

Radcliffe Academy Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2017

Company Registration Number:
09334026 (England and Wales)

Period of account: 1 September 2016 – 31 August 2017

Radcliffe Academy Trust

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Radcliffe Academy Trust

Reference and Administrative Details

Members

Gloria Walker
Anthony Scott
Venetia Mayman

Trustees

Gloria Walker (Chairperson) *
Anthony Scott – Community Trustee * (resigned 10.07.2017)
Emma Canter – Co-opted Trustee *
Hannah MacDiarmid – Partnership Trustee
Jessie Dobson – Parent Trustee
Nicola Partridge – Headteacher *
Jolie Kirby – Partnership Trustee *
Lucy Mettyear – Co-opted Trustee *
David Mitchell – Co-opted Trustee (appointed 01.01.2017)
Debra Leeves – Co-opted Trustee (appointed 01.01.2017)
Jason Pereira – Co-opted Trustee * (appointed 01.01.2017)
Peter Evens – Co-opted Trustee * (appointed 01.01.2017,
resigned 10.07.2017)

*members of the Business Committee

Company Secretary

Blake Morgan LLP

Radcliffe Academy Trust

Reference and Administrative Details (continued)

Senior Management Team

- | | |
|--------------------|--------------------------------------|
| • Nicola Partridge | Headteacher and Accounting Officer |
| • Jacqueline West | Assistant Headteacher |
| • Caroline Duncan | Assistant Headteacher |
| • Joanna Robinson | Assistant Headteacher |
| • Sammi Newman | Assistant Headteacher |
| • Beverley O'Toole | KS3 & Bridges Programme Lead Manager |
| • Jessie Dobson | VOC & WRL Team Leader |
| • Brenda Mundy | Business Manager |

Company Name

Radcliffe Academy Trust

Principal and Registered Office

The Harlow Centre
Raymund Road
Old Marston
Oxford
OX3 0SW

Company Registration Number

09334026 (England and Wales)

Independent Auditor

Critchleys LLP
Beaver House
23 – 38 Hythe Bridge Street
Oxford
OX1 2EP

Bankers

Lloyds Bank
29 High Street
Chippenham
Wiltshire
SN15 3HA

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Radcliffe Academy Trust

Trustees' Report

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

The trust operates an Alternative Provision (AP) Academy, Meadowbrook College, for pupils aged 5 to 16 serving a catchment area across Oxfordshire. It has a pupil capacity of 106, there were 44 Single registered students plus 83 dual registered students in the school census on 18 May 2017.

Structure, Governance and Management

Constitution

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

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

Members' Liability

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

Trustees' Indemnities

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

Trustees are appointed in accordance with the Articles of Association. All Trustees are recruited on the basis of possessing appropriate skills, a knowledge and understanding of education and in particular alternative provision.

Members may appoint up to 1 Trustee.

Parent Trustee vacancies are filled through advertisement and election. In appointing a Parent Trustee or Parent Member of a Local Governing Body or Advisory Body the Trustees shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Trustees may appoint:

- The Headteacher Trustee
- 1 person nominated by the Local Authority (LA)
- 1 person nominated by Oxfordshire Secondary School Headteachers' Association (OSSHTA) may be appointed as Partnership Trustee
- 1 person nominated by the VIP+ charity may be appointed as Partnership Trustee

Radcliffe Academy Trust

Trustees' Report (continued)

Other Trustee appointments are addressed through personal recommendation and consideration by the whole Board of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees receive training on Academy Governance and Trustee's responsibilities through access to online resources. Specifically focused training sessions will be offered as required. In addition all Trustees visit the school throughout the year.

New Trustees receive an individual induction package tailored to meet the needs of the individual and, where necessary training is also provided on education, legal and financial matters. All new Trustees are given a tour of the Academy and the opportunity to meet students and staff.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Organisational Structure

The governance of the Academy Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education.

The Board of Trustees, which meets on at least three occasions a year, is responsible for the strategic direction of the Multi Academy Trust (MAT). The Board of Trustees delegates certain functions to one committee: the Business Committee. These meetings are attended by members of the Senior Leadership Team (SLT) and Senior Finance Manager. The committee sets the budget for the following year and the organisational staffing structure. Any decisions made at committee level are taken to the Board of Trustees for ratification.

The Headteacher is the designated Accounting Officer and has overall responsibility of the day to day financial management of the Academy Trust. The Headteacher has delegated responsibility for low values of expenditure. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy Trust on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets frequently to discuss emerging matters and to help develop strategies for future development to be put to the Headteacher and Board of Trustees for approval. Each member of the Senior Leadership Team has specific responsibilities to assist the Headteacher to manage certain aspect of the Academy.

Radcliffe Academy Trust

Trustees' Report (continued)

Arrangements for setting pay and remuneration of key management personnel

Radcliffe Academy Trust has a pay policy which sets out the basis on which we determine teachers' pay. Senior Leaders who are qualified teachers are paid on either the Leadership scale or the Green Book scale; the range is decided by the Trustees, and their roles and responsibilities are defined in a job description. Qualified and Unqualified Teachers are subject to the School Teachers' Pay and Conditions Document (STPCD). All other members of staff are paid according to the Green Book and have had their pay scales evaluated as per the guidance. Progression through all pay scales at Meadowbrook College is determined following an annual Appraisal process which reviews targets set at an annual Appraisal Review. All staff working directly with young people will have three targets as follows:

- Whole-school progress target
- Target linked to reflection of the Teacher Standards or as defined in the job description (Green Book staff)
- Personal Development target - as identified through lesson observation/work scrutiny or 1-1 challenge & support meetings throughout the year. This target may also include a target to improve a colleague's leadership skills i.e. as a subject leader or programme leader
- Senior Leadership member targets will relate directly to the roles and responsibilities of their post e.g. teaching and learning/curriculum development/safeguarding.

The Headteacher reviews the performance of all Senior Leaders. Deadlines for the reviews to be completed are as follows: all qualified/unqualified teachers, including Senior Leadership, should be completed by October 31 and all other staff by December 31 each year. Where targets have been met and a member of staff is recommended for pay progression, the Headteacher will consider these applications in the first instance and take the recommendations to the Trustee meeting in December each year for agreement.

Any staff who are refused pay progression in any academic year will be able to appeal, should they wish, through the procedures for determining pay appeals, as found in the Pay Policy for Teachers.

The Trustees will determine the pay range of the Headteacher when they propose to make a new appointment or if there has been a significant change in the responsibilities of the Headteacher, or at any time if they consider it necessary to review the range to retain a Headteacher. The Trustees will decide a range of seven pay points from the range of points available for the Headteacher group of the school. The Headteachers pay range should only be reviewed if it is necessary to take account of a change of size or group of the school, or if there is a significant change to the responsibilities of the post or if a review is necessary to maintain consistency with pay arrangements for new appointments to the leadership team.

Remuneration of expenses for Trustees

Trustees are able to recoup any expenses incurred in respect of the Radcliffe Academy Trust business e.g. travel expenses to meetings. Expense claims should be submitted to the Clerk at each meeting.

Related Parties and other Connected Charities and Organisations

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

The Academy Trust maintains a register of pecuniary interests of the Board of Trustees which is regularly reviewed and updated.

For further details of related parties and transactions during the year see Notes 10 and 25.

Objectives and Activities

Objects and Aims

Following conversion from a LA Pupil Referral Unit to an Alternative Provision (AP) Academy and MAT in February 2015 the key objectives have been to maintain effective governance and the required financial and business systems to enable successful operation as an AP Academy.

Vision Statement

The Radcliffe Academy Trust delivers exceptional education and alternative provision for children and young people, regardless of their starting point, opening the door to the future of their choice

Strategic Objectives (2016 - 17)

Our goals are to:

- Achieve an outstanding culture for learning
- Maximise student learning and outcomes
- Promote and develop professional learning

During the year the Academy has worked to:

- Develop more educational opportunities and qualification routes for our learners
- Develop our students as independent and resilient learners
- Improve overall attainment and progress
- Secure successful transitions from education to further education, employment or training
- Develop the quality of teaching by an ongoing dialogue around professional standards
- Improve attendance
- Improve the IT resources available to both staff and students to enhance the learning experience
- Develop the environment for learning
- Provide value for money from the funds expended
- Raise the profile of the College with local schools and Oxfordshire County Council (OCC)
- Comply with all statutory and curriculum requirements as applied to Alternative Provision academies
- Conduct the Academy Trust's business in accordance with the highest standards of integrity

The over-riding ambition of the Radcliffe Academy Trust is to get the best for and from every student, ensuring that each student makes progress towards achieving their full academic, creative and physical potential, developing positive social, moral and British values.

Trustees have monitored the progress in fulfilling our aims through regular meetings, frequent reports from the Headteacher and senior leaders and visits to our sites across Oxfordshire. Feedback from students and parents has been monitored through the Academy's regular assessment of Pupil Attitudes to Self and School (PASS).

Public Benefit

The Trustees of Radcliffe 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.

Radcliffe Academy Trust

Trustees' Report (continued)

The Academy provides education for students who are at risk of exclusion or are permanently excluded from mainstream schools and academies across Oxfordshire. Students are allocated places through the county In Year Fair Access Panels. We support a small number of students following direct referral which the schools and academies commission directly from us. Outreach support and advice is also offered to schools, and we liaise closely with families, carers and other agencies such as the Police, Social Services and voluntary groups.

Our services (and premises) have been used throughout the year by local primary and secondary schools as well as Oxfordshire County Council, to benefit children and young people across Oxfordshire. The majority of our students are referred to our Academy by schools and academies in Oxfordshire and by the Local Authority's Exclusions and Reintegration Team, Virtual School and Special Educational Needs (SEN) Service.

Students come to the Academy from school years 1-11 (aged 5-16). Radcliffe Academy Trust, as required, provides a core curriculum of English, Maths and Science - with appropriate accreditation and qualifications. The specific personal, social and academic needs of all students are properly identified on referral and their individual, customised programme helps them overcome barriers to attainment, and improves their motivation and self-confidence, attendance and engagement with education. The Academy Trust supports students with their next steps following their placement - reintegration into mainstream education, further education, training or employment. Preparation for the world of work, and skills for employment form an important part of our programme for Key Stage 4 students.

Strategic Report

Achievements and Performance

The Academy Trust was incorporated on 1st December 2014. Meadowbrook College converted to Academy status and joined the Radcliffe Academy Trust on 1st February 2015. Meadowbrook College (as a local maintained provision) was last inspected by Ofsted in May 2012 and judged Good across all four key areas of the inspection: achievement of pupils, quality of teaching, behaviour and safety of pupils and leadership and management. Regular self-evaluation evidence confirms that progress continues in the context of the changing Ofsted framework. The 2016/17 Self-Evaluation Form (SEF) for Meadowbrook College judges the Academy Trust to be in the position below:

Overall Effectiveness: the quality and standards of education	1
Effectiveness of Leadership and Management	2
Quality of Teaching, Learning and Assessment	1
Personal Development, Behaviour and Welfare	1
Outcomes for Pupils	1

The Academy Trust made these self-evaluation judgements based on improvements in provision at Meadowbrook College since its conversion to Academy status:

- Leadership and Management at both SLT and Trustee level have developed and become more effective
- Increase in the number of Trustees appointed to The Board through Academy Ambassadors programme. Representation on the Board of Trustees now covers procurement, finance, education, Human Resources, Business Development, SEN, Looked After Children (LAC) and Inclusion. Strategic involvement with schools and community groups is impacting on sustaining and increasing numbers on roll, while clearly defined roles of senior leaders has improved accountability

Radcliffe Academy Trust

Trustees' Report (continued)

- Increasing number of subjects offering qualifications at Level 2 (where appropriate) or subjects making amendments to the qualifications being delivered in order to maximise destination choices of our learners
- Achievement of students at Meadowbrook College outperforms 'average' performance of students in AP nationally (according to historical statistical release data), except for 5A*-C/4-9 indicator
- Significant progress has been made by students in their academic subjects, PASS - Personal Attitude to Self and School data, and behaviour
- The quality of teaching has improved with an improvement in the standardisation of observation and more accountability being placed on subject lead teachers for the standard of teaching and learning in their subject across the school

Since taking up post in January 2016, Nicola Partridge has proved herself to be an outstanding Headteacher. Her innovative ideas, enthusiasm and energy have led to continuous improvement in Meadowbrook's offer to vulnerable learners. Examination outcomes continue to improve, which closely correlates with improvement in the quality of teaching, and a forensic analysis and focus on attendance has resulted in a 27.5% increase, setting us among the best attended Alternative Provision nationally.

Much time this year has been spent in discussion with the DfE and ESFA regarding our site and possible relocation to a brand new building. This is an exciting prospect, but very time consuming for both staff and Trustees. We look forward to firm plans being in place for outstanding new buildings by 2019. This is an important part of our development plan for the future in terms of our Alternative Provision offer to children and young people in Oxfordshire

Key Performance Indicators

The Trustees receive regular information which enable them to monitor the performance of the Academy against its aims, the effectiveness of its strategies and its finances. The performance information since the Academy opened, shows good performance in all key areas including demand for provision, variety of provision, progress of students, stakeholder surveys (PASS) and financial health.

The Academy measures its success through a series of performance indicators. These indicators comprise:

- Demand for provision from LA and local schools
- Student performance including accreditation outcomes and destinations
- Stakeholder survey outcomes
- Financial health

We had a successful improvement in Attendance for the year 2016/17 of 80% compared to a figure of 57% two years ago. Much work on policy and procedure resulted in a more targeted intervention of individual students and of programmes and bases.

Key Stage 4 examination results for 2016/17:

- 49% of students achieved 5 or more A*-G/1-9 Grade GCSEs or equivalent
- 41% 5 or more GCSEs/Equivalent A*-G/1-9 including E&M
- First year of a student achieving 5 A*-C/1-4 including E&M
- 17% of students achieved a 4/C or above at English GCSE and 21% met or exceeded their Expected KS2-4 progress indicator for English (this means they managed to get 'back on track' to where they were supposed to be for their age despite having left their mainstream setting)
- 97% (69% in 2016) of students achieved a Level 1 or 2 in a Vocational Qualification (Construction/ Hospitality/ Sport/ Caring for Children/ Hair & Beauty)
- 97% of students achieved at least 1 A*-G qualification
- Increase in the number of students achieving vocational qualifications
- 24% of students achieved their KS2-4 predicted grades in at least one subject (English or Maths)

Radcliffe Academy Trust

Trustees' Report (continued)

- 20% of students achieved 6 or more GCSE or equivalent qualifications, 1 student achieved 9 GCSEs/Equivalent of which 6 were at C/4 or above; 3 students with 8 GCSEs/Equivalents; 2 students with 7 GCSEs/Equivalents and 3 with 6 GCSE/Equivalents
- Comparing to national statistical release data, Meadowbrook College students exceeded national performance for AP/PRU/Hospital Schools in the following areas (using 2015/16 data until this years' release):
 - 5 A*-G/1-9 49% Meadowbrook College, 13% national
 - 5 A*-G/1-9 including English & Maths Meadowbrook College 41%, 9.5% national
 - 1 A*-G/1-9 97% Meadowbrook College, 58.5% national
- NEET figures dramatically decreased in 2015/16 from 75% of students accessing Education, Employment or Training to 96% at the end of 2016/17

Key Stage 3

Attainment and progress at Key Stage 3 is defined by a variety of factors: successful reintegration back to the child's mainstream school, attendance, attainment of PiXL (Partners in Excellence) and Arts Awards (where appropriate) and parent and school feedback.

- Attendance across all KS3 programmes was 90%
- 42 students went through the KS3 Discovery programme/48 through the Bridges programmes
- 41 Discovery Programme students achieved Arts Award, 40 at Explorer level and 1 at Discoverer level, 32 PiXL Alternative Edge awards at Apprentice level, 41 achieved the St John's Ambulance Certificate
- 76% of students returned to their own school or were reintegrated into a new school, 5% moved onto a Special School, 2% moved out of county, 14% continued in other Meadowbrook provision
- Parent and School feedback following time on the On Course programme is consistently positive

Key issues:

- We continue to develop improved systems and structures to support our work and to ensure that the best possible opportunities are available for our students, leading to improved outcomes for all
- Careful monitoring of expenditure is a high priority as we recognise that developments must be managed within a balanced budget
- We are heavily involved in the design of our new school (due for 2019 opening) and engagement with the school community, students and local partner schools
- Attendance across all programmes in the Academy remains an area for improvement. A robust action plan is in place to address the attendance issues identified following a comprehensive review of attendance protocols and procedures across the Academy Trust. The overall attendance figure for 2015/16 was 68.23%. A challenging target of 85% was set for 2016/17 and we achieved 83%

The number of students who are given Local Authority places at Meadowbrook College will fluctuate throughout the year. At any one time in the year we refer to our 'Full Time Equivalent' (FTE) figure. As students return to new schools and we expect new students following a Referral and Induction process, the 106 number will change. Schools also apply for places on our Technical/Vocational courses and this is on a commissioned basis so will take our FTE number over the 106 throughout the year.

Radcliffe 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 principal sources of funding for the Trust are the General Annual Grant (GAG) and 'top up' funding from the LA. For the period 1st September 2016 to 31st August 2017 the Trust received £2,754k of GAG and LA 'top up' funding. In addition the Trust receives other grants from the Education and Skills Funding Agency (ESFA) (£47k) and generates income from alternative provision and services made to local schools (£260k). A high percentage of this income is spent on wages and salaries (80%) to deliver the Academy's primary objective of the provision of alternative education.

The Trust received £6k of Devolved Formula Capital Grant (DFCG) capital funding during the period which was unspent at 31st August 2017.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs. The Trustees aim to set a balanced budget with annual income balancing annual expenditure.

The Trustees review the reserves level annually. This review encompasses the nature of income and expenditure together with the need to match income with commitments and the nature of reserves. The Trustees have taken the decision that the appropriate level of free reserves should be available to be equivalent to one month's gross salary expenditure which is currently £250,000. The reserve for 2016-17 should be increased to £582k, of this £220k is the free reserves. The reason for this is to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a buffer to deal with unexpected emergencies such as maintenance and repairs.

Due to the accounting rules for the Local Government Pension Scheme (LGPS) under FRS102, the Academy is recognising a significant pension fund deficit of £2,207k. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

On 31 August 2017 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value and Pension Deficit):

	£
Unrestricted General Funds	299,526
Restricted Local Authority Revenue Fund	42,694
Restricted Capital Funds	19,156
Restricted General Funds	<u>220,924</u>
Reserves at 31 August 2017	<u>582,300</u>

This has been built up largely from the balance transferred from the predecessor Pupil Referral Unit but also includes locally raised income.

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.

Radcliffe Academy Trust

Trustees' Report (continued)

Investment Policy

The investment policy is due to be reviewed by the Board of Trustees in the Autumn Term 2017. The investment policy at this time is to consider investing funds in risk free savings accounts based on operational requirements demonstrated by cash flow forecasts.

The aim of the policy is to ensure funds that the Academy Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Academy does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Business Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an Alternative Provider Academy, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties currently facing the Trust as follows:

- The Academy has considerable reliance on Government funding through the ESFA and on 'top up' funding from the LA, there is no assurance that LA or Government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning

Radcliffe Academy Trust

Trustees' Report (continued)

- A proposed move to new premises, the planning discussions, building programme and subsequent move are all possible distractions from the key educational purpose of the Academy. Staffing time and Headteacher involvement must be measured and effective in ensuring that any new building programme and its attendant meetings, discussions and implementation do not impact adversely on the core mission of the Academy – outstanding education for children and young people.
- Fraud and mismanagement of funds - The Academy has appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff and Trustee awareness.

In the period 1st September 2016 to 31st August 2017 financial systems have been internally and externally audited and prioritised reports received.

Plans for Future Periods

The Trust will continue to develop and implement the strong strategic direction it has identified since its conversion to Academy Status on 1st February 2015.

The more fully developed Trustee strategic plan sets out our priorities more specifically, and informs our meeting agendas. Two key priorities are to increase the quality for teaching and learning so that more students achieve Level 2 qualifications, and are therefore better able to access further education, training and employment, and secondly, to develop further our vocational offer to meet the needs of both full-time and part-time students.

The Academy will continue to strive to meet its key objectives and deliver outstanding opportunities for its students. There will continue to be a focus on strong governance and leadership, proactive strategic planning, sound financial planning, continuing staff development and succession planning.

The demand for Alternative Provision is growing year on year, and is expected to continue to grow as the workforce, housing stock and number of schools in Oxfordshire grows in the next decade. The Academy Trust is therefore looking at expansion through a number of Free School developments, along with the opportunity to improve our current Harlow Centre premises, through redevelopment of the site in conjunction with the River Learning Trust.

Radcliffe Academy Trust
Trustees' Report (continued)

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;
and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 11 December 2017 and signed on the Board's behalf by:



Gloria Walker
Chair of Trustees

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform to 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 Radcliffe 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 seven times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible	Appointed during 2016/17	Resigned during 2016/17
Gloria Walker	7	7		
Jolie Kirby	5	7		
Emma Canter	6	7		
Lucy Mettyear	5	7		
Hannah MacDiarmid	4	4		
Jessie Dobson	3	4		
Anthony Scott	5	7		10.7.17
David Mitchell	1	2	1.1.17	
Jason Pereira	1	4	1.1.17	
Debra Leeves	2	4	1.1.17	
Peter Evans	2	3	1.1.17	10.7.17
Nicola Partridge	7	7		

Resignations and Appointments during the year:

- There were two resignations during the year.

Particular challenges which have occurred for the board during the year include:

- The key challenge during the year was the continuation of the development of the new Academy Trust under the leadership of Nicola Partridge (appointed January 2016).
- The Academy budget remains a constant challenge, as it does for all schools, but through development of new relationships with schools, growth of the Academy provision, some restructuring to address anomalies and careful accounting, we are pleased that we have maintained a healthy financial position for the year.

Radcliffe Academy Trust Governance Statement (continued)

Governance Reviews

The Trustees carried out a self-evaluation exercise in order to identify impact and effectiveness for the academic year and identify areas for development for the current year. Key findings from the review, and recommendations, were as follows:

- As a result of the review last year, new Trustees have been appointed with specific knowledge and understanding of business development, finance, marketing and project management
- The Academy Trust has grown and continued to develop its skills during the year as we learn and understand more fully the requirements and expectations placed upon us
- We share our values and have a vision for the development of the Academy Trust
- Trustees have a range of skills and are confident in providing challenge to Academy senior leaders
- Trustees are focussed on the Academy Trust's strategic priorities, and most particularly outcomes for students
- Trustees should visit the various centres which make up Meadowbrook College more frequently to fully understand the daily challenges faced by staff
- The Board has developed a more fully refined business plan, with expansion into Free School development a key priority

The Board recognises that the Academy Trust is moving into a time of change and possible disruption as a result of re-provisioning on the same site, alongside a new, separate secondary Academy. Trustees are working hard to support the Headteacher in mitigating any disruption for students during this time, while recognising the additional burden on managers and teaching staff during this period of disruption.

Committees

The Business Committee is a sub-committee of the main Board of Trustees. Its purpose is:

1. To review the Academy Trust's internal and external financial statements and reports to ensure that they reflect best practice and meet statutory guidelines
2. To consider all relevant reports, including reports on the accounts, achievement of value for money and the response to any External audit management letters
3. To review the effectiveness of the internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner
4. To ensure that best practice is adopted and that internal systems and outcomes of the Academy Trust meet with the specified standards set out by the ESFA in the Academies Handbook
5. To implement and regularly review the Risk Register
6. To consider internal and external finance reports, and the arrangements for their implementation
7. To monitor the effectiveness of any agreed audit recommendations
8. To consider any other business related matters where requested to do so by the Trustees
9. To report at least twice a year to the Board of Trustees on the discharge of the above duties
10. To evaluate and monitor the Business Continuity Plan
11. To receive reports and make recommendations to the Board of Trustees in relation to Health & Safety and Sites & Buildings

Key issues for the Business Committee were:

- Clear understanding of budget pressures and monitoring spend
- Ensuring value for money
- Ensuring that legal requirements were all satisfied
- Maintaining a balanced budget
- Receiving Health and Safety reports and updates on premises
- Discussion of business development opportunities
- Ensuring proposal of new build and arrangements for this are fit for the purpose and aim of the Trust to provide excellent facilities for students

Radcliffe Academy Trust Governance Statement (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jolie Kirby	2	3
Gloria Walker	3	3
Anthony Scott (resigned 10.7.17)	2	3
Debra Leeves (appointed 1.1.17)	1	2
Emma Canter	3	3
Peter Evans (appointed 1.1.17, resigned 10.7.17)	1	2
Nicola Partridge	3	3
Lucy Mettyear	2	3
Jason Pereira (appointed 1.1.17)	1	2

The Business Committee also acts as:

- an Audit Committee
- a Health and Safety Committee
- a Business Development Committee

Review of Value for Money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees on 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:

- The Headteacher, in collaboration with the Exclusions Team at OCC, has developed the Dual Roll registration model which maximises the number of places available and commissioned by schools and the local authority
- Increased involvement in professional groups/committees across the county in order to raise the Trust's profile but also to maximise business opportunities: Oxfordshire Secondary School Headteachers Association (OSSHTA), Oxfordshire Teaching School Alliance (OTSA) partner, Schools Forum, Pupils Missing Out (PMO) etc.
- Extended opportunities for the Trust staff to access reduced cost/free continuous professional development from Partners in Excellence (PiXL), OTSA and Oxford City Learning (OCL PDLG) group
- Introduction of new courses in order to attract more schools/students to Meadowbrook College and increase number of successful qualifications achieved
- Increased the number of qualified teachers/instructors in front of our learners
- Increase in the number of students achieving qualification at Level 2 due to requirement for all students to have access to accredited courses
- 21% increase in the number of students moving in to education, employment or training
- Improvement in whole school attendance rate – better than national average for AP
- Output indicators – GCSE Attainment and Progress – indicate that students performed in line with or exceeded other AP schools nationally for all performance measures (except %A*-C/4-9 including English & Maths)

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 Radcliffe Academy Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Business Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for specific internal audit function and has decided:

- To appoint Critchleys as Internal Auditor from September 2016

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:

- Examining the Risk Register, reviewing how risks are identified through to the process of mitigation, ongoing review and the reporting of incidents
- Balance sheet reconciliations. Reviewed the month end check list used and confirming reconciliation processes are being implemented
- Review of the self-assessment progress since the June 2016 Internal Audit report

The internal auditor reports to the Board of Trustees, through the Business Committee, on the operation of systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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.

Review of Effectiveness

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

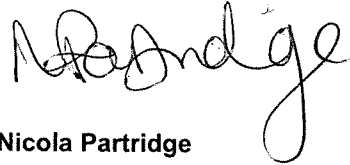
- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Business Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 11 December 2017 and signed on its behalf by:



Gloria Walker
Chair of Trustees



Nicola Partridge
Accounting Officer

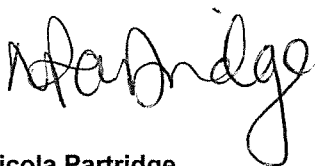
Radcliffe Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Radcliffe Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



Nicola Partridge
Accounting Officer

11 December 2017

Radcliffe Academy Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to 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 11 December 2017 and signed on its behalf by:



Gloria Walker
Chair of Trustees

Radcliffe Academy Trust

Independent Auditor's Report to the members of Radcliffe Academy Trust

We have audited the financial statements of Radcliffe Academy Trust ('the charitable company') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 2016 to 2017 issued by the ESFA.

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

Opinion on financial statements

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

Radcliffe Academy Trust

Independent Auditor's Report to the members of Radcliffe Academy Trust (continued)

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

We have nothing to report in this regard.

Opinion on other 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

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 20), 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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. This description forms part of our Report of the Independent Auditors.

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

Date:

18/12/17



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

Radcliffe Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Radcliffe 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 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by Radcliffe Academy Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Radcliffe Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Radcliffe Academy Trust's funding agreement with the Secretary of State for Education dated 29 January 2015 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by 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.

Radcliffe Academy Trust

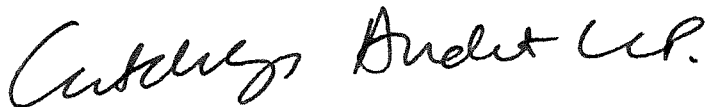
Independent Reporting Accountant's Assurance Report on Regularity to Radcliffe Academy Trust and the Education and Skills Funding Agency (continued)

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.

Conclusion

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



Critchleys Audit LLP
Reporting Accountant
Oxford

Date: 18/12/17

Radcliffe Academy Trust
Statement of Financial Activities
For the period ended 31 August 2017
(including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	2	-	150	6,363	6,513	7,022
Charitable activities						
Funding for the Academy's educational operations	3	-	2,801,189	-	2,801,189	2,816,958
Other income for educational operations	4	264,098	-	-	264,098	238,987
Other trading activities	5	14,740	-	-	14,740	19,112
Investments	6	422	-	-	422	607
Total		279,260	2,801,339	6,363	3,086,962	3,082,686
Expenditure on:						
Charitable activities						
Academy's educational operations	8	264,098	2,960,001	78,069	3,302,168	2,998,880
Total		264,098	2,960,001	78,069	3,302,168	2,998,880
Net income / (expenditure) before transfers		15,162	(158,662)	(71,706)	(215,206)	83,806
Transfers between funds	15	-	-	-	-	-
Net income/(expenditure) for the period		15,162	(158,662)	(71,706)	(215,206)	83,806
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	15,26	-	565,000	-	565,000	(1,324,000)
Net movement in funds		15,162	406,338	(71,706)	349,794	(1,240,194)
Reconciliation of Funds						
Funds brought forward at 1 September 2016		284,364	(2,349,720)	1,133,219	(932,137)	308,057
Funds carried forward at 31 August 2017		299,526	(1,943,382)	1,061,513	(582,343)	(932,137)

All of the Academy's activities derive from continuing operations.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Radcliffe Academy Trust
Balance sheet
As at 31 August 2017

Company number:
09334026

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	12		1,042,357		1,120,426
Current assets					
Debtors	13	92,631		72,585	
Cash at bank and in hand		<u>655,459</u>		<u>632,241</u>	
		748,090		704,826	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(165,790)</u>		<u>(126,389)</u>	
Net current assets			<u>582,300</u>		<u>578,437</u>
Total assets less current liabilities			1,624,657		1,698,863
Net assets excluding pension liability			<u>1,624,657</u>		<u>1,698,863</u>
Defined benefit pension scheme liability	26		<u>(2,207,000)</u>		<u>(2,631,000)</u>
Net (liabilities)/assets including pension liability			<u>(582,343)</u>		<u>(932,137)</u>
Funds of the academy:					
Restricted fixed asset funds	15		1,061,513		1,133,219
Restricted funds					
Restricted funds excluding pension liability	15	263,618		281,280	
Pension reserve	15	<u>(2,207,000)</u>		<u>(2,631,000)</u>	
			(1,943,382)		(2,349,720)
Total restricted funds			<u>(881,869)</u>		<u>(1,216,501)</u>
Unrestricted funds	15		299,526		284,364
Total funds			<u>(582,343)</u>		<u>(932,137)</u>

The financial statements on pages 25 to 47 were approved by the trustees and authorised for issue on 11 December 2017 and are signed on their behalf by:



Gloria Walker
Chair of Trustees

Radcliffe Academy Trust
Statement of Cash Flows
For the period ended 31 August 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	16,433	146,002
Cash flows from investing activities	22	6,785	(41,475)
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the reporting period		<u>23,218</u>	<u>104,527</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September 2016		632,241	527,714
Cash and cash equivalents at 31 August 2017	23	<u>655,459</u>	<u>632,241</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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Radcliffe 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. The academy is in a net liabilities position due to a large pension deficit provision. The existence of this pension deficit is not considered to be a threat to going concern on the basis that the liability is not expected to crystallise in the near future.

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 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.

1 Statement of Accounting Policies (continued)

Donations

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

Other Income

Other income, including the hire of facilities, 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'.

Donated fixed assets (excluding Transfers on conversion/into trust)

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

Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

1 Statement of Accounting Policies (continued)

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.

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.

The property transferred on conversion has been valued on a depreciated replacement cost basis which is not representative of market value (see note 12 for further details).

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

Depreciation is provided on all tangible fixed assets other than freehold land, 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	20 years from conversion
Leasehold improvements	10-20 years
Fixtures, fittings and equipment	7 years
ICT equipment	5 years
Motor Vehicles	5 years

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

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

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 the 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.

1 Statement of Accounting Policies (continued)

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 costs as detailed in note 13. Prepayments are not financial instruments.

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 notes 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1 Statement of Accounting Policies (continued)

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 Education and Skills Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

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

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

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 26).

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2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
DfE/ESFA capital grants				
Devolved formula capital grant	-	6,363	6,363	6,430
Other Government grants				
Local authority capital funding	-	-	-	-
	<u>-</u>	<u>6,363</u>	<u>6,363</u>	<u>6,430</u>
Other donations	-	150	150	592
	<u>-</u>	<u>6,513</u>	<u>6,513</u>	<u>7,022</u>

The income from donations and capital grants was £6,513 (2016: £7,022) of which £Nil was unrestricted (2016: £592), £150 restricted (2016: £Nil) and £6,363 restricted fixed assets (2016: £6,430).

3 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,092,691	1,092,691	1,106,614
Other DfE grants	-	46,875	46,875	52,766
	<u>-</u>	<u>1,139,566</u>	<u>1,139,566</u>	<u>1,159,380</u>
Other Government grants				
Local authority revenue funding	-	1,661,623	1,661,623	1,657,578
	<u>-</u>	<u>1,661,623</u>	<u>1,661,623</u>	<u>1,657,578</u>
	<u>-</u>	<u>2,801,189</u>	<u>2,801,189</u>	<u>2,816,958</u>

The funding for the academy's educational operations was £2,801,189 (2016: £2,816,958) of which £Nil was unrestricted (2016: £Nil), £2,801,189 restricted (2016: £2,816,958) and £Nil restricted fixed assets (2016: £Nil).

Radcliffe Academy Trust
Notes to the financial statements
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4 Other income for educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Catering income	3,949	-	3,949	7,427
Other income	260,149	-	260,149	231,560
	<u>264,098</u>	<u>-</u>	<u>264,098</u>	<u>238,987</u>

The other income for educational operations was £264,098 (2016: £238,987) of which £264,098 was unrestricted (2016: £238,987), £Nil restricted (2016: £Nil) and £Nil restricted fixed assets (2016: £Nil).

5 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Hire of facilities	14,740	-	14,740	19,112
	<u>14,740</u>	<u>-</u>	<u>14,740</u>	<u>19,112</u>

The other trading activities income was £14,740 (2016: £19,112) of which £14,740 was unrestricted (2016: £19,112), £Nil restricted (2016: £Nil) and £Nil restricted fixed assets (2016: £Nil).

6 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Short term deposits	422	-	422	607
	<u>422</u>	<u>-</u>	<u>422</u>	<u>607</u>

The investment income was £422 (2016: £607) of which £422 was unrestricted (2016: £607), £Nil restricted (2016: £Nil) and £Nil restricted fixed assets (2016: £Nil).

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Notes to the financial statements
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7 Expenditure

	Staff Costs £	Non Pay Expenditure Premises Costs £	Other Costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
Direct costs (note 8)	2,148,979	-	191,175	2,340,154	2,304,053
Allocated support costs (note 8)	504,599	175,784	281,631	962,014	694,827
	2,653,578	175,784	472,806	3,302,168	2,998,880
	2,653,578	175,784	472,806	3,302,168	2,998,880

The expenditure on academy's educational operations was £3,302,168 (2016: £2,998,880) of which £264,098 was unrestricted (2016: £238,987), £2,960,001 restricted (2016: £2,681,208) and £78,069 restricted fixed assets (2016: £78,685).

Net income/(expenditure) for the period includes:

	2017 £	2016 £
Depreciation	78,069	78,685
(Gain)/loss on disposal of fixed assets	-	686
Fees payable to auditor for:		
Audit	4,850	7,000
Other services	10,535	7,865

8 Charitable activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations	2,340,154	2,304,053
Support costs - educational operations	962,014	694,827
	3,302,168	2,998,880

Analysis of support costs

	Educational operations £	Total 2017 £	Total 2016 £
Support staff costs	363,599	363,599	231,759
Depreciation	78,069	78,069	78,685
Technology costs	44,945	44,945	47,006
Premises costs	175,784	175,784	158,391
Other support costs	138,963	138,963	149,756
Governance costs	19,654	19,654	18,230
Other pension costs	230,000	230,000	65,000
Other finance costs (FRS102 pension)	(89,000)	(89,000)	(54,000)
Total support costs	962,014	962,014	694,827

Radcliffe Academy Trust
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9 Staff Costs

	2017 £	2016 £
Staff costs during the period were:		
Wages and salaries	1,988,879	1,864,830
Social security costs	186,877	161,905
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	329,822	304,068
FRS102 Other pension and finance costs	141,000	11,000
	<u>2,646,578</u>	<u>2,341,803</u>
Agency supply staff costs	-	-
Staff restructuring costs	7,000	-
	<u>2,653,578</u>	<u>2,341,803</u>
 Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	7,000	-
Other restructuring costs	-	-
	<u>7,000</u>	<u>-</u>

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

	2017 No.	2016 No.
Teachers	23	18
Administration and support	52	55
Management	8	7
	<u>83</u>	<u>80</u>

The average number of persons (including senior leadership team) employed by the academy during the period expressed as full time equivalents was as follows:

	2017 No.	2016 No.
Teachers	19	12
Administration and support	45	49
Management	7	7
	<u>71</u>	<u>68</u>

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

	2017 No.	2016 No.
£70,001 - £80,000	1	-

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1-2. 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 £465,171 (2016: £379,846).

10 Related Party Transactions - Trustees' remuneration and expenses

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

	2017 £	2016 £
A Creese (Headteacher, accounting officer and staff trustee until 31 December 2015)		
Remuneration	-	25k-30k
Employer's pension contributions paid	-	0k-5k
J Dobson (Staff member and trustee)		
Remuneration	35k-40k	35k-40k
Employer's pension contributions paid	5k-10k	5k-10k
N Partridge (Headteacher, accounting officer and staff trustee from 1 January 2016)		
Remuneration	70k-75k	45k-50k
Employer's pension contributions paid	10k-15k	5k-10k

During the period ended 31 August 2017, travel and subsistence expenses totalling £850 were reimbursed or paid directly to 2 trustees (2016: £918 to 2 trustee).

11 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.

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

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12 Tangible fixed assets

	Leasehold Buildings £	Motor Vehicles £	Furniture & Equipment £	Computer Equipment £	Total £
Cost					
At 1 September 2016	1,140,992	38,977	43,902	16,228	1,240,099
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 August 2017	1,140,992	38,977	43,902	16,228	1,240,099
Depreciation					
At 1 September 2016	91,357	16,195	6,469	5,652	119,673
Charges in period	57,699	10,511	6,272	3,587	78,069
Disposals	-	-	-	-	-
As at 31 August 2017	149,056	26,706	12,741	9,239	197,742
Net book values					
As at 31 August 2017	991,936	12,271	31,161	6,989	1,042,357
As at 31 August 2016	1,049,635	22,782	37,433	10,576	1,120,426

Leasehold property

The academy trust took out 125 year leases over the property at the date of conversion. Leasehold buildings are recognised in the accounts as the academy trust has the right to use the property. The valuation was arranged by the EFA and was carried out on a desktop depreciated replacement cost basis. Due to restrictions in the leases on the use of the land, the Trustees consider that the land has no value and as such it is included in the financial statements at nil value. The freehold of this property is owned by the Local Authority.

13 Debtors

	2017 £	2016 £
Trade debtors	53,409	38,005
VAT recoverable	16,451	16,538
Prepayments and accrued income	22,771	18,042
	<u>92,631</u>	<u>72,585</u>

14 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	43,399	35,076
Other taxation and social security	48,951	45,762
Other creditors	41,857	31,923
Accruals and deferred income	31,583	13,628
	<u>165,790</u>	<u>126,389</u>

Deferred income

	2017 £	2016 £
Deferred income at 1 September	5,282	-
Released from previous years	(5,282)	-
Resources deferred in the period	6,332	5,282
Deferred income at 31 August	<u>6,332</u>	<u>5,282</u>

Deferred income represents funding received specifically for next financial year.

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15 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	281,280	1,092,691	(1,153,047)	-	220,924
Pupil Premium funding	-	34,571	(34,571)	-	-
Other DfE funding	-	12,304	(12,304)	-	-
Local authority revenue funding	-	1,661,623	(1,618,929)	-	42,694
Other restricted funds	-	150	(150)	-	-
Pension reserve (note 26)	(2,631,000)	-	(141,000)	565,000	(2,207,000)
	<u>(2,349,720)</u>	<u>2,801,339</u>	<u>(2,960,001)</u>	<u>565,000</u>	<u>(1,943,382)</u>
Restricted fixed asset funds					
ESFA Devolved Formula Capital	12,793	6,363	-	-	19,156
Fixed asset fund (note 12)	1,120,426	-	(78,069)	-	1,042,357
	<u>1,133,219</u>	<u>6,363</u>	<u>(78,069)</u>	<u>-</u>	<u>1,061,513</u>
Total restricted funds	<u>(1,216,501)</u>	<u>2,807,702</u>	<u>(3,038,070)</u>	<u>565,000</u>	<u>(881,869)</u>
Unrestricted funds					
Unrestricted funds	284,364	279,260	(264,098)	-	299,526
Total unrestricted funds	<u>284,364</u>	<u>279,260</u>	<u>(264,098)</u>	<u>-</u>	<u>299,526</u>
Total funds	<u>(932,137)</u>	<u>3,086,962</u>	<u>(3,302,168)</u>	<u>565,000</u>	<u>(582,343)</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 2017.

16 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	-	-	-	-
Tangible fixed assets	-	-	1,042,357	1,042,357
Current assets	299,526	429,408	19,156	748,090
Current liabilities	-	(165,790)	-	(165,790)
Non-current liabilities	-	-	-	-
Pension Scheme liability	-	(2,207,000)	-	(2,207,000)
Total net assets	<u>299,526</u>	<u>(1,943,382)</u>	<u>1,061,513</u>	<u>(582,343)</u>

Radcliffe Academy Trust
Notes to the financial statements
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17 Comparative Funds

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant (GAG)	161,583	1,106,614	(959,864)	(27,053)	281,280
Pupil Premium funding	-	39,510	(39,510)	-	-
Other DfE funding	-	13,256	(13,256)	-	-
Local authority revenue funding	-	1,657,578	(1,657,578)	-	-
Pension reserve (note 26)	(1,296,000)	-	(11,000)	(1,324,000)	(2,631,000)
	<u>(1,134,417)</u>	<u>2,816,958</u>	<u>(2,681,208)</u>	<u>(1,351,053)</u>	<u>(2,349,720)</u>
Restricted fixed asset funds					
Transfer on conversion	20,773	-	-	(20,773)	-
ESFA Devolved Formula Capital	6,363	6,430	-	-	12,793
Fixed asset fund (note 12)	1,151,285	-	(78,685)	47,826	1,120,426
	<u>1,178,421</u>	<u>6,430</u>	<u>(78,685)</u>	<u>27,053</u>	<u>1,133,219</u>
Total restricted funds	44,004	2,823,388	(2,759,893)	(1,324,000)	(1,216,501)
Unrestricted funds					
Unrestricted funds	264,053	259,298	(238,987)	-	284,364
Total unrestricted funds	264,053	259,298	(238,987)	-	284,364
Total funds	308,057	3,082,686	(2,998,880)	(1,324,000)	(932,137)

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 2016.

18 Analysis of net assets between funds

Fund balances at are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	1,120,426	1,120,426
Current assets	284,364	407,669	12,793	704,826
Current liabilities	-	(126,389)	-	(126,389)
Non-current liabilities	-	-	-	-
Pension Scheme liability	-	(2,631,000)	-	(2,631,000)
Total net assets	284,364	(2,349,720)	1,133,219	(932,137)

19 Capital commitments

	2017 £	2016 £
Contracted for, but not provided in the financial statements	-	-

20 Commitments under operating leases

Operating leases

At 31 August 2017 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts due within one year	-	-
Amounts due between one and five years	-	-
Amounts due after five years	-	-
	<u>-</u>	<u>-</u>

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

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(215,206)	83,806
Adjusted for:		
Depreciation (note 12)	78,069	78,685
Loss on disposal of fixed assets	-	686
Capital grants from DfE and other capital income	(6,363)	(6,430)
Interest receivable (note 6)	(422)	(607)
Defined benefit pension scheme obligation inherited	-	-
Defined benefit pension scheme cost less contributions payable (note 26)	230,000	65,000
Defined benefit pension scheme finance cost (note 26)	(89,000)	(54,000)
(Increase)/decrease in debtors	(20,046)	14,515
Increase/(decrease) in creditors	39,401	(35,653)
Net cash (used in)/provided by operating activities	<u>16,433</u>	<u>146,002</u>

22 Cash flows from investing activities

	2017 £	2016 £
Dividends, interest and rents from investments	422	607
Purchase of tangible fixed assets	-	(48,512)
Capital grants from DfE/ESFA	6,363	6,430
Net cash provided by/(used in) investing activities	<u>6,785</u>	<u>(41,475)</u>

23 Analysis of cash and cash equivalents

	At 1 September 2016 £	Cash flows £	At 31 August 2017 £
Cash at bank and in hand	632,241	23,218	655,459
	<u>632,241</u>	<u>23,218</u>	<u>655,459</u>

24 Contingent liabilities

There are no contingent liabilities that require disclosure.

25 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.

26 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.

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 £41,824 were payable to the schemes at 31 August 2017 (2016: £31,995) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme governed by the Teachers' Pension Regulations (2010) and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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 results of the valuation are:

- employer contribution rates were set at 16.4% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £191.5 billion, and notional assets of £176.6 billion giving a notional past service deficit of £15.0 billion;
- an employer cost cap of 10.9% of pensionable pay;
- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2015.

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 £132,681 (2016: £111,897).

A copy of the valuation report and supporting documentation is on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>

26 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Scheme Changes

Lord Hutton, who chaired the Independent Public Service Pensions Commission, published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on the reform of the TPS. Those discussions concluded on 9 March 2012, and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed schedule include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to the State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012.

The arrangements for a reformed Teachers' Pension Scheme, in line with the remainder of the recommendations made by Lord Hutton, have now been implemented. The Career Average Revalued Earnings (CARE) scheme was implemented from 1 April 2015, whereby benefits will accrue on a career average basis and there is a normal pension age aligned to the state pension

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.

26 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 2017 was £259,000 (2016: £254,000), of which employer's contributions totalled £197,000 (2016: £192,000) and employees' contributions totalled £62,000 (2016: £62,000). The agreed contribution rates to 31 March 2017 were 14.4% for employers and 5.5-12.5% for employees. From 1 April 2017 and in future years, the agreed contribution rates are 19.3% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	4.20%	4.10%
Rate of increase for pensions in payment / inflation	2.70%	2.30%
Discount rate for scheme liabilities	2.60%	2.20%
Inflation assumption (CPI)	2.70%	2.30%
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 2017	At 31 August 2016
<i>Retiring today</i>		
Males	23.4	23.3
Females	25.5	25.8
<i>Retiring in 20 years</i>		
Males	25.7	25.6
Females	27.9	28.1

Sensitivity Analysis - Effect on Scheme Liabilities

	At 31 August 2017	At 31 August 2016
	£	£
Discount rate +0.1%	3,931,000	3,719,000
Discount rate -0.1%	4,169,000	3,953,000
Mortality assumption - 1 year increase	4,177,000	3,934,000
Mortality assumption - 1 year decrease	3,923,000	3,736,000
CPI rate +0.1%	N/A	N/A
CPI rate -0.1%	N/A	N/A

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	1,135,000	787,000
Gilts	274,000	152,000
Corporate bonds	89,000	43,000
Property	120,000	86,000
Cash and other liquid assets	71,000	42,000
LLPs	60,000	44,000
Diversified growth fund	90,000	49,000
Alternative assets	2,000	-
Total market value of assets	1,841,000	1,203,000
Present value of scheme liabilities		
- Funded	(4,048,000)	(3,834,000)
Surplus/(deficit) in the scheme	(2,207,000)	(2,631,000)

The actual return on scheme assets was £174,000 (2016: £141,000).

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost (net of employee contributions)	427,000	257,000
Net interest cost	56,000	48,000
Administration expenses	-	1,000
Total amount recognised in the SOFA	483,000	306,000

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2017 £	2016 £
At 1 September	3,834,000	2,131,000
Current service cost	427,000	257,000
Interest cost	85,000	86,000
Employee contributions	62,000	62,000
Actuarial (gains)/losses	(340,000)	1,324,000
Estimated benefits paid net of transfers in	(20,000)	(26,000)
At 31 August	4,048,000	3,834,000

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

	2017 £	2016 £
At 1 September	1,203,000	835,000
Interest on assets	29,000	38,000
Return on assets less interest	145,000	103,000
Other actuarial gains/(losses)	225,000	-
Administration expenses	-	(1,000)
Employer contributions	197,000	192,000
Employee contributions	62,000	62,000
Estimated benefits paid plus unfunded net of transfers in	(20,000)	(26,000)
At 31 August	1,841,000	1,203,000

Reconciliation of opening and closing deficit				
	2017		2016	
	£	£	£	£
Pension deficit at 1 September		(2,631,000)		(1,296,000)
Current service cost	(427,000)		(257,000)	
Employer contributions	197,000		192,000	
Additional pension cost		(230,000)		(65,000)
Other finance costs		89,000		54,000
Actuarial gains/(losses)		565,000		(1,324,000)
Pension deficit at 31 August		(2,207,000)		(2,631,000)

27 Related party transactions

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

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

The owner of Abode Plastering is the partner of Brenda Mundy, Trust Business Manager. During the year ended 31 August 2017, Abode Plastering provided services at a cost of £335 (2016: Nil).

Valueship Consulting provided services at a cost of £1,390 (2016: Nil). The Valueship Consulting services is provided by Emma Canter, Trustee.

D O'Toole (daughter of B O'Toole, Senior Management Team) received remuneration during the year, for her work as an Education worker, of £23,611 (2016: £22,676), expenses of £1,146 (2016: £2,181) and employer pension contributions amounted to £3,894 (2016: £3,265).

