

**Radcliffe Academy Trust**  
**(A Company Limited by Guarantee)**  
**Annual Report and Financial Statements**  
**Year ended 31 August 2019**

**Company Registration Number:**  
**09334026 (England and Wales)**

**Period of account: 1 September 2018 – 31 August 2019**

# **Radcliffe Academy Trust**

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**Radcliffe Academy Trust**  
**Reference and Administrative Details**

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**Members**

Gloria Walker  
Venetia Mayman  
Andrew Creese

**Trustees**

Gloria Walker (Chairperson) \* +  
Emma Canter – Co-opted Trustee \*  
Jessie Dobson – Parent Trustee \*  
Nicola Partridge – Headteacher \*  
Jolie Kirby – Partnership Trustee  
Emma Anderson – Partnership Trustee (Appointed  
28.9.18)  
David Mitchell – Co-opted Trustee (Resigned  
02.05.19) \*  
Debra Leeves – Co-opted Trustee (Resigned  
15.10.18)

\* members of the Business Committee

**Company Secretary**

Blake Morgan LLP

**Radcliffe Academy Trust**  
**Reference and Administrative Details (continued)**

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**Senior Management Team**

- |                    |  |
|--------------------|--|
| • Nicola Partridge | Headteacher and Accounting Officer           |
| • Jacqueline West  | Deputy Headteacher                           |
| • Caroline Duncan  | Assistant Headteacher                        |
| • Joanna Robinson  | Assistant Headteacher                        |
| • Susy Morgan      | Assistant Headteacher                        |
| • Jamie Stead      | Assistant Headteacher (1 Sept – 31 Dec 2018) |
| • Syrene Dixon     | Assistant Headteacher (WEF 1 Jan 2019)       |
| • Beverley O'Toole | KS3 & Bridges Programme Lead Manager         |
| • 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 Audit 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**

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. 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 57 Single registered students plus 82 dual registered students in the school census on 16 May 2019.

### **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 operates as Radcliffe Academy Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

#### **Members' Liability**

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

#### **Trustees' Indemnities**

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

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

## **Radcliffe Academy Trust**

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

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#### **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.

#### **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/Performance Management 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) known as Role-related Staff Standards accessed through Blue Sky
- 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/programme leader/Team Leader
- Senior Leadership member targets will relate directly to the roles and responsibilities of their post e.g. teaching and learning/curriculum development/safeguarding.

## Radcliffe Academy Trust

### Trustees' Report (continued)

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.

#### Trade Union Facility Time

The facility time data for the period 1 April 2018 to 31 March 2019 is as follows:

##### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

##### Percentage of time spent on facility time

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

##### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£18,237
Provide the total pay bill	£2,760,374
Provide the percentage of the total pay bill spent on facility time	0.66%

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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## **Radcliffe Academy Trust**

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

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#### **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 at 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.

#### **Objectives and Activities**

Following conversion from a Local Authority (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.

#### **Objects and Aims**

*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*

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

Our goals are to:

- Achieve outstanding educational provision
- Deliver the best Alternative Provision in Oxfordshire and beyond
- Expand and develop flexible education to meet the needs of all learners
- Have the capacity and expertise to deliver and develop professional educational practice across all schools
- Ensure our young people are fully prepared for their next and future destinations

During the year the Academy has worked to:

- Secure more opportunities for our young people to experience the world of work by securing a new Work Experience placement opportunity with Oxford University
- Develop links with OXLEP to enhance opportunities for Meadowbrook College students to gain information/mentoring and information sharing to better prepare them for their destination choices
- Enhance our CEIAG offer at the College, increase our Gatsby Benchmark scores and work towards meeting the Compass guidance
- Closer links with NEETeam at OCC to be better equipped to track and support our potential NEET students
- Continue to develop our students as independent and resilient learners through more opportunities for leadership with VIP
- Secure a higher percentage of students with English and Maths passes at GCSE and more students securing at least one pass at GCSE
- Increase the number of students moving into training placements or college
- Improve attendance and keep it in line at least with national standard
- Further improve the IT provision available to both staff and students
- Develop the environment for learning across the college
- Provide value for money from the funds expended
- Raise the profile of the College with local schools and Oxfordshire County Council (OCC) and thereby extend provision to support the expanding numbers of exclusions in Oxfordshire
- Develop our multi-agency working in order to best safeguard all children on our roll (dual/single)
- Work closely with Thames Valley Police to improve our awareness and intelligence of the CSE/CDE picture in Oxfordshire and to share intelligence to more readily safeguard our students
- Complete Design and Review process for the new build and finalise specification/furniture and features
- Conduct the Academy Trust's business in accordance with the highest standards of integrity



## **Radcliffe Academy Trust**

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

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Trustees have monitored the progress in fulfilling our aims through regular Trust Board meetings, Headteacher's and Senior Leaders' Reports, 'Twinning' visits by our link Trustees to each provision/site across the county and attendance at Client Engagement Meetings and subsequent Site Progress Meetings for the proposed new build. Feedback from students has been monitored through the Academy's regular assessment of Pupil Attitudes to Self and School (PASS) and parents/schools through our programme feedback questionnaires distributed at Transition, Graduation or Parents Evenings.

#### **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.

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 LA In Year Fair Access Panels (IYFAPs) or Schools/Academies directly commission provision for us on an individual needs basis. Outreach support and advice is also offered to schools through our Bridges provision. We also liaise closely with families, carers and other agencies such as the Police, Social Services, Virtual School, LA and voluntary groups to support provision for students on a multi-agency response basis where required.

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 Meadowbrook College for a variety of reasons ranging from Permanent Exclusion to needing an alternative option, other than their full-time school provision, in order to keep them engaged as fully with education as possible. Some young people just need some time out and this helps the school have some respite but also allows us to work with the student to find out the difficulties they are having with their learning and to equip them with some new skills to cope with when they return.

Students come to the Academy from school years 1-11 (aged 5-16). Radcliffe Academy Trust, through Meadowbrook College, provides a core curriculum of English, Maths and PSD, Options curriculum including Sport, Art, Sociology, Sports Science and Biology and a Vocational pathway including Construction, Hospitality and Childcare - with appropriate accreditation and qualifications. The specific personal, social and academic skills 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 supports students with their next steps following their placement, which may include transition support and 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 PSD and Tutor 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) received a Short Inspection by Ofsted in January 2018 and was judged as 'Continuing to be Good'. Our Self-Evaluation compared well to the Ofsted inspection comments. Key areas of success to be noted from the inspection were:

- Under strong and dedicated leadership, you have implemented many successful changes which have enabled pupils to make positive strides in developing their social, emotional and academic skills
- Staff excel in developing students' skills in developing self-esteem and achieving success
- Pupils say that staff at the school really care about their well being
- Pupils behave well in lessons and have positive attitudes towards their work
- Parents are pleased with the school – happy with the support and encouragement their child receives
- Parents praised the therapy support we provide
- We pride ourselves on developing creative skills
- Work shows pupils have exceptional artistic and photographic skills

Ofsted areas to continue to develop matched our own self-evaluation:

- Ensuring the Maths and English curriculum at KS1-3 is well matched to the needs of the learners
- Continue to develop the tracking methods for Progress/Achievement – Behaviour and Academic and across all provisions and subjects

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. There are several exam successes to note - with more students achieving more qualifications, more students achieving at least one qualification and several students achieving over 5 GCSE qualifications. The curriculum is developing all the time with the aim to meet student needs more effectively.

Relocation of the Harlow base to temporary buildings commenced at Easter 2019 to make way for the demolition to provision for The Swan School. The brand new Meadowbrook College site is well underway and completion is on target for July 2020.

### **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

## Radcliffe Academy Trust

### Trustees' Report (continued)

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Demand for provision from the LA continued to increase in 2018/19 due to the increase in number of exclusions across the county in the last few years. Particular requests for additional provision have been made for:

- Primary outreach support – pupils mainly of Primary age requiring 1-1 support either in their school or to re-engage with school
- Further increased interest in 'Link Mentoring' which provides a mentor into a school to work 1-1 for short periods of time once a week on such topics as Anger Management, dealing with Bullying, conflict in the classroom with teachers, self-esteem/confidence
- Requests to extend provision for students on short-term programmes has increased significantly this year – this has resulted in collaboration with the LA to provide extra year 9 places on our bases to cope with the number of students either receiving 2 PEXs in one year or the LA being able to find PEX'd students suitable next destinations
- Attendance across all programmes was 69% - this represents a drop on last years' figures but still in line with PRU/AP national averages. The attendance figures have been significantly influenced by just a few students with very low attendance this year (Youth Offending/LAC/CDE) which statistically affects our results significantly because of our low overall numbers. Attendance remains a priority, especially for safeguarding reasons, and we are working much closer in partnership with the LA/Police and local safeguarding teams, through Community Around the School Offer (CASOs) and MADE (Multi-Agency Disciplinary Engagement teams) to monitor and track our students with low attendance and potential involvement in criminal activity outside of school. Attendance figures will fluctuate in line with new cohorts of children due to the varying numbers on dual roll, single roll and the reasons they are with us (e.g. permanent exclusion, engagement, disaffection etc.. – this will not be consistent year on year)

#### Accreditation/Destination outcomes for 2018/19:

- 24% of students achieved 5 or more A\*-G/1-9 Grade GCSEs or equivalent
- 24% 5 or more GCSEs/Equivalent A\*-G/1-9 including E&M
- 20% of students achieved at least 1 GCSE or equivalent grade at Level 2 (Grades 9-4)
- 4% of students achieved a 4/C or above at English GCSE and 13% 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)
- 98% (69% in 2016, 97% in 2017) of students achieved a Level 1 or 2 in a Vocational Qualification (Construction/ Hospitality/ Sport/ Caring for Children/ Hair & Beauty)
- 100% of students achieved at least 1 A\*-G qualification (98% last year)
- 43% of students achieved Level 2 VTCT Certificate in Hair & Beauty
- BTEC PSD 48% achieved a L2 qualifications (17: Award and 7: Certificate)
- 15 (30%) students achieved 5 or more GCSE or equivalent qualifications, 6 (12%) students achieved 6 GCSE/Equivalents or more, 2 students (4%) achieved 7 or more GCSEs/Equivalents, and 1 student (2%) achieved 10 GCSEs/Equivalent qualifications.
- Comparing to national statistical release data, Meadowbrook College students exceeded national performance for AP/PRU in the following areas (using available statistical release data:
  - 5 A\*-G/1-9 24% Meadowbrook College against 13% national
  - 5 A\*-G/1-9 including English & Maths Meadowbrook College 24%, 9.5% national
  - 1 A\*-G/1-9 100% Meadowbrook College, 58.5% national
  - % 9-1 in English was 80% nationally and 87% for Meadowbrook
  - % 9-1 in Maths was 77% nationally and 81% for Meadowbrook
  - %9-1 in Biology was 73% nationally and 71% for Meadowbrook
  - % 9-1 in Art & Design was 94% nationally and 100% for Meadowbrook (26% at Grade 4+)
- We continue to endeavour to reduce the number of students who are NEET at the end of the year and beyond. We were nominated by OxLEP for an Award from the Careers & Enterprise Company for the most improved school on our Compass measures. This is in recognition of the improvements we have made in enhancing our CEIAG at the college.
- NEET figures dramatically decreased in 2015/16 from 75% of students accessing Education, Employment or Training to 96% at the end of 2016/17, early indications at this point in the term are that only 22% of last year's cohort were NEET, 78% of leavers were in Employment, Education or

## Radcliffe Academy Trust

### Trustees' Report (continued)

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Training. We monitor this take up until February 2020 and take an initial data collection in October in collaboration with the county NEET team.

#### 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%
- 46 students went through the **KS3 Discovery programme**. 4 (8.7%) went to another Meadowbrook programme, 15 (33%) went on to another mainstream school, 19 (41%) went back to their referring school and 2 were still on programme at the end of the year not due to move on until the new academic year. Numbers on the Discovery programme increased this year.
- 67 students went through the **On Course programme**. 5 were removed by their schools: 1 due to personal circumstances, 1 non-attendance/engagement with programme, 1 due to PEX from home school and 2 due to behaviour on programme. (This programme is often used by schools for students who need a different provision and so 'removal' is not necessarily a bad thing - it may be that the programme is not the solution to the problem back at school.
- 62 students finished the programme. 58 (93.5%) students 'Graduated' (meaning they completed the course and met all expectations/outcomes) and 4 (6.5%) completed. 100% of the students returned to their schools.
- 39 (89.7%) students on the Discovery Programme achieved the Arts Award
- 33 (84.6%) achieved the PiXL Alternative Edge award (a reduction in last year's percentage but due to students returning to school earlier than previously)
- Parent and School feedback following time on the On Course programme is consistently positive and we have received several notes of recognition/thanks from parents of children on our programmes which we have showcased on our website – verbally, through written evidence and through cards and messages via email
- **The Interim KS3 programme** was introduced this year following requests by the LA to support increasing numbers of 'double-PEX' or respond to an increase in persistent disruptive behaviour in schools leading to an increase in the number of Alternative Provision places being requested for years 7-9 students
- Of the 27 Interim students: 8 students were successfully reintegrated into a new mainstream school; 1 student has moved into Elective Home Education; 2 students have moved out of county; 3 students were re-referred and have continued to receive part-time provision at Meadowbrook following integration into their next placement. 6 students are 'double PEX' and so will remain provision for two years. 15 students are still in receipt of Meadowbrook provision. 2 students were in provision following direct commissioning from schools. 1 has successfully returned to her referring school and 1 student has moved out of county.
- **Link Work** 79 students, from 7 schools, were mentored during 2018/19: 51 KS3 students and 28 KS4. We are still working with 35 students going in to next year. Four schools have re-commissioned work for next year. Early indications from schools are that the provision is best suited to students who are not at imminent risk of exclusion, but are caught early enough to change behaviours.
- Future development work for KS3 programmes: On Course will be changing next year in response to requests from commissioners, particularly schools, for additional integration and support back in to school and also financial pressures in schools. The On Course team will now offer three different programmes for schools to choose from:
  - Part-time intensive programme: Connected
  - FLO9
  - Bespoke group programme

The changes in programmes will hopefully increase the total number of young people being supported. Discovery will also increase its programme length where needed (increase from 8 to



## **Radcliffe Academy Trust**

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

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approximately 12 weeks - one term). This will help students by having a 'fresh start' at the beginning of a new term following a period of time out of mainstream school.

Schools will also be able to commission Discovery provision direct rather than have to go through the IYFAP system.

#### **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
- An increasing number of young people are exposed to Child Sexual or Drug Exploitation in the County. An increasing number of these students are also excluded from their mainstream schools and are referred to Meadowbrook. We have begun to work more closely in partnership with multi-agencies in Banbury and Oxford in particular to ensure we have a multi-agency approach to safeguarding our young people.
- Close liaison with the Local Authority is important going forwards as our main commissioner requires us to tender for provision in 2021, due to being an Academy.
- Financial pressures on schools, Oxfordshire is in the F40 group of schools, means that schools are finding it increasingly difficult to commission alternative provision
- Navigating and managing the transition to a new building at the end of 2020.

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.

#### **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 2018 to 31st August 2019 the Trust received £2,583k of GAG and LA 'top up' funding (2018: £2,614K). In addition the Trust received other grants from the Education and Skills Funding Agency (ESFA) of £48k (2018: £43k) and generates income from alternative provision and services made to local schools totalling £672K (2018: £284k). A high percentage of this income is spent on wages and salaries (96%) to deliver the Academy's primary objective of the provision of alternative education.

The Trust received £13k (2018: £6k) of Devolved Formula Capital Grant (DFCG) capital funding during the period which was unspent at 31st August 2019. Other DfE capital funding of £10k (2018: £Nil) was received and fully spent at the period end. The Trust was successful in obtaining a Condition Improvement Fund grant towards safeguarding works at two of our sites (£273k), following application of the appropriate accruals the trust has recognised income of £273k and expenditure of £13k relating to CIF funding to the end of August 2019 (2018: £Nil). The works will be complete and the funding spent by August 2020.

## **Radcliffe Academy Trust**

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

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#### **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 £260k. The reserves for 2018-19 are £714k, of this £313k 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 £3,009k. 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 2019 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value of Fixed Assets and Pension Deficit):

	£
Unrestricted General Funds	313,312
Restricted Capital Funds	292,225
Restricted General Funds	<u>108,669</u>
Reserves at 31 August 2019	<u>714,206</u>

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

#### **Investment Policy**

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.

Decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts.

A sufficient balance must be held in the current account so that the Academy's financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future need and kept under review.

During 2018-19 we were predicting a balanced budget to assist with the overspend from the previous year. This resulted in no funds being invested during the year.

#### **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

## **Radcliffe Academy Trust**

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

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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. However, 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

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

- 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
- 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 2018 to 31st August 2019 financial systems have been internally and externally audited and prioritised reports received.

### **Fundraising**

No fundraising activity was undertaken this year.

## **Radcliffe Academy Trust**

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

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#### **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. We continue to explore expansion by inviting other schools to join, exploring opportunities to join another trust or to respond to the need to increase the number of schools through the Free School Wave and to expand through a Free AP/SEND School.

The more fully developed Strategic Improvement Plan sets out our priorities specifically, and informs our meeting agendas. Two of our key priorities are:

(1) to increase our Offer so that students in the county are never without suitable provision; partners are able to choose from a variety of provision; and we continue to demonstrate value for money to our commissioners

(2) to increase the number of students in Post-16 provision; successfully reintegrate students back into their mainstream or specialist provision following PEX; develop students skills and confidence to help them transition more successfully and for a sustained period of time

(3) to improve engagement by developing students' personal, emotional and social skills; to equip staff with knowledge and skills to engage the students in the classroom through quality teaching and learning; to build resilience and confidence and empower staff to support students to make informed choices.

The Academy will continue to strive to meet its key objectives and deliver outstanding opportunities for its students. Our focus is strong governance and leadership, proactive strategic planning, sound financial planning, continuing staff development and succession planning: we have had four internal promotions this year following successful periods of training and development of staff across a variety of our teams (Senior Leadership Team: Assistant Headteacher and Deputy Headteacher promotion; Middle Leader promotion; mentor to Education Worker)

#### **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 13 December 2019 and signed on the board's behalf by:



**Gloria Walker**  
Chair of Trustees



## **Radcliffe Academy Trust**

### **Governance Statement**

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#### **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 with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>	<b>Appointed during 2018/19</b>	<b>Resigned during 2018/19</b>
Gloria Walker	3	4		
Jolie Kirby	4	4		
Emma Canter	3	4		
Emma Anderson	4	4	28.9.18	
Nicola Partridge	3	4		
Jessie Dobson	1	4		
David Mitchell	0	4		02.5.19
Debra Leeves	0	1		15.10.18

Resignations and Appointments during the year;

- There were two resignations and one new appointment during the year.

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

- The key challenge during the year was the planning and negotiations involved in finalising architectural plans, consultation with colleagues and the local community, and gaining the final planning permissions in relation to our new building. This has involved Trustees in many discussions with the DfE and ESFA in preparation for the planning submission in October 2018, and subsequent finalisation of essential health and safety plans prior to commencement of the building programme.
- In order for building to commence, significant Trustee time has been spent on ensuring that our temporary buildings were fit for purpose for occupation from summer 2019, most specifically:
  - Supporting staff in planning removal to new premises
  - Managing the disruption for students so that it had minimum impact
  - Ensuring that examinations were not disturbed by building work
- Curriculum development has been another focus this year, along with maintaining a new provision Ambrose House, for some of our most vulnerable Year 11 students
- The Academy budget remains a constant challenge, but we are pleased that we have maintained our financial position for the year.

## **Radcliffe Academy Trust**

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

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#### **Governance Reviews**

The Chair of Trustees worked with members of the Board and the Headteacher through the year, to review and evaluate our current position, with a specific emphasis on opportunities for growth. The Trust therefore investigated opportunities for growth in Oxfordshire and beyond, through Free School opportunities and/or joint working with another Trust. This resulted in the decision being made to further investigate an opportunity to join another Academy Trust locally, which is currently being further progressed. Trustees, although committed to thinking about future plans, remain focussed on the Academy Trust's strategic priorities, and most particularly outcomes for students.

The Board recognises that the Academy Trust is moving into a time of change, both with regard to AP provision locally and nationally. Discussions have taken place during the year with the ever-changing personnel in the Local Authority, regarding their Alternative Provision needs. In addition, the Trustees have supported the Headteacher in developing new courses to meet the direct needs of schools and their students. There has been an increase in 'outreach' work and training taking place in mainstream schools, as well as the growth of our Primary provision. In view of the ever increasing workload of the Headteacher, the decision was made to put a Deputy Headteacher post into the structure. After interviews, an internal appointment was made, which meant that there was minimal impact on the budget.

Trustees are working hard to support the Headteacher in mitigating any disruption associated with the temporary accommodation, but I am pleased to say that students and staff have all responded well. We recognise the additional burden that is being imposed on managers and teaching staff during this period, but join them in looking forward to the opening of our new purpose built school on the Harlow site in September 2020.

The Chair of Trustees has undertaken visits to all provisions, and is delighted with the commitment of both staff and pupils.

#### **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

## **Radcliffe Academy Trust**

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

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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
- Improving our management and reporting on risks and ensuring key management team members were held accountable
- 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

Attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings</b>	<b>Out of a possible</b>
Emma Canter	4	4
Gloria Walker	3	4
Nicola Partridge	4	4
Jessie Dobson	3	4
David Mitchell	2	3

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 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, maximising the use of existing staff, and tweaking the delivery model of programmes such as Discovery and Base provision to free up staff to deliver a new Link Mentoring service to generate more income. During the year, Link Mentoring grew from one school using the Link Mentoring provision to 4 by the end of the year. This member of staff was already salaried to a different programme so this additional provision generated income with no financial loss to Meadowbrook as a result.
- Continued to extend 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 and Governor training opportunities for the Clerk
- 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, and 5 GCSEs 4-9)
- Increase in our Gatsby benchmark data and Compass measure indicates a commitment to securing the best transition outcomes for our students

### **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 2018 to 31 August 2019 and up to the date of approval of the annual report.

### **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 2018 to 31 August 2019 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 2019

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:

- Budget compilation. Review of the current approach taken and the assumptions used to produce the budget figures that are then communicated to the Trustees and the Education & Skills Funding Agency.

The internal auditor reported to the board of Trustees once during this year and the work was delivered as planned.

**Radcliffe Academy Trust**  
**Governance Statement (continued)**

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**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 ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13 December 2019 and signed on its behalf by:



**Gloria Walker**  
Chair of Trustees



**Nicola Partridge**  
Accounting Officer

## **Radcliffe Academy Trust**

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

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As accounting officer of Radcliffe Academy Trust I have considered my responsibility to notify the academy trust's board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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



**Nicola Partridge**  
Accounting Officer

13 December 2019

## **Radcliffe Academy Trust**

### **Statement of Trustees' Responsibilities**

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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 Academies 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 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 13 December 2019 and signed on its behalf by:



**Gloria Walker**  
Chair of Trustees



**Opinion on financial statements**

We have audited the financial statements of Radcliffe Academy Trust ('the academy trust') for the year ended 31 August 2019 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 2018 to 2019 issued by the ESFA.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

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

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other



## **Radcliffe Academy Trust**

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

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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**

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

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities (set out on page 21), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## **Radcliffe Academy Trust**

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

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

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



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

Date: 13<sup>th</sup> December 2019

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**

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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 2018 to 2019, 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 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

#### **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 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

1. Reviewing the 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.

## **Radcliffe Academy Trust**

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

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#### **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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

This report is made solely to Radcliffe Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to 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.



Critchleys Audit LLP  
Reporting Accountant  
Oxford

Date: 13<sup>th</sup> December 2019.

**Radcliffe Academy Trust**  
**Statement of Financial Activities**  
**For the period ended 31 August 2019**  
**(including Income and Expenditure Account)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	-	295,662	295,662	5,797
Charitable activities						
Funding for the Academy's educational operations	3	-	2,631,065	-	2,631,065	2,656,473
Other income for educational operations	4	671,847	-	-	671,847	284,002
Other trading activities	5	112	-	-	112	13,215
Investments	6	248	-	-	248	305
<b>Total</b>		<b>672,207</b>	<b>2,631,065</b>	<b>295,662</b>	<b>3,598,934</b>	<b>2,959,792</b>
<b>Expenditure on:</b>						
Charitable activities						
Academy's educational operations	7,8	671,847	2,944,133	70,637	3,686,617	3,549,776
<b>Total</b>		<b>671,847</b>	<b>2,944,133</b>	<b>70,637</b>	<b>3,686,617</b>	<b>3,549,776</b>
<b>Net income / (expenditure) before transfers</b>		<b>360</b>	<b>(313,068)</b>	<b>225,025</b>	<b>(87,683)</b>	<b>(589,984)</b>
<b>Transfers between funds</b>	15	<b>(94)</b>	<b>-</b>	<b>94</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) for the period</b>		<b>266</b>	<b>(313,068)</b>	<b>225,119</b>	<b>(87,683)</b>	<b>(589,984)</b>
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	15,24	-	(920,000)	-	(920,000)	808,000
<b>Net movement in funds</b>		<b>266</b>	<b>(1,233,068)</b>	<b>225,119</b>	<b>(1,007,683)</b>	<b>218,016</b>
<b>Reconciliation of Funds</b>						
Funds brought forward at 1 September 2018		313,046	(1,667,263)	989,890	(364,327)	(582,343)
<b>Funds carried forward at 31 August 2019</b>		<b>313,312</b>	<b>(2,900,331)</b>	<b>1,215,009</b>	<b>(1,372,010)</b>	<b>(364,327)</b>

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 2019**

**Company number:**  
**09334026**

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	12		922,784		970,532
<b>Current assets</b>					
Debtors	13	435,901		136,961	
Cash at bank and in hand		<u>423,951</u>		<u>438,660</u>	
		859,852		575,621	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	<u>(145,646)</u>		<u>(176,480)</u>	
<b>Net current assets</b>			714,206		399,141
<b>Total assets less current liabilities</b>			1,636,990		1,369,673
<b>Net assets excluding pension liability</b>			<u>1,636,990</u>		<u>1,369,673</u>
Defined benefit pension scheme liability	24		<u>(3,009,000)</u>		<u>(1,734,000)</u>
<b>Net (liabilities)/assets including pension liability</b>			<u>(1,372,010)</u>		<u>(364,327)</u>
<b>Funds of the academy:</b>					
Restricted fixed asset funds	15		1,215,009		989,890
Restricted funds					
Restricted funds excluding pension liability	15	108,669		66,737	
Pension reserve	15	<u>(3,009,000)</u>		<u>(1,734,000)</u>	
			(2,900,331)		(1,667,263)
<b>Total restricted funds</b>			<u>(1,685,322)</u>		<u>(677,373)</u>
<b>Unrestricted funds</b>	15		313,312		313,046
<b>Total funds</b>			<u>(1,372,010)</u>		<u>(364,327)</u>

The financial statements on pages 27 to 50 were approved by the trustees and authorised for issue on 13 December 2019 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 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	19	(287,824)	(217,306)
<b>Cash flows from investing activities</b>	20	273,115	507
<b>Cash flows from financing activities</b>		-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(14,709)</u>	<u>(216,799)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
<b>Cash and cash equivalents at 1 September 2018</b>		438,660	655,459
<b>Cash and cash equivalents at 31 August 2019</b>	21	<u><u>423,951</u></u>	<u><u>438,660</u></u>

All of the cash flows are derived from continuing operations.

## **1 Statement of Accounting Policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

### **Basis of Preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 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 sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

#### **Sponsorship Income**

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



## **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'.

### **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.

### 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold buildings	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 and reclassified to freehold or leasehold land and buildings.

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

### Liabilities

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

### Provisions

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

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

### Leased Assets

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

## **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 24, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

## **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 Department for Education Group.

### **Critical accounting estimates and areas of judgement**

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

#### *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 24, 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 2019. 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 24).

## 2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>DfE/ESFA capital grants</b>				
ESFA capital project funding	-	272,723	272,723	-
Devolved formula capital grant	-	13,219	13,219	5,553
Other DfE Group capital funding	-	9,720	9,720	-
	-	295,662	295,662	5,553
<b>Other donations</b>	-	-	-	244
	-	295,662	295,662	5,797

The income from donations and capital grants was £295,662 (2018: £5,797) of which £Nil was unrestricted (2018: £Nil), £Nil restricted (2018: £244) and £295,662 restricted fixed assets (2018: £5,553).

## 3 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	1,070,257	1,070,257	1,081,068
Other DfE Group grants	-	48,246	48,246	42,506
	-	1,118,503	1,118,503	1,123,574
<b>Other Government grants</b>				
Local authority revenue funding	-	1,512,562	1,512,562	1,532,899
	-	1,512,562	1,512,562	1,532,899
	-	2,631,065	2,631,065	2,656,473

The funding for the academy's educational operations was £2,631,065 (2018: £2,656,473) of which £Nil was unrestricted (2018: £Nil), £2,631,065 restricted (2018: £2,656,473) and £Nil restricted fixed assets (2018: £Nil).

**4 Other Income for educational operations**

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Catering income	3,401	-	3,401	4,102
Other income	668,446	-	668,446	279,900
	<u>671,847</u>	<u>-</u>	<u>671,847</u>	<u>284,002</u>

The other income for educational operations was £671,847 (2018: £284,002) of which £671,847 was unrestricted (2018: £284,002), £Nil restricted (2018: £Nil) and £Nil restricted fixed assets (2018: £Nil).

**5 Other trading activities**

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Hire of facilities	112	-	112	13,215
	<u>112</u>	<u>-</u>	<u>112</u>	<u>13,215</u>

The other trading activities income was £112 (2018: £13,215) of which £112 was unrestricted (2018: £13,215), £Nil restricted (2018: £Nil) and £Nil restricted fixed assets (2018: £Nil).

**6 Investment Income**

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Short term deposits	248	-	248	305
	<u>248</u>	<u>-</u>	<u>248</u>	<u>305</u>

The investment income was £248 (2018: £305) of which £248 was unrestricted (2018: £305), £Nil restricted (2018: £Nil) and £Nil restricted fixed assets (2018: £Nil).

**Radcliffe Academy Trust**  
**Notes to the financial statements**  
**For the period ended 31 August 2019**

**7 Expenditure**

	Staff Costs £	Non Pay Expenditure Premises Costs £	Other Costs £	Total 2019 £	Total 2018 £
<b>Academy's educational operations</b>					
Direct costs (note 8)	2,473,030	-	114,503	2,587,533	2,491,297
Allocated support costs (note 8)	695,434	123,905	279,745	1,099,084	1,058,479
	<u>3,168,464</u>	<u>123,905</u>	<u>394,248</u>	<u>3,686,617</u>	<u>3,549,776</u>
	<u>3,168,464</u>	<u>123,905</u>	<u>394,248</u>	<u>3,686,617</u>	<u>3,549,776</u>

The expenditure on raising funds was £Nil (2018: £Nil) of which £Nil was unrestricted (2018: £Nil), £Nil restricted (2018: £Nil) and £Nil restricted fixed assets (2018: £Nil).

The expenditure on academy's educational operations was £3,686,617 (2018: £3,549,776) of which £671,847 was unrestricted (2018: £284,002), £2,944,133 restricted (2018: £3,188,598) and £70,637 restricted fixed assets (2018: £77,176).

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

	2019 £	2018 £
Operating lease rentals	2,773	2,668
Depreciation	70,637	77,176
(Gain)/loss on disposal of fixed assets	(94)	-
Fees payable to auditor for:		
Audit	6,100	6,550
Other services	6,825	10,535

**8 Charitable activities**

	Total 2019 £	Total 2018 £
<b>Direct costs - educational operations</b>	<b>2,587,533</b>	<b>2,491,297</b>
<b>Support costs - educational operations</b>	<b>1,099,084</b>	<b>1,058,479</b>
	<u><b>3,686,617</b></u>	<u><b>3,549,776</b></u>

**Analysis of support costs**

	Educational operations £	Total 2019 £	Total 2018 £
Support staff costs	340,434	340,434	302,045
Depreciation	70,637	70,637	77,176
Technology costs	14,702	14,702	11,978
Premises costs	123,905	123,905	143,066
Other support costs	151,561	151,561	153,939
Governance costs	42,845	42,845	35,275
Other pension costs	304,000	304,000	275,000
Other finance costs (FRS102 pension)	51,000	51,000	60,000
<b>Total support costs</b>	<b>1,099,084</b>	<b>1,099,084</b>	<b>1,058,479</b>



## 9 Staff

### Staff Costs

Staff costs during the period were:

	2019 £	2018 £
Wages and salaries	2,232,942	2,123,145
Social security costs	210,272	202,083
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	365,041	347,317
FRS102 Other pension and finance costs	355,000	335,000
	<u>3,163,255</u>	<u>3,007,545</u>
Agency staff costs	5,209	3,506
	<u>3,168,464</u>	<u>3,011,051</u>

### b. Non statutory/non-contractual staff severance payments

There are no non-statutory/non-contractual severance payments included in staff restructuring costs for 2019 or 2018.

### c. Staff numbers

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

	2019 No.	2018 No.
Teachers	24	22
Management	8	8
Administration and support	51	53
	<u>83</u>	<u>83</u>

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

	2019 No.	2018 No.
Teachers	20	20
Management	7	7
Administration and support	41	51
	<u>68</u>	<u>78</u>

### d. Higher paid staff

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

	2019 No.	2018 No.
£70,001 - £80,000	-	1
£80,000 - £90,000	1	-
	<u>1</u>	<u>-</u>

### e. Key management personnel

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 £528,058 (2018: £508,962).



## 10 Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The 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.

	2019 £	2018 £
J Dobson (Staff member and trustee, resigned as staff member on 31 August 2018)		
Remuneration	-	40k-45k
Employer's pension contributions paid	-	5k-10k
N Partridge (Headteacher, accounting officer and staff trustee from 1 January 2016)		
Remuneration	80k-85k	75k-80k
Employer's pension contributions paid	10k-15k	10k-15k

During the period ended 31 August 2019, no expenses were reimbursed to trustees for travel and subsistence expenditure incurred in their roles as trustees (2018: £1,423 to 3 trustees).

## 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 membership.

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

## 12 Tangible fixed assets

2018/2019

	Leasehold Buildings £	Motor Vehicles £	Furniture & Equipment £	Computer Equipment £	Total £
<b>Cost</b>					
At 1 September 2018	1,140,992	38,977	49,253	16,228	1,245,450
Additions	13,075	-	-	9,720	22,795
Disposals	-	-	-	(821)	(821)
As at 31 August 2019	1,154,067	38,977	49,253	25,127	1,267,424
<b>Depreciation</b>					
At 1 September 2018	206,755	36,514	19,650	11,999	274,918
Charges in period	57,699	2,463	7,035	3,440	70,637
Disposals	-	-	-	(915)	(915)
As at 31 August 2019	264,454	38,977	26,685	14,524	344,640
<b>Net book values</b>					
As at 31 August 2019	889,613	-	22,568	10,603	922,784
As at 31 August 2018	934,237	2,463	29,603	4,229	970,532

## 12 Tangible fixed assets (continued)

### 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 ESFA 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.

The academy trust's transactions relating to land and buildings included:

- Initial costs of £13,075 incurred in relation to a programme of safeguarding improvements to the exterior of the property which are being covered by Capital Improvement Funding totalling £272,723.

## 13 Debtors

	2019 £	2018 £
Trade debtors	137,140	91,592
VAT recoverable	13,861	4,995
Prepayments and accrued income	272,997	35,671
Other debtors	11,903	4,703
	<u>435,901</u>	<u>136,961</u>

## 14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	27,619	28,811
Other taxation and social security	52,121	51,385
Other creditors	44,268	41,456
Accruals and deferred income	21,638	54,828
	<u>145,646</u>	<u>176,480</u>

### Deferred income

	2019 £	2018 £
Deferred income at 1 September	45,298	6,332
Released from previous years	(45,298)	(6,332)
Resources deferred in the period	-	45,298
Deferred income at 31 August	<u>-</u>	<u>45,298</u>

Deferred income represents funding received specifically for next financial year.

**Radcliffe Academy Trust**  
**Notes to the financial statements**  
**For the period ended 31 August 2019**

**15 Funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	66,737	1,070,257	(1,028,325)	-	108,669
Pupil Premium funding	-	27,972	(27,972)	-	-
Other DfE funding	-	20,274	(20,274)	-	-
Local authority revenue funding	-	1,512,562	(1,512,562)	-	-
Other restricted funds	-	-	-	-	-
Pension reserve (note 24)	(1,734,000)	-	(355,000)	(920,000)	(3,009,000)
	<u>(1,667,263)</u>	<u>2,631,065</u>	<u>(2,944,133)</u>	<u>(920,000)</u>	<u>(2,900,331)</u>
<b>Restricted fixed asset funds</b>					
ESFA Devolved Formula Capital	19,358	13,219	-	-	32,577
ESFA Condition Improvement Fund	-	272,723	-	(13,075)	259,648
ESFA and DfE Other Capital	-	9,720	-	(9,720)	-
Fixed asset fund (note 12)	970,532	-	(70,637)	22,889	922,784
	<u>989,890</u>	<u>295,662</u>	<u>(70,637)</u>	<u>94</u>	<u>1,215,009</u>
<b>Total restricted funds</b>	<u><b>(677,373)</b></u>	<u><b>2,926,727</b></u>	<u><b>(3,014,770)</b></u>	<u><b>(919,906)</b></u>	<u><b>(1,685,322)</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	313,046	672,207	(671,847)	(94)	313,312
<b>Total unrestricted funds</b>	<u><b>313,046</b></u>	<u><b>672,207</b></u>	<u><b>(671,847)</b></u>	<u><b>(94)</b></u>	<u><b>313,312</b></u>
<b>Total funds</b>	<u><b>(364,327)</b></u>	<u><b>3,598,934</b></u>	<u><b>(3,686,617)</b></u>	<u><b>(920,000)</b></u>	<u><b>(1,372,010)</b></u>

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. 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 2019.

Pupil Premium Funding represents funding received from the Department for Education (DfE) to raise the attainment of disadvantaged pupils of all abilities. The eligibility of the pupils and rates of grant per pupil are set-out by the DfE. This funding is to be used for the provision of education.

Other DfE funding represents other forms of funding received from the Department for Education. This includes but is not limited to Rates Relief Income and PE grant.

Local Authority Revenue funding represents various grant funding provided by Local Authorities.

Other restricted funds represent amounts given to the academy trust for specific revenue purposes.

The pension reserve fund separately identifies the pension deficit on the Local Government Pension Scheme, and through which all the movements on the pension scheme are recognised.

Devolved Formula Capital represents funding provided by the Department for Education to be used for capital projects. This funding may be used for specific capital projects which are not considered to be fixed asset additions.

The Condition Improvement Fund represents funding provided by the Department for Education to be used for specific capital projects.

Restricted Fixed Asset Funds, ESFA and DfE - Other Capital represents additional grants provided to cover the value of ICT equipment purchased by the trust as part of the new build capital project for which Radcliffe Academy Trust will not incur any costs.

The Fixed Asset fund recognises the net book value of tangible and fixed assets transferred to the trust on conversion and additions since conversion.

Unrestricted funds represent other income to the academy trust which is not received as funding or with a specific purpose.

Transfers between funds relate to the disposal of tangible fixed assets.

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**15 Funds (continued)**

**Comparative Funds**

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	220,924	1,081,068	(1,235,255)	-	66,737
Pupil Premium funding	-	28,635	(28,635)	-	-
Other DfE funding	-	13,871	(13,871)	-	-
Local authority revenue funding	42,694	1,532,899	(1,575,593)	-	-
Other restricted funds	-	244	(244)	-	-
Pension reserve (note 24)	(2,207,000)	-	(335,000)	808,000	(1,734,000)
	<u>(1,943,382)</u>	<u>2,656,717</u>	<u>(3,188,598)</u>	<u>808,000</u>	<u>(1,667,263)</u>
<b>Restricted fixed asset funds</b>					
ESFA Devolved Formula Capital	19,156	5,553	-	(5,351)	19,358
ESFA Condition Improvement Fund	-	-	-	-	-
ESFA and DfE Other Capital	-	-	-	-	-
Fixed asset fund (note 12)	1,042,357	-	(77,176)	5,351	970,532
	<u>1,061,513</u>	<u>5,553</u>	<u>(77,176)</u>	<u>-</u>	<u>989,890</u>
<b>Total restricted funds</b>	<b><u>(881,869)</u></b>	<b><u>2,662,270</u></b>	<b><u>(3,265,774)</u></b>	<b><u>808,000</u></b>	<b><u>(677,373)</u></b>
<b>Unrestricted funds</b>					
Unrestricted funds	299,526	297,522	(284,002)	-	313,046
<b>Total unrestricted funds</b>	<b><u>299,526</u></b>	<b><u>297,522</u></b>	<b><u>(284,002)</u></b>	<b><u>-</u></b>	<b><u>313,046</u></b>
<b>Total funds</b>	<b><u>(582,343)</u></b>	<b><u>2,959,792</u></b>	<b><u>(3,549,776)</u></b>	<b><u>808,000</u></b>	<b><u>(364,327)</u></b>

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

## 16 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	922,784	922,784
Current assets	313,312	254,315	292,225	859,852
Current liabilities	-	(145,646)	-	(145,646)
Pension Scheme liability	-	(3,009,000)	-	(3,009,000)
<b>Total net assets</b>	<b>313,312</b>	<b>(2,900,331)</b>	<b>1,215,009</b>	<b>(1,372,010)</b>

## Comparative analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	970,532	970,532
Current assets	313,046	243,217	19,358	575,621
Current liabilities	-	(176,480)	-	(176,480)
Pension Scheme liability	-	(1,734,000)	-	(1,734,000)
<b>Total net assets</b>	<b>313,046</b>	<b>(1,667,263)</b>	<b>989,890</b>	<b>(364,327)</b>

## 17 Capital commitments

	2019 £	2018 £
Contracted for, but not provided in the financial statements	14,606	-

## 18 Commitments under operating leases

### Operating leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	2,773	2,773
Amounts due between one and five years	95	2,867
Amounts due after five years	-	-
	<b>2,868</b>	<b>5,640</b>

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

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(87,683)	(589,984)
Adjusted for:		
Depreciation (note 12)	70,637	77,176
Loss on disposal of fixed assets	(94)	-
Capital grants from DfE and other capital income	(295,662)	(5,553)
Interest receivable (note 6)	(248)	(305)
Defined benefit pension scheme cost less contributions payable (note 24)	304,000	275,000
Defined benefit pension scheme finance cost (note 24)	51,000	60,000
(Increase)/decrease in debtors	(298,940)	(44,330)
Increase/(decrease) in creditors	(30,834)	10,690
<b>Net cash (used in)/provided by operating activities</b>	<b>(287,824)</b>	<b>(217,306)</b>

**Cash flows from financing activities**

	2019 £	2018 £
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>

**20 Cash flows from investing activities**

	2019 £	2018 £
Dividends, interest and rents from investments	248	305
Purchase of tangible fixed assets	(22,795)	(5,351)
Capital grants from DfE Group	295,662	5,553
Capital funding received from sponsors and others	-	-
<b>Net cash provided by/(used in) investing activities</b>	<b>273,115</b>	<b>507</b>

**21 Analysis of cash and cash equivalents**

	At 1 September 2018 £	Cash flows £	At 31 August 2019 £
Cash at bank and in hand	438,660	(14,709)	423,951
	<u>438,660</u>	<u>(14,709)</u>	<u>423,951</u>

**22 Contingent liabilities**

There are no contingent liabilities that require disclosure.

**23 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.

## **24 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 2016 and of the LGPS 31 March 2016.

Contributions amounting to £44,390 were payable to the schemes at 31 August 2019 (2018: £41,578) and are included within creditors.

### **Teachers' Pension Scheme**

#### **Introduction**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). 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 - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

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 Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The pension costs paid to TPS in the period amounted to £143,041 (2018: £120,590).

A copy of the valuation report is on the Teachers' Pension Scheme website at the following location:  
<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>



## **24 Pension and similar obligations (continued)**

### **Teachers' Pension Scheme (continued)**

#### **Scheme Changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

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.

## **24 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 2019 was £293,000 (2018: £291,000), of which employer's contributions totalled £222,000 (2018: £220,000) and employees' contributions totalled £71,000 (2018: £71,000). The agreed contribution rates until 31 March 2020 are 19.3% for employers and 5.5-12.5% for employees. The full triennial valuation as at 31 March 2019 will conclude on 31 March 2020. New contribution rates will be set with effect from 1 April 2020.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy trust 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**

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
Rate of increase in salaries	3.80%	3.60%
Rate of increase for pensions in payment / inflation	2.30%	2.30%
Discount rate for scheme liabilities	1.90%	2.80%
Inflation assumption (CPI)	1.70%	2.40%
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:

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
<i>Retiring today</i>		
Males	22.7	23.4
Females	24.3	25.5
<i>Retiring in 20 years</i>		
Males	24.0	25.7
Females	25.7	27.9

### **Sensitivity Analysis - Effect on Scheme Liabilities**

	<b>At 31 August 2019 £</b>	<b>At 31 August 2018 £</b>
Discount rate +0.1%	5,524,000	3,878,000
Discount rate -0.1%	5,864,000	4,114,000

## 24 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 2019 £	Fair value at 31 August 2018 £
Equities	1,853,000	1,583,000
Corporate bonds	564,000	385,000
Property	161,000	181,000
Cash and other liquid assets	107,000	113,000
<b>Total market value of assets</b>	<b>2,685,000</b>	<b>2,262,000</b>
Present value of scheme liabilities - Funded	(5,694,000)	(3,996,000)
<b>Surplus/(deficit) in the scheme</b>	<b>(3,009,000)</b>	<b>(1,734,000)</b>

The actual return on scheme assets was £86,000 (2018: £156,000).

### Amounts recognised in the statement of financial activities

	2019 £	2018 £
Current service cost (net of employee contributions)	407,000	495,000
Past service cost	119,000	-
Net interest cost	51,000	60,000
<b>Total amount recognised in the SOFA</b>	<b>577,000</b>	<b>555,000</b>

## 24 Pension and similar obligations (continued)

### Local Government Pension Scheme (continued)

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

	2019 £	2018 £
<b>At 1 September</b>	<b>3,996,000</b>	<b>4,048,000</b>
Current service cost	407,000	495,000
Interest cost	118,000	112,000
Employee contributions	71,000	71,000
Actuarial (gains)/losses	992,000	(721,000)
Estimated benefits paid net of transfers in	(9,000)	(9,000)
Past service cost	119,000	-
<b>At 31 August</b>	<b>5,694,000</b>	<b>3,996,000</b>

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

	2019 £	2018 £
<b>At 1 September</b>	<b>2,262,000</b>	<b>1,841,000</b>
Interest on assets	67,000	52,000
Return on assets less interest	72,000	87,000
Employer contributions	222,000	220,000
Employee contributions	71,000	71,000
Estimated benefits paid plus unfunded net of transfers in	(9,000)	(9,000)
<b>At 31 August</b>	<b>2,685,000</b>	<b>2,262,000</b>

### Reconciliation of opening and closing deficit

	2019 £		2018 £	
<b>Pension deficit at 1 September</b>		<b>(1,734,000)</b>		<b>(2,207,000)</b>
Current service cost	(407,000)		(495,000)	
Past service cost	(119,000)		-	
Employer contributions	222,000		220,000	
Additional pension cost		(304,000)		(275,000)
Other finance costs		(51,000)		(60,000)
Actuarial gains/(losses)		(920,000)		808,000
<b>Pension deficit at 31 August</b>		<b>(3,009,000)</b>		<b>(1,734,000)</b>

## **25 Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval when required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period.

### Expenditure Related Party Transactions

D O'Toole (daughter of B O'Toole, Senior Management Team) received remuneration during the year, for her work as an Education worker, of £26,127 (2018: £24,683), expenses of £704 (2018: £1,234) and employer pension contributions amounted to £5,043 (2018: £4,764). The amount owed to D O'Toole as at 31 August 2019 was £Nil (2018: £Nil).

D O'Toole's appointment was made in open competition and B O'Toole was not involved in the decision-making process regarding appointment. D O'Toole is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member of the Senior Management Team.