

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2017**

**MAPLEFIELDS ACADEMY**

**(A Company Limited by Guarantee)**

Smith Hodge & Baxter  
Chartered Accountants  
& Statutory Auditors  
Thorpe House  
93 Headlands  
KETTERING  
Northamptonshire  
NN15 6BL

**MAPLEFIELDS ACADEMY**

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**FOR THE YEAR ENDED 31 AUGUST 2017**

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**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>Members</b>	Mrs K Mudd Mrs V Payne Mrs SP McKim Mrs CA Reynolds	To 2 July 2017 From 1 March 2017
<b>Trustees</b>	Mrs K Mudd  Mrs C Bradshaw Mr J Briggs Mr J de Barros Mr D Lewis Mrs L Lorentzen Mrs V Payne  Mrs CA Reynolds Mrs SP McKim  Mrs B Wright  Miss J Walker	Chair of Trustees (Resigned 16 October 2017) Chair of Finance, Policy and Personnel  Non Teaching Staff Representative Chair of Safeguarding (Resigned 1 December 2016) Teaching Staff Representative Resigned 31 July 2017 Vice Chair and Chair of Teaching & Learning - Resigned 2 July 2017  Chair of Trustees (Appointed 16 October 2017) Appointed 1 March 2017 Head Teacher and Accounting Officer Resigned 31 August 2017 Head Teacher and Accounting Officer Appointed 1 September 2017
<b>Company Secretary</b>	Mrs L Lorentzen Mr S Sercombe	Resigned 31 July 2017 Appointed 1 August 2017
<b>Senior Leadership Team</b>		
• <b>Head Teacher</b>	Mrs B Wright Miss J Walker	Resigned 31 August 2017 Appointed 1 September 2017
• <b>Deputy Head Teacher</b>	Mr P Ijewsky	Appointed 1 September 2017
• <b>Assistant Head Teacher</b>	Mr D Willis	
• <b>Assistant Head Teacher</b>	Mrs H Field	
• <b>Business Director</b>	Mrs L Lorentzen	Resigned 31 July 2017
• <b>Head of Finance</b>	Mr S Sercombe	Appointed 1 August 2017
<b>Principal and Registered office</b>	Tower Hill Road Corby Northamptonshire NN18 0TH	
<b>Company Registration number</b>	08068464 (England and Wales)	
<b>Independent Auditor</b>	Smith Hodge & Baxter Chartered Accountants & Statutory Auditors Thorpe House 93 Headlands Kettering Northamptonshire NN15 6BL	
<b>Bankers</b>	Lloyds Bank Plc 1 Floor Fenlands House Manor Grove House Vicarage Farm Road Peterborough PE1 5UH	
<b>Solicitors</b>	Anthony Collins Solicitors LLP 134 Edmunds Street Birmingham. B3 2ES	

## **MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

### **TRUSTEES' REPORT** **FOR THE YEAR ENDED 31 AUGUST 2017**

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

The trust operates an academy for pupils aged 5 to 19 serving a catchment area in Northamptonshire. It has a pupil capacity of 104 and had a roll of 111 in the school census on 6 October 2017.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Academy Trust is a company, limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Maplefields Academy are also the directors of the charitable company for the purposes of company law.

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

##### **Members' liability**

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

##### **Trustees' indemnities**

In accordance with normal commercial practice the academy has purchased professional indemnity insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on academy business.

##### **Principal activities**

The Academy Trust's principal activities are:

- To provide opportunities for all pupils to follow a broad, balanced curriculum, which includes the National Curriculum, and to encourage each pupil to succeed and achieve their full potential with accreditation, whilst learning to establish independent working routines, managing their own behaviour through learning to make appropriate choices and accepting responsibility.
- To prioritise Basic Skills giving special emphasis to literacy. Our pupils generally arrive with poor literacy skills and we aim to improve their attainments and achievement in reading and writing using a variety of strategies, resources and learning styles.
- To provide, in addition, direct timetabled opportunities for pupils to learn social, behavioural and communication skills and self-awareness through structured teaching.
- To help pupils develop a respect for themselves and others in order to be able to follow rules and become integrated and accepted members of the larger community and to form positive, meaningful relationships.
- To promote effective and supportive relationships with parents, carers and all other professionals involved with the pupils in working towards agreed aims and values. The school promotes the spiritual, moral, social and cultural development of all pupils together with equal opportunities to enable pupils to achieve the outcomes of Every Child Matters ensuring their safeguarding as our priority.

##### **Method of recruitment and appointment or election of trustees**

The members of the Academy Trust may appoint up to six trustees. The members may appoint staff trustees, so long as staff trustees do not exceed one third of the board of trustees. The local authority may appoint one trustee. Parent trustees are elected by parents of registered pupils at the academy. The head teacher is treated as an ex officio trustee. The Secretary of State may appoint additional trustees under special circumstances. The articles of association require no less than three trustees.

The term of office for any trustee shall be 4 years except the head teacher who remains a trustee whilst in post. Trustees are eligible for re-election at the meeting at which they retire.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Policies and procedures adopted for the induction and training of trustees**

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and education legal and financial matters. All new trustees will be given a tour of the academy and the chance to meet with staff and students. 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. As there are normally only one or two new trustees a year, induction tends to be done informally and is tailored specifically to the individual.

**Organisational structure**

The management structure consists of three levels; the Trustees, the Senior Managers and the Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Managers are the Head teacher, Deputy Head, Assistant Heads and Business Director. These managers control the academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, although appointment boards for posts in the Management Team always contain a Trustee. Some spending control is devolved to members of the Management Team, with limits above which a Senior Manager must countersign.

The Management Team includes the Senior Management, the phase heads and the Curriculum Area Managers. These managers are responsible for the day to day operation of the academy, in particular organising the teaching staff, facilities and students.

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

The academy's pay policy is linked to its appraisal policy. Key management personnel are remunerated in line with the national pay scales for the role they fill. Those in a teaching role are remunerated in line with the Teachers Pay and Conditions pay scales, whilst those in a non-teaching role are remunerated in line with the NJC pay scales. Each individual will be subject to an appraisal by their line manager. The Head Teacher undergoes an annual appraisal by at least one trustee along with an external advisor. These appraisals are discussed by the Finance, Policy and Personnel Committee prior to any incremental pay award being agreed.

**Risk management**

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy, and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance (Teaching & Learning Committee, Safeguarding Committee and Finance, Policy & Personnel Committee). They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

**Related parties and other connected charities and organisations**

The academy is lead school in a Teaching School Alliance (TSA) which provides teacher training to a number of schools across the county. There are currently six strategic members.

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

The principal object and activity of the charitable company is the operation of the Maplefields Academy to provide education for pupils of different abilities between the ages of 5 and 19 with a Statement of Special Educational Needs or an Education, Health and Care Plan (EHC Plan) and where severe Social Emotional and Mental Health difficulties (SEMH) is the primary need.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**OBJECTIVES AND ACTIVITIES (continued)**

**Objectives, strategies and activities (continued)**

The main objectives of the academy during the year ended 31 August 2017 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

The academy's main strategy is to strive to motivate pupils who have so far found school a challenge by providing a safe, calm, and caring learning environment which is stimulating through the richness of displays and the caring, nurturing approach and encouragement given to each pupil by staff. We work to foster a sense of belonging and to provide the opportunity for all pupils to develop a sense of self-worth, confidence and control over their lives. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff, and especially teaching staff;
- secondments and placing of students with industrial and commercial partners;
- a programme of sporting activities for all students;
- an advisory service and a guidance programme to help students obtain employment or move on to higher education.

**Equal opportunities policy**

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Disabled persons**

The building has level access to most areas. Disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the academy. The policy of the academy is to support recruitment and retention of students and employees with disabilities. The academy does this by adapting the physical environment, by making support resources available and through training and career development.

**Public benefit**

The Academy Trust promotes education for the benefit of the local community of Corby and offers recreational facilities to a variety of local community groups outside of School hours for the benefit of the general public. Community based projects are also undertaken throughout the year which further enhances the public benefit.

The Academy Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

The academy is in its fifth year of operation and continues to achieve the forecast numbers of students. Total students in the year ended 31 August 2017 is 109.

A summary of the overall progress in core subjects is given below:

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Qualifications**

100% of our pupils left with a qualification ranging from Entry level 1 to GCSE grade 5. The variety of qualifications has continued to increase year after year. These now include City and Guilds Functional Skills level 1 and 2 and various BTEC qualifications. This year pupils attained well in GCSE's. This included pupils that achieved grades ranging from 1-4 in English, 1-5 in Maths and G-C grade in Science.

**Target Setting**

76% of pupils met or exceeded their target in English, 85% in Maths and 79% in Science. Maths has increased and Science has remained consistent although there has been a slight drop in pupils meeting or exceeding their targets in English. This however has not influenced qualifications that have been attained.

Subject	Less than expected progress	Expected progress	Better than expected progress	Expected or better than expected progress
Mathematics	15% (15 pupils)	60% (60 pupils)	25% (25 pupils)	85% (85 pupils)
English	24% (24 pupils)	50% (50 pupils)	26% (26 pupils)	76% (76 pupils)
Science	21% (21 pupils)	43% (43 pupils)	36% (36 pupils)	79% (79 pupils)

**Professional Judgments**

In the professional judgements of the staff that teach our pupils 85% of pupils in English made expected or better than expected progress, 86% in Maths and 79% in Science. These have all increased on our previous year's data.

Subject	Less than expected progress	Expected progress	Better than expected progress	Expected or better than expected progress
Mathematics	14% (14 pupils)	56% (56 pupils)	30% (30 pupils)	86% (86 pupils)
English	15% (15 pupils)	24% (24 pupils)	61% (61 pupils)	85% (85 pupils)
Science	21% (21 pupils)	54% (54 pupils)	25% (25 pupils)	79% (79 pupils)

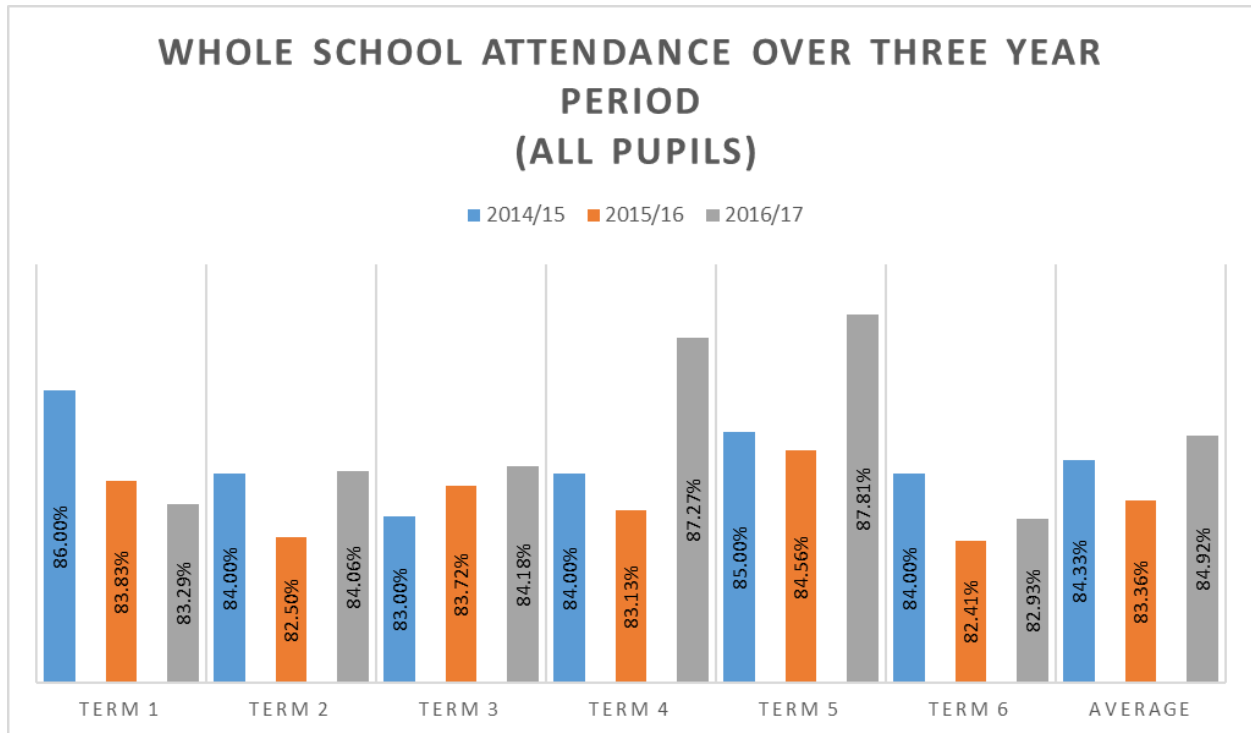
**Attendance**

Our average percentage with three PA's taken out this year is 87%, which is an increase of 1% on the previous year. Attendance continues to be a priority.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

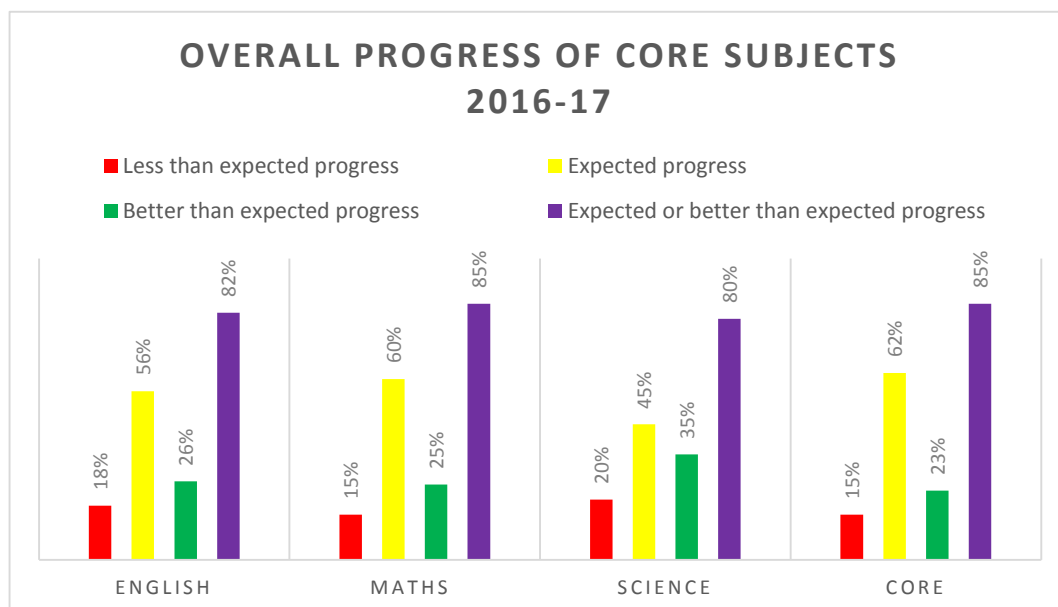
**Attendance (continued)**



**Overall Performance**

In English 82% of pupils made expected or better than expected progress, Maths 85% and Science 80%. English and Maths have improved whereas Science has remained consistent.

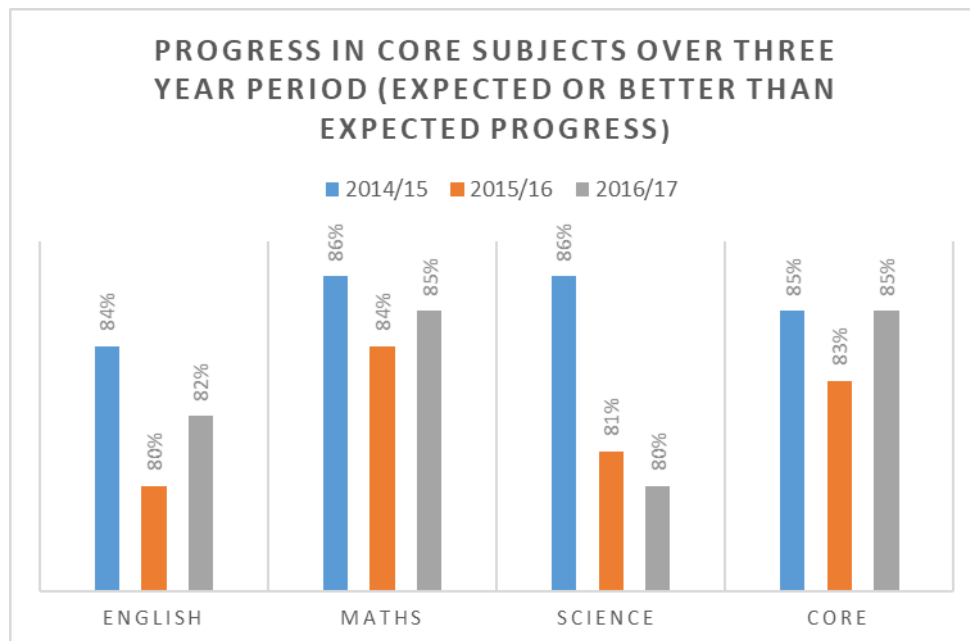
85% of pupils made expected or better than expected progress in core subjects, which is an increase of 2% on the previous year, therefore we continue to be OUTSTANDING



**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Overall Performance (continued)**



**Key Priorities for 2017/2018**

1. To raise attendance. To continue to develop our systems of practice and to further develop the role of the attendance officer.
2. To closely monitor our Looked After Children (LAC) as a vulnerable group.
3. To develop our practice for homework.
4. To develop alternative provisions to exclusions. What is our pathway to exclusion? What can we do to prevent exclusions?

**KEY PERFORMANCE INDICATORS**

The Academy Trust uses a number of financial key performance indicators to monitor the finances of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total non capital income. For the period ended 31 August 2017 staffing costs amounted to 79% (2016: 86%) of total non capital income.

The Academy Trust also monitors its operating surplus or deficit. For the period ended 31 August 2017 the operating surplus was £220,000 (2016: £171,000 deficit).

The Academy Trust also uses a number of non-financial key performance indicators to monitor its performance.

These include Progression Guidance materials and the Government Raise online data base.

## **MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

### **TRUSTEES' REPORT (continued)** **FOR THE YEAR ENDED 31 AUGUST 2017**

#### **GOING CONCERN**

As at 31 August 2017, the academy had net current assets of £45,000 and a bank balance of £71,000. The academy had an operating surplus in the year of £220,000.

The directors have set a balanced budget for the year ended 31 August 2018.

The trustees have a reasonable expectation that the academy will have adequate funding to continue to operate for the foreseeable future. As a result the trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **FINANCIAL REVIEW**

##### **Financial report for the year**

Most of the academy's income is obtained from the Education and Skills Funding Agency (ESFA)/Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA/DfE during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the ESFA/DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting Charities' (SORP 2016), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2017 total revenue expenditure was £2,662,000 (2016: £3,100,000) and total income and endowments from the DfE and other sources were £2,783,000 (2016: £2,883,000).

At 31 August 2017 the net book value of tangible fixed assets was £10,002,000 (2016: £10,233,000) and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

##### **Financial and risk management objectives and policies**

The academy's risk management procedures are outlined above. The trustees believe that its risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing the Academy Trust.

Cash flow is now monitored regularly by the Academy Trust and budgets presented to the Governing body consider cash flow and liquidity in detail.

##### **Financial position**

The academy held fund balances at 31 August 2017 of £8,818,000, fully comprising of restricted funds.

Restricted funds include £10,002,000 in restricted fixed asset funds which will be offset by future depreciation of fixed assets.

##### **Reserves policy**

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the approximate level of free reserves should be equivalent of the payroll costs for one month, approximately £200,000.

The Academy's current level of free reserves (total funds less the amount held in restricted pension and fixed asset funds) is £45,000 (2016: £174,000 deficit).

Included within restricted funds at 31 August 2017 is the Local Government Pension Scheme deficit of £1,229,000 (2016: £1,799,000). The pension deficit is viewed as a long term debt and annual contributions are adjusted as necessary to mitigate the risk and reduce the deficit.

##### **Investment policy**

The trust's investment policy is to invest surplus cash reserves with High Street banks with a high credit rating where the capital invested is guaranteed.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**PRINCIPAL RISKS AND UNCERTAINTIES**

Through the academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the trustees are:

- Change in government funding regime – the academy receives much of its income from Government agencies;
- Reduction in student numbers either through competition or a damaged reputation/falling standards – the academy prides itself on the OFSTED grading from its 2016 inspection as a School which rated it as Outstanding, and recognises the importance of maintaining these standards.

Key controls that the academy has in place to mitigate these risks include:

- Attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible academy funding methodology;
- Appropriate organisational structure with several tiers of review;
- Internal quality assurance reviews and self-assessments

**PLANS FOR FUTURE PERIODS**

The academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education once they leave. The academy will also increase its recruitment when necessary, accepting transfers from other schools and colleges where possible.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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 the steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by order of the board of trustees on 27 November 2017 and signed on its behalf by:

Mrs S McKim  
Chair of Trustees

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Maplefields Academy 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 Governing Body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Maplefields Academy 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 review**

During the year the trustees carried out a skills audit and identified the need for a stronger business and financial skills base. Mrs S McKim was recruited on this basis.

**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 5 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
Mrs K Mudd, Chair of Trustees	4	5
Mrs C Bradshaw	5	5
Mr J Briggs, Non Teaching Staff Representative	5	5
Mr J de Barros, Chair of Safeguarding Committee (resigned 01/12/16)	1	2
Mr D Lewis, Teaching Staff Representative	3	5
Mrs L Lorentzen	2	5
Mrs S McKim (appointed 1 <sup>st</sup> March 2017)	3	3
Mrs V Payne, Vice Chair and Chair of Teaching and Learning Committee	4	5
Mrs B Wright, Head Teacher and Accounting Officer	5	5
Mrs Carol Reynolds - (appointed 11/05/16)	5	5

The Finance, Policy and Personnel Committee is a sub-committee of the main board of trustees. This committee also has the function of the audit committee within its remit as Maplefields Academy falls below the threshold for requiring a dedicated audit committee. Its purpose is to:

- consider the academy's indicative funding and assess the implications for the academy, making recommendations and/or raising concerns to the governing body;
- to consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year;
- to contribute to the formulation of the academy's development plan through consideration of financial priorities and the aims and objectives of the academy';
- annual review of staff pay scales and pay policy for teaching and non-teaching staff (within STRB criteria)
- performance review for Head Teacher;
- consider and implement any changes to the composition of the committee.

The Finance, Policy and Personnel Committee met 7 times during the period.

**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Governance (continued)**

Attendance at the meetings during the year was as follows:

Trustee	Meetings Attended	Out of a Possible
Mrs L Lorentzen	7	7
Mrs S McKim	3	3
Mrs K Mudd, Chair from 30/09/2016	7	7
Mrs B Wright	7	7

Maplefields Academy has two other committees, the Safeguarding Committee and the Teaching and Learning Committee. These committees are responsible for ensuring that the Trust has appropriate policies and procedures in place in relation to the safety and wellbeing of the pupils, and to ensure that the Trust maintains a high quality teaching and learning experience for all pupils.

**Review of Value for Money**

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

The accounting officer considers how the trust's use of 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.

During the year a surplus of £219,000 has been made. This has eliminated the deficit brought forward at 1 September 2016 of £174,000 leaving a surplus to carry forward as at 31 August 2017 of £45,000. This has been achieved by:-

- introducing a robust system of financial management whereby management accounts are prepared regularly on a monthly basis and all variances to budget are analysed and explained. These are reviewed on a monthly basis by senior management and the trustees. Where necessary immediate corrective action is taken.
- reviewing the value for money achieved by the school. All employment and commercial contracts were reviewed in detail during the year to determine where efficiencies could be made. Many changes were made during the year and there are plans to introduce further efficiencies in 2017/18.

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

**Capacity to handle risk**

The Governing Body 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 Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Finance 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 a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed two trustees to assist.

Smith Hodge & Baxter has supported the audit committee (which is part of the Finance, Policy and personnel Committee's function) by undertaking quarterly testing. The Finance Department prepares and circulates detailed monthly accounts for Maplefields Academy and the Teaching School Alliance with a full review of all variances from budget. These are then reviewed by the Trustee's when they meet.

**Review of effectiveness**

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

- the internal audit function noted above;
- 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 Finance, Policy and Personnel Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 27 November 2017 and signed on its behalf by:

Mrs S McKim  
Chair of Trustees

Miss J Walker  
Accounting Officer

**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2017**

As accounting officer of Maplefields Academy I have considered my responsibility to notify the Academy Trust board of trustees and the Educational and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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

Miss J Walker  
Accounting Officer

27 November 2017

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees, (who act as governors of Maplefields Academy and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 the incoming resources and application of resources, including the 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 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in operation.

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

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

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

Approved by order of the members of the board of trustees on 27 November 2017 and signed on its behalf by:

Mrs S McKim  
Chair of Trustees

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS  
OF MAPLEFIELDS ACADEMY  
FOR THE YEAR ENDED 31 AUGUST 2017**

**Opinion**

We have audited the financial statements of Maplefields Academy (the ‘academy trust’) for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust’s affairs as at 31 August 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

**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 trustees’ report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS  
OF MAPLEFIELDS ACADEMY (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

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

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

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

- adequate accounting records have not been kept, or 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 directors' 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 trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS  
OF MAPLEFIELDS ACADEMY (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Paul Tyler (Senior Statutory Auditor)  
for and on behalf of Smith Hodge & Baxter  
Chartered Accountants & Statutory Auditors  
Thorpe House  
93 Headlands  
KETTERING  
NN15 6BL

27 November 2017

**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**  
**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY**  
**TO MAPLEFIELDS ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

In accordance with the terms of our engagement letter dated 19 August 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Maplefields Academy during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Maplefields Academy's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Maplefields Academy's funding agreement with the Secretary of State for Education dated 30 August 2012 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

- Assessment of the internal audit work and reliance placed upon this work for the review of internal control procedures
- Further testing of the internal control procedures has been carried out in the following areas:
  - Sample test of delegated authority procedures
  - Enquiry and review of transactions with connected persons
  - Review of governance procedures including inspection of Trustee and relevant Board minutes
  - Sample test of procurement procedures
- Communication with the Accounting Officer

**Conclusion**

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

Reporting Accountant  
Smith Hodge & Baxter  
Chartered Accountants & Statutory Auditors  
Thorpe House  
93 Headlands  
KETTERING  
Northamptonshire  
NN15 6BL

Date: 27 November 2017

**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted	Restricted	Restricted	Restricted	Total	Total
	Note	Funds	Pension	General	Fixed	2017	2016
		£000s	Reserve	Funds	Asset	£000s	£000s
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and capital grants</b>	2	5	-	-	7	12	23
<b>Charitable activities:</b>							
Funding for the Academy Trust's educational operations	3	1	-	2,590	-	2,591	2,598
<b>Teaching school</b>		-	-	159	-	159	243
<b>Other trading activities</b>	4	19	-	2	-	21	19
<b>Investments</b>	5	-	-	-	-	-	-
<b>Total</b>		<u>25</u>	<u>-</u>	<u>2,751</u>	<u>7</u>	<u>2,783</u>	<u>2,883</u>
<b>EXPENDITURE ON:</b>							
<b>Charitable activities:</b>							
Academy Trust's educational operations	7	25	106	2,378	239	2,748	3,113
<b>Teaching school</b>		-	-	153	-	153	243
<b>Total</b>	6	<u>25</u>	<u>106</u>	<u>2,531</u>	<u>239</u>	<u>2,901</u>	<u>3,356</u>
<b>Net income/expenditure</b>		-	(106)	220	(232)	(118)	(473)
Transfers between funds		-	-	(1)	1	-	-
<b>NET INCOME/ (EXPENDITURE) FOR THE YEAR</b>		-	(106)	219	(231)	(118)	(473)
<b>Other recognised gains/ (losses):</b>							
Actuarial gains/ (losses) on defined benefit pension schemes	22	-	676	-	-	676	(624)
<b>Net movement in funds</b>		-	570	219	(231)	558	(1,097)
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward	14	-	(1,799)	(174)	10,233	8,260	9,357
<b>Total funds carried forward</b>	14	<u>-</u>	<u>(1,229)</u>	<u>45</u>	<u>10,002</u>	<u>8,818</u>	<u>8,260</u>

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

The notes form part of the financial statements

**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

**BALANCE SHEET AS AT 31 AUGUST 2017**

	Notes	2017 £000s	2016 £000s
<b>FIXED ASSETS</b>			
Tangible assets	11	10,002	10,233
<b>CURRENT ASSETS</b>			
Debtors	12	103	57
Cash at bank and in hand		71	-
		<u>174</u>	<u>57</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	13	129	231
		<u>129</u>	<u>231</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		45	(174)
		<u>45</u>	<u>(174)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS EXCLUDING PENSION SCHEME LIABILITY</b>		10,047	10,059
Defined benefit pension scheme liability	22	(1,229)	(1,799)
		<u>(1,229)</u>	<u>(1,799)</u>
<b>TOTAL NET ASSETS</b>		8,818	8,260
		<u><u>8,818</u></u>	<u><u>8,260</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>			
Restricted funds:			
Fixed asset fund	14	10,002	10,233
Restricted income fund	14	45	(174)
Pension reserve	14	(1,229)	(1,799)
		<u>8,818</u>	<u>8,260</u>
Total restricted funds		8,818	8,260
Unrestricted income funds	14	-	-
		<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>		8,818	8,260
		<u><u>8,818</u></u>	<u><u>8,260</u></u>

The financial statements on pages 19 to 35 were approved by the trustees, and authorised for issue on 27 November 2017 and are signed on their behalf by:

Mrs S McKim  
Chair of Trustees

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

	Notes	2017 £000s	2016 £000s
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	17	80	(2)
<b>Cash flows from investing activities</b>	18	(1)	(16)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		79	(18)
		<hr/>	<hr/>
<b>Cash and cash equivalents at 1 September 2016</b>		(8)	10
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 August 2017</b>	19	71	(8)
		<hr/>	<hr/>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**1. STATEMENT OF ACCOUNTING POLICIES**

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

**Basis of Preparation**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Maplefields Academy meets the definition of a public benefit entity under FRS 102 and is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on page 1.

The presentation currency of the financial statements is the pound sterling (£).

**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 one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

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

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting and 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 when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

**Income (continued)**

- **Donated goods, facilities and services**

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

- **Donated fixed assets**

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

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits 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.

**Tangible Fixed Assets**

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

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

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

Long leasehold land	0.8% of cost
Long leasehold buildings	2% of cost
Leasehold improvements	10% of cost
Motor vehicles	20% of cost
Fixtures and fittings	20% of cost
Computer equipment	25% of cost

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

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

**Liabilities**

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

**Provisions**

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

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

**Leased Assets**

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

**Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. 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 note 13. 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 any 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 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting.

The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**1. STATEMENT OF ACCOUNTING POLICIES (continued)**

**Pensions Benefits (continued)**

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

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

**Fund Accounting**

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

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

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

Restricted pension reserve funds represent the Academy Trust's share of the assets and liabilities of the Local Government Pension Scheme.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/ (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**MAPLEFIELDS ACADEMY - REGISTERED NUMBER: 08068464**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

<b>2. DONATIONS AND CAPITAL GRANTS</b>	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Capital grants	-	7	7	7
Donations	5	-	5	16
	<u>5</u>	<u>7</u>	<u>12</u>	<u>23</u>

The income from donations and capital grants was £12,000 (2016: £23,000) of which £5,000 was unrestricted (2016: £3,000), £Nil was restricted (2016: £13,000) and £7,000 was restricted fixed asset (2016: £7,000).

**3. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,057	1,057	1,075
Other DfE/ESFA grants	-	106	106	84
	<u>-</u>	<u>1,163</u>	<u>1,163</u>	<u>1,159</u>
Other Government grants				
Local authority grants	-	1,414	1,414	1,379
	<u>-</u>	<u>1,414</u>	<u>1,414</u>	<u>1,379</u>
Other income from the Academy Trusts Educational Operations	1	13	14	60
	<u>1</u>	<u>13</u>	<u>14</u>	<u>60</u>
	<u>1</u>	<u>2,590</u>	<u>2,591</u>	<u>2,598</u>

The income from funding for the Academy Trust's educational operations was £2,591,000 (2016: £2,598,000) of which £1,000 was unrestricted (2016: £1,000) and £2,590,000 was restricted (2016: £2,597,000).

**4. OTHER TRADING ACTIVITIES**

	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Hire of facilities	15	-	15	15
Other income	4	2	6	4
	<u>19</u>	<u>2</u>	<u>21</u>	<u>19</u>

The income from other trading activities was £21,000 (2016: £19,000) of which £15,000 was unrestricted (2016: £18,000) and £2,000 was restricted (2016: £1,000).

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

**5. INVESTMENT INCOME**

	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Bank interest received	-	-	-	-

Investment income was £Nil (2016: £Nil) of which £Nil was unrestricted (2016: £Nil) and £nil was restricted (2016: £nil).

**6. EXPENDITURE**

	<b>Staff Costs £000s</b>	<b>Non pay Premises £000s</b>	<b>Expenditure Other £000s</b>	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Expenditure on raising funds	-	-	-	-	-
Academy's educational operations:					
Direct costs	1,580	233	109	1,922	1,930
Allocated support costs	512	120	194	826	1,183
Teaching school	95	9	49	153	243
	<u>2,187</u>	<u>362</u>	<u>352</u>	<u>2,901</u>	<u>3,356</u>

Expenditure was £2,901,000 (2016: £3,356,000) of which £2,187,000 was staff costs (2016: £2,472,000), £362,000 was premises (2016: £444,000) and £352,000 was other costs (2016: £440,000).

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

	<b>2017 £000s</b>	<b>2016 £000s</b>
Fees payable to auditors - audit	7	7
- other services	3	3
Depreciation	239	256

**7. CHARITABLE ACTIVITIES**

	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Direct Costs - educational operations	1,922	2,173
Support costs – educational operations	826	1,183
	<u>2,748</u>	<u>3,356</u>

Expenditure on charitable activities was £2,748,000 (2016: £3,356,000) of which £25,000 was unrestricted (2016: £19,000), £106,000 was restricted pension (£2016: £53,000), £2,378,000 was restricted (2016: £3,028,000) and £239,000 was restricted fixed asset (2016: £256,000).

**Analysis of support costs**

	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Support staff costs	512	495
Technology costs	34	27
Premises costs	119	383
Other support costs	151	267
Governance costs	10	11
	<u>826</u>	<u>1,183</u>

All of the Academy Trust's expenditure on charitable activities for both the current and previous periods was for its educational operations.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**8. STAFF**

**a. Staff costs**

Staff costs during the period were:

	<b>Total 2017 £000s</b>	<b>Total 2016 £000s</b>
Wages and salaries	1,679	1,929
Social security costs	143	117
Operating costs of defined benefit pension schemes	350	338
	<hr/>	<hr/>
	2,172	2,384
Supply staff costs	-	88
Staff restructuring costs	15	-
	<hr/>	<hr/>
	2,187	2,472
	<hr/>	<hr/>
Staff restructuring costs comprise:		
Redundancy payments	2	-
Severance payments	13	-
	<hr/>	<hr/>
	15	-
	<hr/>	<hr/>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £13,000 (2016: £Nil). Individually, the payments were: £13,000.

**c. Staff numbers**

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

	<b>2017 No.</b>	<b>2016 No.</b>
Teachers	20	28
Administration and support	46	48
Management	6	7
	<hr/>	<hr/>
	72	83
	<hr/>	<hr/>

**d. Higher paid staff**

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

	<b>2017 No.</b>	<b>2016 No.</b>
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
	<hr/>	<hr/>

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £423,000 (2016: £384,000).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head Teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

B Wright	(Head Teacher and Trustee)		
Remuneration		£70,000 - £75,000	(2016: £70,000 - £75,000)
Employer's pension contributions		£10,000 - £15,000	(2016: £10,000 - £15,000)
D Lewis	(Staff Trustee)		
Remuneration		£45,000 - £50,000	(2016: £45,000 - £50,000)
Employer's pension contributions		£5,000 - £10,000	(2016: £5,000 - £10,000)
J Briggs	(Staff Trustee)		
Remuneration		£30,000 - £35,000	(2016: £30,000 - £35,000)
Employer's pension contributions		£0 - £5,000	(2016: £5,000 - £10,000)
L Lorentzen	(Staff Trustee)		
Remuneration		£35,000 - £40,000	(2016: £40,000 - £45,000)
Employer's pension contributions		£5,000 - £10,000	(2016: £5,000 - £10,000)

During the year ended 31 August 2017 no trustees (2016: Nil) received any reimbursement expenses.

Other related party transactions involving the trustees are set out in note 23.

**10. 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 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.

**11. TANGIBLE FIXED ASSETS**

	<b>Leasehold Land and Buildings</b>	<b>Leasehold Improvements</b>	<b>Motor Vehicles</b>	<b>Fixtures and Fittings</b>	<b>Computer Equipment</b>	<b>Total</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>COST</b>						
At 1 September 2016	10,933	70	20	103	100	11,226
Additions	-	-	-	6	2	8
At 31 August 2017	10,933	70	20	109	102	11,234
<b>DEPRECIATION</b>						
At 1 September 2016	796	20	16	75	86	993
Charge for year	199	7	4	22	7	239
At 31 August 2017	995	27	20	97	93	1,232
<b>NET BOOK VALUE</b>						
At 31 August 2017	9,938	43	-	12	9	10,002
At 31 August 2016	10,137	50	4	28	14	10,233

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

**12. DEBTORS**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Trade debtors	70	15
VAT recoverable	8	3
Prepayments and accrued income	25	39
	<u>103</u>	<u>57</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Bank overdraft	-	8
Trade creditors	-	98
Other taxation and social security	35	39
Other creditors	-	73
Accruals and deferred income	94	13
	<u>129</u>	<u>231</u>

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
<b>Deferred income</b>		
Deferred income at 1 September 2016	-	-
Resources deferred during the period	66	-
Amounts released from previous years	-	-
	<u>66</u>	<u>-</u>
Deferred income at 31 August 2017	<u>66</u>	<u>-</u>

**14. FUNDS**

	<b>Balance at</b>	<b>Incoming</b>	<b>Resources</b>	<b>Gains</b>	<b>Balance at</b>
	<b>1 September</b>	<b>resources</b>	<b>expended</b>	<b>losses and</b>	<b>31 August</b>
	<b>2016</b>	<b>£000s</b>	<b>£000s</b>	<b>transfers</b>	<b>2017</b>
	<b>£000s</b>			<b>£000s</b>	<b>£000s</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(174)	1,057	(843)	(1)	39
Other DfE/ESFA grants	-	106	(106)	-	-
Local authority grants	-	1,414	(1,414)	-	-
Teaching school	-	159	(153)	-	6
Other restricted income	-	15	(15)	-	-
Pension Reserve	(1,799)	-	(106)	676	(1,229)
	<u>(1,973)</u>	<u>2,751</u>	<u>(2,637)</u>	<u>675</u>	<u>(1,184)</u>
<b>Restricted fixed asset funds</b>					
Fixed assets	10,233	7	(239)	1	10,002
	<u>10,233</u>	<u>7</u>	<u>(239)</u>	<u>1</u>	<u>10,002</u>
<b>Total restricted funds</b>	<u>8,260</u>	<u>2,758</u>	<u>(2,876)</u>	<u>676</u>	<u>8,818</u>
<b>Total unrestricted funds</b>	<u>-</u>	<u>25</u>	<u>(25)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>8,260</u>	<u>2,783</u>	<u>(2,901)</u>	<u>676</u>	<u>8,818</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**14. FUNDS (continued)**

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

Restricted General Funds represent unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the Academy together with other restricted general funds.

Under the funding agreement with the Secretary of State the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Restricted Fixed Asset Funds represent resources which have been applied to specific capital purposes imposed by the funder together with cash resources still to be expended.

Restricted Pension Reserve Funds represent the Academy Trust's share of the assets and liabilities of the Local Government Pension Scheme.

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 August 2017 are represented by:

	<b>Unrestricted Funds £000s</b>	<b>Restricted Pension Reserve £000s</b>	<b>Restricted General Funds £000s</b>	<b>Restricted Fixed Asset Funds £000s</b>	<b>2017 Total Funds £000s</b>
Tangible fixed assets	-	-	-	10,002	10,002
Current assets	-	-	174	-	174
Current liabilities	-	-	(129)	-	(129)
Pension scheme liability	-	(1,229)	-	-	(1,229)
	<u>-</u>	<u>(1,229)</u>	<u>-</u>	<u>10,002</u>	<u>(1,229)</u>
Total net assets	<u>-</u>	<u>(1,229)</u>	<u>45</u>	<u>10,002</u>	<u>8,818</u>

**16. COMMITMENTS UNDER OPERATING LEASES**

**Operating leases**

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

	<b>2017 £000s</b>	<b>2016 £000s</b>
Amounts due within one year	3	1
Amounts due between one and five years	6	-
	<u>9</u>	<u>1</u>

**17. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2017 £000s</b>	<b>2016 £000s</b>
Net income/(expenditure) for the reporting period (as per the statement of activities)	(118)	(473)
Adjusted for:		
Depreciation	239	256
Capital grants from DfE and other capital income	(7)	(7)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable	68	10
Defined benefit pension scheme finance costs	38	43
(Increase)/decrease in debtors	(46)	70
(Decrease)/increase in creditors	(94)	99
<b>Net cash provided by / (used in) Operating Activities</b>	<u>80</u>	<u>(2)</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**18. CASH FLOWS FROM INVESTING ACTIVITIES**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Dividends, interest and rents from investments		-
Purchase of tangible fixed assets	(8)	(23)
Capital grants from DfE/ESFA	7	7
	<hr/>	<hr/>
<b>Net cash (used in) / provided by investing activities</b>	<b>(1)</b>	<b>(16)</b>
	<hr/> <hr/>	<hr/> <hr/>

**19. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>At 31</b>	<b>At 31</b>
	<b>August</b>	<b>August</b>
	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Cash in hand and at bank	71	-
Bank overdraft	-	(8)
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>71</b>	<b>(8)</b>
	<hr/> <hr/>	<hr/> <hr/>

**20. CONTINGENT LIABILITIES**

During the period of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a Government capital grant was received, the Academy Trust is required, either to re-invest the proceeds, or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy Trust serving notice, the Academy Trust shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy site and premises and other assets held for the purpose of the Academy Trust; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

**21. 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 cease to be a member.

**22. PENSION AND SIMILAR OBLIGATIONS**

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

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

Contributions amounting to £Nil were payable to the schemes at 31 August 2017 (2016: £72,896) and are included within creditors.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**22. PENSION AND SIMILAR OBLIGATIONS (continued)**

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pension currently in payment and the estimate cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £138,000 (2016: £141,000).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £172,000 (2016: £192,000), of which employer's contributions totalled £138,000 (2016: £154,000) and employees' contributions totalled £34,000 (2016: £38,000). The agreed contribution rates for future years are 23.6% for employers and 5.5% to 12.5% for employees.

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**22. PENSION AND SIMILAR OBLIGATIONS (continued)**

**Principal Actuarial Assumptions**

	<b>At 31 August 2017</b>	<b>At 31 August 2016</b>
Rate of increase in salaries	2.7%	4.1%
Rate of increase for pensions in payment/inflation	2.4%	2.1%
Inflation assumption (CPI)	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.1%
Commutation of pensions to lump sums - Pre April 2008 service	50%	50%
- Post April 2008 service	75%	75%

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 2017</b>	<b>At 31 August 2016</b>
<i>Retiring today</i>		
Males	22.1	22.3
Females	24.2	24.3
<i>Retiring in 20 years</i>		
Males	23.9	24.0
Females	26.1	26.6

**Sensitivity Analysis**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<b>Change in assumptions at year ended 31 August 2017:</b>	<b>At 31 August 2017 £000s</b>	<b>At 31 August 2016 £000s</b>
Discount rate +0.1%	78	84
Discount rate -0.1%	(78)	(84)
Mortality assumption - 1 year increase	116	89
Mortality assumption - 1 year decrease	(116)	(89)
CPI rate +0.1%	63	48
CPI rate -0.1%	(63)	(48)

The Academy Trust's share of the assets in the scheme were:

	<b>Fair value at 31 August 2017 £000s</b>	<b>Fair value at 31 August 2016 £000s</b>
Equity instruments	1,236	824
Debt instruments	267	221
Property	117	93
Cash	50	23
<b>Total market value of assets</b>	<b>1,670</b>	<b>1,161</b>

The actual return on scheme assets was £363,000 (2016: £179,000).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**22. PENSION AND SIMILAR OBLIGATIONS (continued)**  
**Local Government Pension Scheme (continued)**

<b>Amount recognised in the statement of financial activities</b>	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Current service cost	(206)	(164)
Interest income	26	34
Interest cost	(64)	(77)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
	<hr/>	<hr/>
Total amount recognised in the SOFA	(244)	(207)
	<hr/>	<hr/>

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

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
At 1 September	2,960	1,927
Interest cost	64	77
Employee contributions	34	38
Actuarial (gain)/loss	(339)	769
Current service cost	206	164
Benefits paid	(26)	(15)
	<hr/>	<hr/>
<b>At 31 August</b>	<b>2,899</b>	<b>2,960</b>
	<hr/>	<hr/>

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

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
At 1 September	1,161	805
Interest income	26	34
Return on scheme assets (excluding amounts included in net interest)	337	145
Employer contributions	138	154
Employee contributions	34	38
Benefits paid	(26)	(15)
	<hr/>	<hr/>
<b>At 31 August</b>	<b>1,670</b>	<b>1,161</b>
	<hr/>	<hr/>

**23. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

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

**24. ULTIMATE CONTROLLING PARTY**

The Academy Trust is under the control of the trustees.