

### Opinion on financial statements

We have audited the financial statements of The Propeller Academy Trust ('the academy trust') for the year 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2017 to 2018 issued by the ESFA.

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 year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

### 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.

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **The Propeller Academy Trust**

### **Independent Auditor's Report to the members of The Propeller Academy Trust (continued)**

---

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

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

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

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

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities (set out on page 27), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

## **The Propeller Academy Trust**

### **Independent Auditor's Report to the members of The Propeller Academy Trust (continued)**

---

#### **Use of our report**

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.

Andrew Rodzynski (Senior statutory auditor)  
For and on behalf of Critchleys Audit LLP  
Statutory Auditor  
Oxford

Date:

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

## **The Propeller Academy Trust**

### **Independent Reporting Accountant's Assurance Report on Regularity to The Propeller Academy Trust and the Education and Skills Funding Agency**

---

In accordance with the terms of our engagement letter dated 18 October 2017 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 Propeller Academy Trust 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.

#### **Respective responsibilities of The Propeller Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Propeller Academy Trust's funding agreement with the Secretary of State for Education dated 31 January 2013 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 or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 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 to our conclusion includes:

1. Reviewing of minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information
2. Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity
3. Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
4. Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
5. Consideration of whether activities carried out are within the charitable objects.

## **The Propeller Academy Trust**

### **Independent Reporting Accountant's Assurance Report on Regularity to The Propeller Academy Trust 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.

#### **Use of our report**

This report is made solely to The Propeller Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Propeller Academy Trust 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 The Propeller Academy Trust and the ESFA, for our review work, for this report, or for the conclusion we have formed.

Critchleys Audit LLP  
Reporting Accountant  
Oxford

Date:

**The Propeller Academy Trust**  
**Statement of Financial Activities**  
**For the year ended 31 August 2018**  
**(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	2,929	-	602,142	605,071	454,030
Charitable activities						
Funding for the academy trust's educational operations	3	-	3,514,508	-	3,514,508	3,555,252
Other income for educational operations	4	29,660	-	-	29,660	39,352
Other trading activities	5	93,664	-	-	93,664	52,220
Investments	6	625	-	-	625	602
<b>Total</b>		<b>126,878</b>	<b>3,514,508</b>	<b>602,142</b>	<b>4,243,528</b>	<b>4,101,456</b>
<b>Expenditure on:</b>						
Raising funds	7	6,918	-	-	6,918	-
Charitable activities:						
Academy trust educational operations	8	79,321	3,798,820	303,286	4,181,427	3,789,097
<b>Total</b>		<b>86,239</b>	<b>3,798,820</b>	<b>303,286</b>	<b>4,188,345</b>	<b>3,789,097</b>
<b>Net income / (expenditure) before transfers</b>		<b>40,639</b>	<b>(284,312)</b>	<b>298,856</b>	<b>55,183</b>	<b>312,359</b>
<b>Transfers between funds</b>	17	-	(209,084)	209,084	-	-
<b>Net income / (expenditure) for the period</b>		<b>40,639</b>	<b>(493,396)</b>	<b>507,940</b>	<b>55,183</b>	<b>312,359</b>
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	18,27	-	904,000	-	904,000	518,000
<b>Net movement in funds</b>		<b>40,639</b>	<b>410,604</b>	<b>507,940</b>	<b>959,183</b>	<b>830,359</b>
<b>Reconciliation of Funds</b>						
Funds brought forward at 1 September 2017		183,419	(1,840,212)	13,608,396	11,951,603	11,121,244
<b>Funds carried forward at 31 August 2018</b>		<b>224,058</b>	<b>(1,429,608)</b>	<b>14,116,336</b>	<b>12,910,786</b>	<b>11,951,603</b>

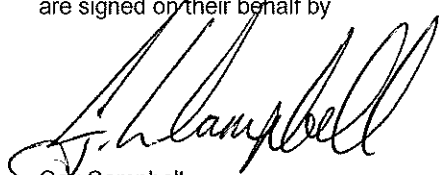
All of the Academy's activities derive from continuing operations and acquisitions in the current accounting period.

The Propeller Academy Trust  
Balance sheet  
as at 31 August 2018

Company number:  
08340120

	Notes	2018 £	2018 £	2017 £	2017 £
<b>Fixed assets</b>					
Intangible assets	13		2,115		4,381
Tangible assets	14		14,084,235		13,255,401
<b>Current assets</b>					
Debtors	15	114,887		335,072	
Cash at bank and in hand		<u>1,148,856</u>		<u>1,130,627</u>	
		<u>1,263,742</u>		<u>1,465,699</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	16	<u>(372,306)</u>		<u>(151,878)</u>	
<b>Net current assets</b>			<u>891,436</u>		<u>1,313,821</u>
<b>Total assets less current liabilities</b>			<u>14,977,786</u>		<u>14,573,603</u>
<b>Net assets excluding pension liability</b>			<u>14,977,786</u>		<u>14,573,603</u>
Defined benefit pension scheme liability	27		<u>(2,067,000)</u>		<u>(2,622,000)</u>
<b>Total net assets</b>			<u><u>12,910,786</u></u>		<u><u>11,951,603</u></u>
<b>Funds of the academy trust:</b>					
Restricted fixed asset funds	17		14,116,336		13,608,396
Restricted funds					
Restricted funds excluding pension liability	17	637,392		781,788	
Pension reserve	17	<u>(2,067,000)</u>		<u>(2,622,000)</u>	
			(1,429,608)		(1,840,212)
<b>Total restricted funds</b>			<u>12,686,728</u>		<u>11,768,184</u>
<b>Unrestricted funds</b>	17		224,058		183,419
<b>Total funds</b>			<u><u>12,910,786</u></u>		<u><u>11,951,603</u></u>

The financial statements on pages 34 to 61 were approved by the trustees and authorised for issue on 10 December 2018 and are signed on their behalf by



Gay Campbell  
Trustee

**The Propeller Academy Trust**  
**Statement of Cash Flows**  
**For the year ended 31 August 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	21	545,316	73,634
<b>Cash flows from investing activities</b>	23	(527,087)	250,383
<b>Cash flows from financing activities</b>	22	-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<u>18,229</u>	<u>324,017</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
<b>Cash and cash equivalents at 1 September 2017</b>		1,130,627	806,610
<b>Cash and cash equivalents at 31 August 2018</b>		<u><u>1,148,856</u></u>	<u><u>1,130,627</u></u>

All of the cash flows are derived from continuing operations.

## 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.

The Propeller Academy Trust 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.

## 1 Statement of Accounting Policies (continued)

### 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.

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

## 1 Statement of Accounting Policies (continued)

### 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.

### Intangible Fixed Assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Purchased computer software	33% per annum
-----------------------------	---------------

### Tangible Fixed Assets

Assets costing £2,000 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.

---

**1 Statement of Accounting Policies (continued)**

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 on a straight-line basis over its expected useful life, as follows:

Leasehold buildings	2% per annum from conversion
Fixtures, fittings and equipment	20% per annum
ICT equipment	33% per annum

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.

**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**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 in 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 as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

## 1 Statement of Accounting Policies (continued)

### 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.

### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the 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.

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

### Fund Accounting

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

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 Department for Education Group.

### 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.

## 1 Statement of Accounting Policies (continued)

### *Critical accounting estimates and assumptions*

The academy trust makes estimate 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### *Critical areas of judgement*

The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 27).

## 2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>DfE/ESFA capital grants</b>				
Devolved formula capital grant	-	13,754	13,754	13,444
<b>Other Government grants</b>				
Local authority capital funding	-	-	-	431,000
Other capital grant	-	588,388	588,388	-
	-	602,142	602,142	444,444
Other donations	2,929	-	2,929	9,586
	2,929	602,142	605,071	454,030

The income from donations and capital grants was £605,071 (2017: £454,030) of which £2,929 was unrestricted (2017: £586), £Nil restricted (2017: £9,000) and £602,142 restricted fixed assets (2017: £444,444).

## 3 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>DfE/EFSA revenue grants</b>				
General Annual Grant (GAG)	-	1,761,211	1,761,211	1,770,685
Pupil premium	-	47,879	47,879	47,782
16 - 19 bursary	-	-	-	8,253
Other DfE Group grants	-	46,135	46,135	31,641
National College grants	-	-	-	-
	-	1,855,225	1,855,225	1,858,361
<b>Other Government grants</b>				
Local authority revenue funding	-	1,659,283	1,659,283	1,696,891
	-	1,659,283	1,659,283	1,696,891
	-	3,514,508	3,514,508	3,555,252

The funding for the academy's educational operations was £3,514,508 (2017: £3,555,252) of which £Nil was unrestricted (2017: £Nil), £3,514,508 restricted (2017: £3,555,252) and £Nil restricted fixed assets (2017: £Nil).

**4 Other income for educational operations**

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Trip and activity income	5,969	-	5,969	17,248
Catering income	21,331	-	21,331	17,800
Other income	2,360	-	2,360	4,304
	<u>29,660</u>	<u>-</u>	<u>29,660</u>	<u>39,352</u>

The other income for educational operations was £29,660 (2017: £39,352) of which £29,660 was unrestricted (2017: £35,048), £Nil restricted (2017: £4,304) and £Nil restricted fixed assets (2017: £Nil).

**5 Other trading activities**

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Hire of facilities/other lettings	46,932	-	46,932	33,693
School clubs and other income	46,732	-	46,732	18,527
	<u>93,664</u>	<u>-</u>	<u>93,664</u>	<u>52,220</u>

The other trading activities income was £93,664 (2017: £52,220) of which £93,664 was unrestricted (2017: £52,220), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

**6 Investment Income**

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Short term deposits	625	-	625	602
	<u>625</u>	<u>-</u>	<u>625</u>	<u>602</u>

The investment income was £625 (2017: £602) of which £625 was unrestricted (2017: £602), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

## 7 Expenditure

	Staff Costs £	Non Pay Premises Costs £	Expenditure Other Costs £	Total 2018 £	Total 2017 £
<b>Expenditure on raising funds</b>					
Direct costs (note 8)	-	6,918	-	<b>6,918</b>	-
	-	6,918	-	<b>6,918</b>	-
<b>Academy's educational operations:</b>					
Direct costs (note 8)	2,628,122	-	127,312	<b>2,755,434</b>	<b>2,568,707</b>
Allocated support costs (note 8)	671,942	244,778	509,273	<b>1,425,993</b>	<b>1,220,390</b>
	<b>3,300,064</b>	<b>244,778</b>	<b>636,585</b>	<b>4,181,427</b>	<b>3,789,097</b>
	<b>3,300,064</b>	<b>251,696</b>	<b>636,585</b>	<b>4,188,345</b>	<b>3,789,097</b>

The expenditure on raising funds was £6,918 (2017: £) of which £6,918 was unrestricted (2017: £Nil), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

The expenditure on academy's educational operations was £4,181,427 (2017: £3,789,097) of which £79,321 was unrestricted (2017: £54,161), £3,798,820 restricted (2017: £3,473,063) and £303,286 restricted fixed assets (2017: £261,873).

The 2017 allocated support costs have been amended for a reallocation of expenditure related to the Local Government Pension Scheme. This reallocation is between Other Finance Costs and Actuarial (Loss)/Gain.

### Net income/(expenditure) for the period includes:

	2018 £	2017 £
Operating lease rentals	1,966	4,055
Depreciation	301,020	259,756
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	2,266	2,117
Fees payable to auditor for:		
Audit	7,750	7,500
Other services	<b>9,690</b>	<b>9,342</b>

## 8 Charitable activities

	Total 2018 £	Total 2017 £
Direct costs - educational operations	2,755,434	2,568,707
Support costs - educational operations	1,425,993	1,220,390
	<b>4,181,427</b>	<b>3,789,097</b>

### Analysis of support costs

	Educational operations £	Total 2018 £	Total 2017 £
Support staff costs	322,942	322,942	316,451
Depreciation	301,020	301,020	259,756
Amortisation	2,266	2,266	2,117
Technology costs	53,714	53,714	138
Premises costs	244,778	244,778	177,861
Other support costs	134,833	134,833	195,224
Governance costs	17,440	17,440	16,843
Other pension costs	277,000	277,000	190,000
Other finance costs (FRS102 pension)	72,000	72,000	62,000
<b>Total support costs</b>	<b>1,425,993</b>	<b>1,425,993</b>	<b>1,220,390</b>

The 2017 support costs have been amended for a reallocation of expenditure related to the Local Government Pension Scheme. This reallocation is between Other Finance Costs and Actuarial (Loss)/Gain.

## 9 Staff Costs

	2018 £	2017 £
<b>Staff costs during the period were:</b>		
Wages and salaries	2,364,979	2,179,543
Social security costs	181,443	163,189
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	390,496	350,179
FRS102 Other pension and finance costs	349,000	252,000
	<b>3,285,918</b>	<b>2,944,911</b>
Agency supply staff costs	14,146	21,820
Agency support staff costs	-	20,858
	<b>3,300,064</b>	<b>2,987,589</b>

The trust uses agency staff where appropriate on normal commercial terms.

The 2017 staff costs have been amended for a reallocation of expenditure related to the Local Government Pension Scheme. This reallocation is between Other Finance Costs and Actuarial (Loss)/Gain.

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

	2018 No.	2017 No.
Teachers	28	26
Administration and support	86	90
Management	5	10
	<b>119</b>	<b>126</b>

## 9 Staff costs (continued)

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

	2018 No.	2017 No.
£60,001 - £70,000	2	-
£70,001 - £80,000	1	1

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1 and 2. 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 £491,497 (2017: £611,019).

## 10 Central services

No central services were provided by the academy trust to its academies during the period and no central charges arose.

## 11 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 head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts of employment.

	2018 £	2017 £
S Coneboy, Accounting Officer and Trustee		
Remuneration	£75k-£80k	£75k-£80k
Employer's pension contributions paid	£10k-£15k	£10k-£15k
A Edney, Headteacher Kingfisher School and Trustee (until 24/04/2017)		
Remuneration	-	£40k-£45k
Employer's pension contributions paid	-	£5k-£10k
L Wilson, Headteacher Kingfisher School		
Remuneration	£60k-£65k	-
Employer's pension contributions paid	£5k-£10k	-

During the period ended 31 August 2018, travel and subsistence expenses totalling £50 were reimbursed or paid directly to 1 trustee (2017: £163 to 1 trustee).

## 12 Trustees and officers insurance

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

### 13 Intangible fixed assets

	Computer Software £	Total £
<b>Cost</b>		
As at 1 September 2017	6,800	6,800
Additions	-	-
As at 31 August 2018	<u>6,800</u>	<u>6,800</u>
<b>Amortisation</b>		
As at 1 September 2017	2,419	2,419
Charged in year	2,266	2,266
As at 31 August 2018	<u>4,685</u>	<u>4,685</u>
<b>Carrying amount</b>		
As at 31 August 2018	<u>2,115</u>	<u>2,115</u>
As at 1 September 2017	<u>4,381</u>	<u>4,381</u>

### 14 Tangible fixed assets

	Leasehold Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
<b>Cost</b>				
As at 1 September 2017	13,932,016	282,899	89,760	14,304,675
Additions	1,039,071	72,861	17,922	1,129,854
As at 31 August 2018	<u>14,971,087</u>	<u>355,760</u>	<u>107,682</u>	<u>15,434,529</u>
<b>Depreciation</b>				
As at 1 September 2017	865,330	133,215	50,729	1,049,274
Charged in year	209,405	68,818	22,797	301,020
As at 31 August 2018	<u>1,074,735</u>	<u>202,033</u>	<u>73,526</u>	<u>1,350,294</u>
<b>Net book values</b>				
As at 31 August 2018	<u>13,896,352</u>	<u>153,727</u>	<u>34,156</u>	<u>14,084,235</u>
As at 1 September 2017	<u>13,066,686</u>	<u>149,684</u>	<u>39,031</u>	<u>13,255,401</u>

### 15 Debtors

	2018 £	2017 £
Trade debtors	29,731	4,948
VAT recoverable	81,044	44,851
Prepayments and accrued income	4,112	284,977
Other debtors	-	296
	<u>114,887</u>	<u>335,072</u>

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

	2018	2017
	£	£
Trade creditors	217,454	25,553
Other taxation and social security	44,356	42,858
Other creditors	45,788	37,606
Accruals and deferred income	64,708	45,861
	<u>372,306</u>	<u>151,878</u>

**Deferred income**

	2018	2017
	£	£
Deferred income at 1 September	4,207	5,227
Released from previous years	(4,207)	(5,227)
Resources deferred in the period	26,376	4,207
Deferred income at 31 August	<u>26,376</u>	<u>4,207</u>

Deferred income represents funding received specifically for next financial year, together with trips and activities income received in advance.

## 17 Funds

	Balance at 1 Sept 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	449,167	1,761,211	(1,696,523)	(209,084)	304,771
Funds from predecessor schools	324,695	-	-	-	324,695
Pupil Premium funding	7,926	47,879	(47,879)	-	7,926
Other DfE funding	-	46,135	(46,135)	-	-
Local authority revenue funding	-	1,659,283	(1,659,283)	-	-
Pension reserve (note 27)	(2,622,000)	-	(349,000)	904,000	(2,067,000)
	<u>(1,840,212)</u>	<u>3,514,508</u>	<u>(3,798,820)</u>	<u>694,916</u>	<u>(1,429,608)</u>
<b>Restricted fixed asset funds</b>					
ESFA DFC and LA capital funding	-	13,754	-	(13,444)	310
Local authority capital funding	348,615	588,388	-	(907,327)	29,676
Fixed asset fund (notes 13 and 14)	13,259,781	-	(303,286)	1,129,855	14,086,350
	<u>13,608,396</u>	<u>602,142</u>	<u>(303,286)</u>	<u>209,084</u>	<u>14,116,336</u>
<b>Total restricted funds</b>	<u><b>11,768,184</b></u>	<u><b>4,116,650</b></u>	<u><b>(4,102,106)</b></u>	<u><b>904,000</b></u>	<u><b>12,686,728</b></u>
<b>Unrestricted funds</b>					
Designated funds	60,000	-	-	-	60,000
Unrestricted funds	123,419	126,878	(86,239)	-	164,058
<b>Total unrestricted funds</b>	<u><b>183,419</b></u>	<u><b>126,878</b></u>	<u><b>(86,239)</b></u>	<u><b>-</b></u>	<u><b>224,058</b></u>
<b>Total funds</b>	<u><b>11,951,603</b></u>	<u><b>4,243,528</b></u>	<u><b>(4,188,345)</b></u>	<u><b>904,000</b></u>	<u><b>12,910,786</b></u>

Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2018.

The General Annual Grant (GAG) represents the core funding for the educational activities of the schools that has been provided to the academy trust via the Education Funding Authority by the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy trust.

The pension reserve fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

Restricted fixed assets are funds representing the amounts invested in fixed assets. The transfer to the fixed asset fund represents the amounts for additions funded from General Annual Grant.

The designated fund comprises amounts set aside by the trustees to cover future maintenance works to the schools as identified by a Strategic Condition Survey.

All general funds are held for the purposes of education in line with the Academy Trust's objectives.

## 17 Funds (continued)

### Total funds analysis by academy

Fund balances at 31 August 2018 were allocated as follows:

	2018 £	2017 £
Fitzwaryn School	456,083	569,321
Kingfisher School	405,368	395,885
Central services	-	-
Total before capital, fixed assets and pension reserve	861,451	965,206
Capital reserves - project funding unspent at year end	29,986	348,615
Fixed asset fund (representing net book value of fixed assets - notes 13 and 14)	14,086,350	13,259,782
Pension reserve	(2,067,000)	(2,622,000)
<b>Total funds</b>	<b>12,910,787</b>	<b>11,951,603</b>

### Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies (including all non staff direct costs) £	Other costs (excluding depreciation and FRS17 pension) £	Total 2018 £	Total 2017 £
Fitzwaryn School	1,417,366	155,678	86,288	226,943	1,886,275	1,686,964
Kingfisher School	1,210,756	125,848	52,197	260,983	1,649,784	1,588,261
Central services	-	-	-	-	-	-
	<b>2,628,122</b>	<b>281,526</b>	<b>138,485</b>	<b>487,926</b>	<b>3,536,059</b>	<b>3,275,225</b>
				Depreciation	303,286	261,872
				Other finance costs and pension costs	349,000	252,000
				<b>Note 7</b>	<b>4,188,345</b>	<b>3,789,097</b>

17 Funds (continued)

Comparative Funds

	Balance at 1 Sept 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	200,507	1,770,685	(1,423,192)	(98,833)	449,167
Funds from predecessor schools	324,695	-			324,695
Pupil Premium funding	7,926	47,782	(47,782)	-	7,926
Other DfE funding	-	39,894	(39,894)	-	-
Local authority revenue funding	-	1,696,891	(1,696,891)	-	-
Other restricted funding	-	13,304	(13,304)		-
Pension reserve (note 27)	(2,888,000)	-	(252,000)	518,000	(2,622,000)
	<u>(2,354,872)</u>	<u>3,568,556</u>	<u>(3,473,063)</u>	<u>419,167</u>	<u>(1,840,212)</u>
<b>Restricted fixed asset funds</b>					
ESFA DFC and LA capital funding	-	13,444	-	(13,444)	-
Local authority funding	-	431,000	-	(82,385)	348,615
Fixed asset fund (notes 13 and 14)	13,326,992	-	(261,873)	194,662	13,259,781
	<u>13,326,992</u>	<u>444,444</u>	<u>(261,873)</u>	<u>98,833</u>	<u>13,608,396</u>
<b>Total restricted funds</b>	<u><b>10,972,120</b></u>	<u><b>4,013,000</b></u>	<u><b>(3,734,936)</b></u>	<u><b>518,000</b></u>	<u><b>11,768,184</b></u>
<b>Unrestricted funds</b>					
Designated funds	60,000	-	-	-	60,000
Unrestricted funds	89,124	88,456	(54,161)	-	123,419
<b>Total unrestricted funds</b>	<u><b>149,124</b></u>	<u><b>88,456</b></u>	<u><b>(54,161)</b></u>	<u><b>-</b></u>	<u><b>183,419</b></u>
<b>Total funds</b>	<u><b>11,121,244</b></u>	<u><b>4,101,456</b></u>	<u><b>(3,789,097)</b></u>	<u><b>518,000</b></u>	<u><b>11,951,603</b></u>

The Comparative Funds Pension Reserve figures have been amended for a reallocation of expenditure related to the Local Government Pension Scheme. This reallocation is between Other Finance Costs and Actuarial (Loss)/Gain.

## 17 Funds (continued)

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

	Balance at 1 Sept 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	200,507	3,531,896	(3,119,715)	(307,917)	304,771
Funds from predecessor schools	324,695	-	-	-	324,695
Pupil Premium funding	7,926	95,661	(95,661)	-	7,926
Other DfE funding	-	86,029	(86,029)	-	-
Local authority revenue funding	-	3,356,174	(3,356,174)	-	-
Other restricted funding	-	13,304	(13,304)	-	-
Pension reserve (note 27)	(2,888,000)	-	(601,000)	1,422,000	(2,067,000)
	<u>(2,354,872)</u>	<u>7,083,064</u>	<u>(7,271,883)</u>	<u>1,114,083</u>	<u>(1,429,608)</u>
<b>Restricted fixed asset funds</b>					
ESFA DFC and LA capital funding	-	27,198	-	(26,888)	310
Local authority funding	-	1,019,388	-	(989,711)	29,677
Fixed asset fund (notes 13 and 14)	13,326,992	-	(565,159)	1,324,517	14,086,350
	<u>13,326,992</u>	<u>1,046,586</u>	<u>(565,159)</u>	<u>307,918</u>	<u>14,116,337</u>
<b>Total restricted funds</b>	<u>10,972,120</u>	<u>8,129,650</u>	<u>(7,837,042)</u>	<u>1,422,000</u>	<u>12,686,728</u>
<b>Unrestricted funds</b>					
Designated funds	60,000	-	-	-	60,000
Unrestricted funds	89,124	215,334	(140,400)	-	164,058
<b>Total unrestricted funds</b>	<u>149,124</u>	<u>215,334</u>	<u>(140,400)</u>	<u>-</u>	<u>224,058</u>
<b>Total funds</b>	<u>11,121,244</u>	<u>8,344,984</u>	<u>(7,977,442)</u>	<u>1,422,000</u>	<u>12,910,786</u>

## 18 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	2,115	2,115
Tangible fixed assets	-	-	14,084,235	14,084,235
Current assets	224,058	1,009,698	29,986	1,263,742
Current liabilities	-	(372,306)	-	(372,306)
Pension Scheme liability	-	(2,067,000)	-	(2,067,000)
<b>Total net assets</b>	<u>224,058</u>	<u>(1,429,608)</u>	<u>14,116,336</u>	<u>12,910,786</u>

# 18 Analysis of net assets between funds (continued)

## Comparative analysis of net assets between funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	4,381	4,381
Tangible fixed assets	-	-	13,255,401	13,255,401
Current assets	183,418	933,666	348,615	1,465,699
Current liabilities	-	(151,878)	-	(151,878)
Pension Scheme liability	-	(2,622,000)	-	(2,622,000)
<b>Total net assets</b>	<b>183,418</b>	<b>(1,840,212)</b>	<b>13,608,397</b>	<b>11,951,603</b>

# 19 Capital commitments

	2018 £	2017 £
Contracted for, but not provided in the financial statements	<u>25,000</u>	<u>348,615</u>

# 20 Commitments under operating leases

## Operating leases

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

	2018 £	2017 £
Amounts due within one year	1,464	457
Amounts due between one and five years	705	-
	<u>2,169</u>	<u>457</u>

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

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	55,183	312,359
Adjusted for:		
Amortisation (note 13)	2,266	2,117
Depreciation (note 14)	301,020	259,756
Capital grants from DfE and other capital income	(13,754)	(13,444)
Other capital income	(588,388)	(431,000)
Interest receivable (note 6)	(625)	(602)
Defined benefit pension scheme cost less contributions payable (note 27)	277,000	190,000
Defined benefit pension scheme finance cost (note 27)	72,000	62,000
(Increase)/decrease in debtors	220,185	(273,549)
Increase/(decrease) in creditors	220,428	(34,003)
<b>Net cash provided by operating activities</b>	<b><u>545,316</u></b>	<b><u>73,634</u></b>

## 22 Cash flows from financing activities

	2018 £	2017 £
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>

## 23 Cash flows from investing activities

	2018 £	2017 £
Dividends, interest and rents from investments	625	602
Purchase of intangible fixed assets	-	(4,600)
Purchase of tangible fixed assets	(1,129,854)	(190,063)
Capital grants from DfE Group	602,142	13,444
Capital funding received from sponsors and others	-	431,000
<b>Net cash (used in)/provided by investing activities</b>	<b>(527,087)</b>	<b>250,383</b>

## 24 Analysis of cash and cash equivalents

	At Sept 2017 £	Cash flows £	At 31 August 2018 £
Cash at bank and in hand	1,130,627	18,229	1,148,856
	<b>1,130,627</b>	<b>18,229</b>	<b>1,148,856</b>

## 25 Contingent liabilities

There are no contingent liabilities that require disclosure.

## 26 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.

## **27 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 Oxfordshire County Council. Both are multi-employer defined-benefit schemes.

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £43,566 were payable to the schemes at 31 August 2018 (2017: £38,416) and are included within creditors.

### **Teachers' Pension Scheme**

#### **Introduction**

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

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

## 27 Pension and similar obligations (continued)

### Teachers' Pension Scheme (continued)

#### Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £176,727 (2017: £155,949).

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

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

## 27 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 £279,000 (2017: £252,000), of which employer's contributions totalled £213,000 (2017: £192,000) and employees' contributions totalled £66,000 (2017: £60,000). The agreed contribution rates for future years are 15.1% for employers and between 5.5 and 12.5% for employees. In addition employer top-up contributions of £42,000 are due for the year ended 31 March 2019 (year to 31 March 2018: £41,000) and £43,000 for the year ended 31 March 2020.

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.

### Principal Actuarial Assumptions

	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.50%	4.20%
Rate of increase for pensions in payment / inflation	2.30%	2.70%
Discount rate for scheme liabilities	2.80%	2.60%
Inflation assumption (CPI)	2.40%	2.70%
Commutation of pensions to lump sums	50.00%	50.00%

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
<i>Retiring today</i>		
Males	23.4	23.4
Females	25.5	25.5
<i>Retiring in 20 years</i>		
Males	25.7	25.7
Females	27.9	27.9

### Sensitivity Analysis - Effect on Scheme Liabilities

	At 31 August 2018 £'000	At 31 August 2017 £'000
Discount rate +0.1%	4,915	5,022
Discount rate -0.1%	5,173	5,281
Mortality assumption - 1 year increase	N/A	5,319
Mortality assumption - 1 year decrease	N/A	4,986
CPI rate +0.1%	N/A	N/A
CPI rate -0.1%	N/A	N/A

## 27 Pension and similar obligations (continued)

### Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	2,084,000	1,561,000
Gilts	-	376,000
Other bonds	506,000	122,000
Property	238,000	164,000
Cash and other liquid assets	149,000	97,000
LLPs	-	82,000
Diversified growth fund	-	124,000
Alternative assets	-	2,000
<b>Total market value of assets</b>	<b>2,977,000</b>	<b>2,528,000</b>
Present value of scheme liabilities		
- Funded	(5,044,000)	(5,150,000)
<b>Surplus/(deficit) in the scheme</b>	<b>(2,067,000)</b>	<b>(2,622,000)</b>

The actual return on scheme assets was £205,000 (2017: £281,000).

### Amounts recognised in the statement of financial activities

	2018 £	2017 £
Current service cost	490,000	382,000
Net interest on the defined liability (asset)	72,000	62,000
<b>Total amount recognised in the SOFA</b>	<b>562,000</b>	<b>444,000</b>

## 27 Pension and similar obligations (continued)

### Local Government Pension Scheme (continued)

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

	2018 £	2017 £
<b>At 1 September</b>	<b>5,150,000</b>	<b>4,918,000</b>
Current service cost	490,000	382,000
Interest cost	141,000	109,000
Employee contributions	66,000	60,000
Actuarial (gain)/loss	(786,000)	(303,000)
Benefits paid	(17,000)	(16,000)
<b>At 31 August</b>	<b>5,044,000</b>	<b>5,150,000</b>

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

	2018 £	2017 £
<b>At 1 September</b>	<b>2,528,000</b>	<b>2,030,000</b>
Upon conversion		
Transferred in on existing academies joining the trust		
Transferred out on existing academies leaving the trust		
Interest income	69,000	47,000
Return on plan assets (excluding net interest on the net defined pension liability)	118,000	234,000
Actuarial gain/(loss)	-	(19,000)
Employer contributions	213,000	192,000
Employee contributions	66,000	60,000
Benefits paid	(17,000)	(16,000)
<b>At 31 August</b>	<b>2,977,000</b>	<b>2,528,000</b>

Reconciliation of opening and closing deficit				
	2018		2017	
	£	£	£	£
<b>Pension deficit at 1 September</b>		(2,622,000)		(2,888,000)
Current service cost	(490,000)		(382,000)	
Employer contributions	213,000		192,000	
Additional pension cost		(277,000)		(190,000)
Other finance costs		(72,000)		(62,000)
Actuarial gains/(losses)		904,000		518,000
<b>Pension deficit at 31 August</b>		<b>(2,067,000)</b>		<b>(2,622,000)</b>

The 2017 pension figures have been amended for a reallocation of expenditure related to the Local Government Pension Scheme. This reallocation is between Other Finance Costs and Actuarial (Loss)/Gain.

## 28 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 trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account.

Ms I Coneboy (daughter of S Coneboy, Director) was employed by the Academy Trust in a casual capacity. Ms Coneboy's gross pay was £877 (2017: £315) for the year and employer's pension contributions amounted to £nil (2017: £nil).

