Company Registration No. 07386228 (England and Wales)

WELLACRE TECHNOLOGY ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2019

Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

WELLACRE TECHNOLOGY ACADEMY TRUST

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WELLACRE TECHNOLOGY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Mr M Harrison (Chair from 1 September 2019) Ms D Harris Dr R Platonov Cllr S Anstee Mrs N George Mr S Tonge (Chair from 19 September 2018 to 31 August 2019) Mr J M Whitby Mr G Armitage Mr J Khan Mr A Young Mrs J Brennan Mr G Pouncey (Appointed 17 April 2019) Miss H Rayson (Appointed 17 July 2019) Miss M Wicks (Accounting officer)
Members	Mr S Tonge (Resigned 31 August 2019) Mr J M Whitby Dr R Platonov Mr M Harrison (Appointed 1 September 2019)
Senior management team	
- Principal	Miss M Wicks
- Senior vice principal	Mrs J Sharrock
- Vice principal	Mr P Pemberton
- Assistant principal	Miss S Partridge
- Assistant principal	Mr S Casey
- Business and finance director	Miss P Bailey
Company registration number	07386228 (England and Wales)
Company name:	Wellacre Technology Academy Trust
Registered office	Irlam Road, Flixton, Manchester, M41 6AP
Independent auditor	Haines Watts, Bridge House, Ashley Road, Hale, Altrincham, WA14 2UT
Bankers	Lloyds Bank Plc, King Street, Manchester, M2 3AU

WELLACRE TECHNOLOGY ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trust operates an academy for pupils 11 to 16 serving a catchment area in Trafford. It had a pupil roll of 625 on census day in October 2018.

Structure, governance and management

Constitution
The academy trust is a company limited by guarantee (company number: 07386228) 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 Wellacre Technology Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Wellacre Technology Academy Trust.

Details of the trustees who served during the year are included in the reference and administrative details on page 1 together with the company's registered office.

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 when 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
The academy is a member of the Department for Education's risk protection arrangements (RPA), an alternative to commercial insurance where UK government funds cover losses that arise. The scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited professional indemnity. It is not possible to quantify the trustees' and officers' indemnity element from the overall costs of the RPA scheme.

Method of recruitment and appointment or election of trustees
The members appoint trustees in-line with the constitution as set out in its articles of association. Parent and staff trustees will be appointed through an election process directed by the board of trustees unless co-opted by the members. The number of trustees shall not be less than three but is not subject to a maximum. The local authority may appoint a local authority representative to the board of trustees. Associate members are approved by the trustees to attend meetings but are not given voting rights. The trustees identify the skills required to fulfil its role in consideration of recruitment and co-option to the board.

Policies and procedures adopted for the induction and training of trustees
The members appoint trustees in line with the constitution as set out in its articles of association and in doing so consider the skills that individuals will bring to the board. They may also take into account a specific proposal to the board for trustees by representative groups. On appointment, trustees receive information relating to the trust, attend a briefing and receive an induction pack on the role and responsibility of trustees. In turn, trustees will provide information to be shared in the public domain regarding their suitability for the role, detailing financial competencies and experience. During the year trustees are offered all necessary training through the purchase of a training package from Trust GS.

Organisational structure
The governance of the trust is defined in the memorandum and articles of association.

The board of trustees meets at least once per term. Trustees are also members of committees who report into the full board of trustees at their termly meetings.

The committees are:

- Resources: considers the academy's budget, financial position, staffing resource, premises and internal controls for risk management.
- Curriculum and standards: considers curriculum matters, data and performance.
- Pay committee: considers the pay policies for groups of staff and the application of pay decisions.

The day to day management of the academy is delegated to the principal who is the accounting officer. An academy leadership team meets twice weekly to advise the principal on strategic and operational areas of academy life. The leadership team consists of the principal, senior vice principal, vice principal, two assistant principals and a business and finance director.

There are middle leaders within the staffing structure who manage particular curriculum areas or operational areas and the staff within them. In the financial year 2018-19 the total academy staff was 88: 45 teachers and 43 other members of staff.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting the pay of the senior management team are in line with the School Teachers' Pay and Conditions Document. Senior leaders are paid on the Leadership Group Range as per the calculation set out in the STPCD in relation to school size. The trustees have approved the group ranges and approve pay decisions through the pay committee who meet annually.

Trade union facility time

The academy does not have any trade union facility time.

Related parties and other connected charities and organisations

The academy has a relationship with STEGTA Ltd, with whom the academy trust co-operates with for mutual benefit because the charity leases from the trust part of their buildings for the delivery of their business: an engineering apprenticeship agency. It is in the interests of the academy to co-operate with the charity because it is in the educational interests of the boys who leave the academy at 16 to have the opportunity to take on an apprenticeship through this agency as well as the income generation for the academy. The chief executive of STEGTA Ltd is the vice chair of the board of trustees and one of the trust's members. A statement of assurance is retained on file from STEGTA Ltd confirming that their charges do not exceed the cost of the services provided. The full board of trustees has resolved and recorded in their meeting minutes that the relationship is in the best interests of Wellacre Technology Academy Trust's objectives.

The members, trustees, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP.

Objectives and activities

Objects and aims

The academy trust's 'Object' is set out in its articles of association, section 4, which states it is specifically restricted to the following: "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a whole school offering a broad and balanced curriculum".

The principal object and activity of the charitable company is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. In accordance with the articles of association the charitable company has adopted a "Scheme of Governance" approved by the Secretary of State for Education.

The specific aims of the academy in 2018-19 are to raise standards of progress and attainment for all students across the academy including 'vulnerable' and 'disadvantaged' groups; to ensure the quality of teaching and learning is good or better all of the time so that students make at least expected progress; to secure high standards of behaviour, attendance, punctuality and well-being; to improve the impact of leadership and management at all levels, including trustees and to improve the academy environment to enhance students learning.

Objectives, strategies and activities
The main objectives for the year 2018-19 are categorised in five sections under the aims of the academy including the strategies for achieving them which are taken directly from the Academy Improvement Plan:

Priority 1 - Achievement and progress for all
Objectives
1. Further develop a curriculum fit for purpose that stretches and challenges our most able students
2. Further develop targeted holistic intervention to support student outcomes
3. Embed metacognition strategies across the curriculum
4. Introduce the VESPA coaching model to improve outcomes at KS4
5. Continue to improve progress across all subjects and student groups inc HAS/PP/SEN
6. Further develop the role of student subject leaders to incorporate peer tutoring programmes
7. Embed whole academy approach to numeracy and literacy
8. Enhance primary liaison and transition activities
9. Further enhance catch up provision for literacy and numeracy
10. Ensure consistency on application of feedback policy and ensure feedback impacts on pupil progress
11. Continue to diminish the difference for our disadvantaged students
12. Continue to develop students independent study skills: embed IL Strategies and use of Knowledge organisers
13. Further enhance the careers provision for all students across all year groups

Priority 2 - Teaching and learning
Objectives
1. Build on the success and recommendations of the TDT CPD audit and achieve Gold by Jan 2019
2. Continue to develop QFT with a focus on: BFL, Challenging our most able, Metacognition, Feedback and MHWB
3. Embed independent study protocols and expectations
4. Formalise structures for sharing good practice, including opportunities for cross faculty and cross school collaboration
5. Further develop key themes for Action Research projects (PIEs)
6. Continue to diminish the variation in QFT both across subjects and within subjects
7. Build on the recommendations from the Dyslexia Quality Mark
8. Develop a coaching model to support staff development
9. Further enhance the use of interleaving, spaced learning and metacognition across all subjects and year groups

Priority 3 - Welfare and wellbeing
Objectives
1. Develop the House system across all aspects of school life
2. Continue to strengthen staff/student relationships by embedding Restorative Practice (RP)
3. Strengthen provision for staff and student MHWB
4. Further enhance the RESPECT curriculum and SMSC across the school
5. Continue to embed the core values across the school
6. Ensure consistency with MOPS
7. Enhance the use of rewards across the school, ensuring consistency and in line with core values
8. Continue to set high expectations for attendance, punctuality and appearance
9. Raise profile of all student ambassadors
10. Enhance co-curricular opportunities for all students
11. Continue to develop and further improve the mentoring and intervention support for students
12. Achieve the Rainbow flag award .
13. Further develop student understanding of the world around them

Priority 4 - Leadership at all levels

Objectives

1. Continue to develop middle and senior leadership through internal and external CPD opportunities
2. Enhance students leadership opportunities through training and accreditation
3. Embed the student leadership model to meet the needs of the school
4. Empower ALL staff to be effective leaders through bespoke CPD
5. Governors to continue to provide effective challenge and support to the school
6. Leadership in the community enhances the 'value' of the school
7. Develop the role of SLE for staff to support in other schools

Priority 5 – Environment

Objectives

1. Create a site/environment fit for current student numbers
2. Enhance the provision for dyslexic students, through dyslexia friendly classrooms
3. Classroom and corridor displays celebrate student work, enhance the language of learning and passion for subject
4. Continue to develop technologies to enhance T&L
5. Further enhance site safety and security
6. Improve catering options and facilities for all

Public benefit

In setting the academy trust's objectives and planning activities the trustees confirm that they have complied with their duty to have due regard to the Charity Commission's general guidance on public benefit.

Strategic report

Achievements & performance

Headline Key Stage 4 results:

	2019	**Provisional National Results 2019 (boys only)**
Progress 8 Score	-0.21	-0.27
Attainment 8 Score	43.92	43.9
Students achieving grade 4 or above in English	68.4	54
Students achieving grade 4 or above in Maths	69.9	60.1
Students achieving grade 5 or above in English	42.1	53
Students achieving grade 5 or above in Maths	47.4	49
Students achieving 4 or above in English and Maths	62.4	60.7
Students achieving 5 or above in English and Maths	32.3	39.7
EBACC Average Point Score	3.34	3.83

2019 school's own provisional data using DFE 2019 Provisional Estimate
2019 National Data sources – DfE 2019 Provisional KS4 Performance, JCQ Provisional England Only

The EBACC refers to a specific combination of subjects, it includes:

- english language and literature
- maths
- the sciences
- geography or history
- a language

Students at Wellacre are encouraged to complete the EBACC suite of subjects and the option process allows for these choices to be accommodated, however students are not compelled to do a modern foreign language or a humanities subject.

Students are extremely well prepared for the next stage in their education, employment or training, with higher proportions than national in sustained education, employment or training. 97% of Year 11 2018 leavers met the duty to participate in learning and we expect the 2019 figures, published in December to be similar.

Key financial performance indicators
The academy has accepted seven less pupils than expected at this time last year; which is due to the demographic and families moving out of the area.

The academy's GCSE results (attainment and progress) for achievement of grade 4 or above in English and Maths improved this year and remain above national results for 2019 and significantly higher than boys nationally. The academy continues to believe that this alongside further embedding of current teaching methods will further strengthen academy popularity within its catchment area. Additional pupils will result in further funding which will alleviate the issue of falling rolls.

Incremental drift is addressed through the appointment of new qualified teachers, where appropriate. Additional pressures relating to the increase in staffing costs are included in the five year forecast, however, further financial difficulties are inevitable if provision for these rising costs is not taken account of in the school budget share.
Pupil recruitment data:

October Census 2018	Males	Females	Total
Year 07	133	N/A	121
Year 08	137	N/A	121
Year 09	116	N/A	140
Year 10	122	N/A	131
Year 11	117	N/A	153
Totals	**625**	N/A	**666**

Ofsted reports
The academy was subject to an Ofsted inspection in May 2017 and was judged to be in the category "Good". A full version of the report can be found on either the academy website or the Ofsted website.

Going concern
Taking account of the comments made under performance indicators the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies note of the financial statements.

Financial review
The principal financial management policies adopted in the year are:

- accounting officer financial reviews of income and expenditure versus planned budgets on a monthly basis and termly at resource committee meetings; and
- consideration as to whether income streams demonstrate a robust and stable position to continue to enable the provision of resources of sufficient quality to fulfil the academy's educational obligations.

The principal source of funding to the academy is from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities, 94% of this grant funding was spent on staffing costs.

The academy also receives grants for fixed assets from the ESFA, and from other government bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund.

Reserves policy
The trustees review the reserves levels of the academy annually and also at their termly review meetings. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of free reserves should be equivalent to 1 month of the GAG general grant income in order to provide sufficient working capital to cover delays between spending and receipt of grant income to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets restricted fund but excluding the pension deficit of £2,648,000 as at 31 August 2019 is £571,000.

Investment policy
The trustees will continue to invest in the maintenance of the premises and development of the teaching environment. Investment of assets is something that the trustees will continue to review in 2019-20 in line with the reducing reserves and availability of funding.

Principal risks and uncertainties
The trustees have assessed the major risks to which the academy is exposed and a formal review of the trust's risks is a standing item on governing body committee agendas.

The financial risk to the academy for 2019-20 and beyond continues to be based on falling pupil rolls and insufficient government levels of funding. The academy has taken the following steps to reduce expenditure and increase income in 2018-19:

- Reduction of teaching and support staff based on integrated curriculum and financial planning and pupil numbers
- Increased letting of vacant school buildings
- Development of school catering service which has led to a significant increase in footfall
- Review of all contracts and service level agreements
- Successful application for condition improvement funding
- Provision of mentoring and review services to other schools
- A considered marketing approach taking account of local primaries and community need
- Sale of land continues to be explored with the local authority.

The academy has used reserves to cover in-year excess of expenditure over income for 2018-19 and is taking further measures to address the further projected in-year deficit for 2019-20.

The major risks to which the academy trust is exposed as identified by the trustees have been reviewed during the financial year 2018-19 and the systems and procedures established to manage those risks have been considered on a regular basis throughout the year by management and trustees through the following mechanisms:

Risk:	Control:	By whom:
Disruption to education	Curriculum committee planning.	Trustees, principal, curriculum committee.
Damage to academy reputation	Good Ofsted and pupil outcomes, Marketing programme, leadership role in community and transition from primary school, robust behaviour and other pupil policies.	Principal, leadership team, all staff and trustees.
Financial risk	Monthly management accounts, quarterly financial audit, annual audit and preparation of accounts. Comprehensive insurance policies. Loss of funding through falling pupil roll managed through marketing strategy and Ofsted judgement. Savings strategies and curriculum efficiencies.	Resources committee, academy leadership team academy accountants and independent appointed auditors.
Physical risks to staff, students and public	Quarterly health and safety (including fire risk) audits. Robust safeguarding and child protection procedures and safety in recruitment. Disaster recovery policy.	Resources committee, academy leadership team, Safety to Business contractor.
Technological risks	Robust IT safety policies. Tested back-up. Investment in infrastructure.	Resources committee through whole school IT strategy.
Damage to academy buildings and premises	Site management and security. Disaster recovery policy.	Site team, leadership team and resources committee.

In 2018-19 the academy introduced Governorhub via Trust GS (Clerking Service). This is an efficient communication tool and allows trustees to access to all agendas, minutes, papers and reports via the internet using their own unique login. Monthly management accounts are uploaded to this portal and trustees are informed of their availability by email. A noticeboard is offered which includes notification, links and relevant new items.

Fundraising
The academy participates in fundraising as follows:

- Named charity fundraising
- Fundraising for the academy

The academy takes its responsibility for fundraising seriously and all projects are carried out in the best interest of the students or the named charity.

Individual projects are managed by a named person who works with the students to raise funds. Once the funds are raised they are checked, banked and forwarded to the named charity or cost centre by the finance team.

Whole school fundraising, which includes an additional minibus, specialised equipment and extended learning opportunities, are paid in using the school's online payment system. Once funds are received they are allocated to the appropriate cost centre.

Financial details of all fundraising are monitored apart from the main school budget but, monitored in the same way. All transactions are reported to the trustees in accordance with the Academies Financial Handbook.

Plans for future periods
The academy plans to advance the education opportunities and continue to improve results for pupils as described in the aims and objectives section of this report.

Governors are currently working to raise funds, which will allow the development of academy facilities. Income generation plans include:

- Further rental of the former 6th form block
- Sale of land off the main courtyard, including a science block, which is no longer required
- Sale of land adjacent to the Astroturf

The academy continues to work with planning consultants on how best to achieve a favourable result for the school and the community.

Discussions continue with the local authority, unfortunately, these are time consuming and require significant liaison with council officials.

Auditor
In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ..11./12/19... and signed on its behalf by:

....
Mr M Harrison
Chair of trustees

WELLACRE TECHNOLOGY ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Wellacre Technology Academy Trust and the Secretary of State for Education. They are responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance
The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The full board of trustees has met 4 times during the year. The curriculum and standards committee has met 3 times during the year and the resources committee has met 3 times during the year. The accounting officer (AO) and chief financial officer (CFO) use Governorhub to communicate with trustees throughout the year. Monthly budget monitoring reports, written by the CFO and analysed by the AO are uploaded onto the hub. Trustees are advised by email of the upload and invited to raise any queries.

Attendance during the meetings of the full board of trustees was as follows:

Name	Meetings attended	Out of possible
Mr M Harrison	2	4
Miss D Harris	2	4
Dr R Platanov	1	4
Cllr S Anstee	1	4
Ms J Brennan	2	4
Mr J M Whitby	4	4
Miss M Wicks	4	4
Mr S Tonge	4	4
Mr G Armitage	3	4
Mrs N George	4	4
Mr J Khan	4	4
Mr A Young	4	4
Mr G Pouncey	1	1
Mr H Raynor	1	1

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to ensure that the resources of the academy are used for the education, attainment and progress of pupils on roll. The committee will balance key strategic decision making, in line with the core purpose, with their responsibility to ensure accountability and as such will carry out specific functions in relation to all academy resources.

Attendance during the meetings of the resources committee was as follows:

Name	Meetings attended	Out of possible
Cllr S Anstee	1	3
Miss M Wicks	3	3
Mr S Tongue	2	3
Mr G Armitage	3	3
Mrs N George	2	3
Mr J Khan	3	3
Mr G Pouncey	1	1
Mr A Young	2	3

The Curriculum & Staffing Committee is a sub-committee of the main board of trustees. Its purpose is to hold the academy to account for the progress and achievement of all students, and to ensure monies received for disadvantaged students has a positive impact on their outcomes.

Name	Meetings attended	Out of possible
Mr M Harrison	2	3
Miss D Harris	2	3
Dr R Platanov	3	3
Ms J Brennan	3	3
Mr J M Whitby	3	3
Miss M Wicks	3	3
Mr S Tonge	1	3

Key changes in the composition of the board of trustees and particular challenges:
The board of trustees continues to be focused on skills with further appointments this year including representatives from the banking sector and primary teaching. The chair and the vice chair of trustees are not chairs of committees ensuring that succession planning is in place. The team has an equal split of new and experienced governors on its committees and as new governors develop their particular skills become apparent. The role of critical friend is evident with suitably knowledgeable professionals holding the academy to account in line with the articles of association. The board works closely with the principal to set the strategic direction of the school and makes decisions in accordance with its statutory function. Governors are appointed in accordance with the constitution and taking account of any gaps identified through the skills audit. SGOSS to recruit potential applicants; these applicants are invited as observers to the relevant meetings.

Evaluation of the impact and effectiveness of the board of trustees
The academy received a 'Good' Ofsted report in May 2017. The effectiveness of leadership and management is rated 'Good'. Pages 4 to 5 of the report reading as follows:

Governance of the school

- The governing body has a good understanding of the challenges, strengths and weaknesses of the school. Trustees have a range of skills and provide effective support and challenge to school leaders. They are highly aspirational for pupils.
- The governing body has made good use of external expertise to review its effectiveness and the school's use of the pupil premium. They have acted on recommendations successfully.
- The reorganisation of committee structures has improved communication and ensures that governors' skills are put to best use.
- Trustees' in-depth understanding of the school is informed by their 'deep dive' analyses of strengths and weaknesses in different subjects and the achievement of different groups of pupils.
- The pay committee is clear about how decisions on teachers' pay progression are made and work alongside a national leader of education to manage the principal's performance effectively.

- Finances are managed carefully. Trustees check the impact of additional pupil premium and catch-up funding carefully.

Governors complete an annual skills audit and will build on their involvement as the sale of land progresses.

Review of value for money
As accounting officer the principal has ensured that the academy trust has delivered good value in the use of public resources during the academic year 2018-19. 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 has considered how the trust's use of its resources has provided good value for money during the year by:

- Benchmarking the cost of staffing, contracts and educational resources against other similar schools.
- Carrying out full curriculum review.
- Further negotiations on sale of land and rental of academy buildings.
- Further programme of organisational change undertaken including redundancies.
- Performance management for all members of staff ensuring focused outcomes and performance related pay.

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 ongoing process designed to identify and prioritise the risks to the achievement of the academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk
The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operation, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process of identifying, evaluating and managing the academy trust's significant risks that have been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework
The academy trust's system of internal 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 budget monitoring systems and key performance indicators.
- Regular reviews by the accounting officer and resources committee of performance against forecasts.
- Setting targets to measure performance.
- Clearly defined purchasing guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees continued to use Red Rambler as their responsible officer during 2018-19. They have performed termly checks on the academy's process of financial controls, systems and risks.

The trustees' resources committee fulfils the functions of an audit committee.

The committee reviews the risks to internal financial control at the academy and works to address the risks and, so far as is possible, provide assurance to the external auditors.

The programme of risk review options includes the work of an internal audit service provided by Red Rambler.

The internal auditors performed their most recent review in May 2019 and reported there were no material control issues.

Review of effectiveness
As accounting officer, the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the academy leadership team who has responsibility for the development and maintenance of the internal control framework.
- The work of the resources committee.
- The work of the internal auditors.
- The work of external auditors.

The accounting officer has been advised on the implications of the result of their review of the system of internal control by the resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on ...11/12/19.... and signed on its behalf by:

Mr M Harrison
Chair of trustees

Miss M Wicks
Accounting officer

WELLACRE TECHNOLOGY ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

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

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

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

....

Miss M Wicks
Accounting officer

Date 11/12/19

WELLACRE TECHNOLOGY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of Wellacre Technology Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on ...11/12/19.. and signed on its behalf by:

....

Mr M Harrison
Chair of trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLACRE TECHNOLOGY ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the accounts of Wellacre Technology Academy Trust for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' 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 accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Haines Watts
....

John Whittick BSc FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants
Statutory Auditor
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Date: 11/12/19

WELLACRE TECHNOLOGY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WELLACRE TECHNOLOGY ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 7 August 2014 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wellacre Technology Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Wellacre Technology Academy Trust's funding agreement with the Secretary of State for Education dated 2 October 2010 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WELLACRE TECHNOLOGY ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.

We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haines Watts

....

Haines Watts
Reporting Accountant

Date: 11/12/19

WELLACRE TECHNOLOGY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £(000)	Restricted funds: General £(000)	Restricted funds: Fixed asset £(000)	Total 2019 £(000)	Total 2018 £(000)
Income and endowments from:						
Donations and capital grants	3	-	11	105	116	16
Charitable activities:						
- Funding for educational operations	4	-	3,792	-	3,792	3,895
Other trading activities	5	432	-	-	432	396
Total		432	3,803	105	4,340	4,307
Expenditure on:						
Raising funds	6	207	-	-	207	239
Charitable activities:						
- Educational operations	7	69	4,233	577	4,879	5,033
Total	6	276	4,233	577	5,086	5,272
Net income/(expenditure)		156	(430)	(472)	(746)	(965)
Transfers between funds	15	(197)	197	-	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	17	-	(1,113)	-	(1,113)	724
Net movement in funds		(41)	(1,346)	(472)	(1,859)	(241)
Reconciliation of funds						
Total funds brought forward		612	(1,302)	22,509	21,819	22,060
Total funds carried forward		571	(2,648)	22,037	19,960	21,819

WELLACRE TECHNOLOGY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information

Year ended 31 August 2018	**Unrestricted Funds £(000)**	**Restricted funds: General £(000)**	**Fixed asset £(000)**	**Total 2018 £(000)**
Income and endowments from:				
Donations and capital grants	-	-	16	16
Charitable activities:				
- Funding for educational operations	-	3,895	-	3,895
Other trading activities	396	-	-	396
Total	396	3,895	16	4,307
Expenditure on:				
Raising funds	239	-	-	239
Charitable activities:				
- Educational operations	29	4,396	608	5,033
Total	268	4,396	608	5,272
Net income/(expenditure)	128	(501)	(592)	(965)
Transfers between funds	(273)	273	-	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit pension schemes	-	724	-	724
Net movement in funds	(145)	496	(592)	(241)

WELLACRE TECHNOLOGY ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2019

		2019		2018	
	Notes	**£(000)**	**£(000)**	**£(000)**	**£(000)**
Fixed assets					
Tangible assets	**11**		21,991		22,510
Current assets					
Debtors	**12**	166		161	
Cash at bank and in hand		522		524	
		688		685	
Current liabilities					
Creditors: amounts falling due within one year	**13**	(71)		(74)	
Net current assets			617		611
Net assets excluding pension liability			22,608		23,121
Defined benefit pension scheme liability	**17**		(2,648)		(1,302)
Total net assets			19,960		21,819
Funds of the academy trust:					
Restricted funds	**15**				
- Fixed asset funds			22,037		22,509
- Pension reserve			(2,648)		(1,302)
Total restricted funds			19,389		21,207
Unrestricted income funds	**15**		571		612
Total funds			19,960		21,819

The accounts were approved by the trustees and authorised for issue on 11/12/19 and are signed on their behalf by:

Mr M Harrison
Chair of trustees

Company Number 07386228

WELLACRE TECHNOLOGY ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £(000)	2019 £(000)	2018 £(000)	2018 £(000)
Cash flows from operating activities					
Net cash used in operating activities	**18**		(49)		(132)
Cash flows from investing activities					
Capital grants from DfE Group		105		16	
Purchase of tangible fixed assets		(58)		(17)	
Net cash provided by/(used in) investing activities			47		(1)
Net decrease in cash and cash equivalents in the reporting period			(2)		(133)
Cash and cash equivalents at beginning of the year			524		657
Cash and cash equivalents at end of the year			522		524

1 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.

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Wellacre Technology Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 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 charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 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 receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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.

1 Accounting policies

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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

1.5 Tangible fixed assets and depreciation

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 such assets is charged directly to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

1 Accounting policies

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

Land and buildings	50 years straight line (excluding land)
Computer equipment	3 years straight line
Fixtures, fittings & equipment	7 years straight line
Motor vehicles	25% reducing balance

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.

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged on a straight line basis over the period of the lease.

1.8 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 chapter 3 part 11 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.

1.9 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 and the assets are held separately from those of the academy trust.

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

1 Accounting policies

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

1.10 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 the Education and Skills Funding Agency and Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency, Department for Education and the local authority.

2 Critical accounting estimates and areas of judgement

Accounting 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.

<u>Critical accounting estimates and assumptions</u>
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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2019 £(000)	Total 2018 £(000)
Capital grants	-	105	105	16
Other donations	-	11	11	-
	-	116	116	16

4 Funding for the academy trust's educational operations

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2019 £(000)	Total 2018 £(000)
DfE / ESFA grants				
General annual grant (GAG)	-	3,533	3,533	3,685
Other DfE group grants	-	174	174	154
	-	3,707	3,707	3,839
Other government grants				
Local authority grants	-	85	85	56
Total funding	-	3,792	3,792	3,895

5 Other trading activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2019 £(000)	Total 2018 £(000)
Hire of facilities (can modify)	40	-	40	168
Catering income	181	-	181	176
Parental contributions (can modify)	101	-	101	52
Other income	110	-	110	-
	432	-	432	396

6 Expenditure

		Non Pay Expenditure			
	Staff costs	Premises	Other	Total 2019	Total 2018
	£(000)	£(000)	£(000)	£(000)	£(000)
Expenditure on raising funds					
- Direct costs	101	-	106	207	239
Academy's educational operations					
- Direct costs	2,685	519	232	3,436	3,616
- Allocated support costs	717	392	334	1,443	1,417
	3,503	911	672	5,086	5,272

Net income/(expenditure) for the year includes:	2019 £(000)	2018 £(000)
Fees payable to auditor for:		
- Audit	6	7
- Other services	2	1
Operating lease rentals	9	9
Depreciation of tangible fixed assets	577	608
Net interest on defined benefit pension liability	39	47

7 Charitable activities

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£(000)	£(000)	£(000)	£(000)
Direct costs				
Educational operations	69	3,367	3,436	3,616
Support costs				
Educational operations	-	1,443	1,443	1,417
	69	4,810	4,879	5,033

Analysis of costs	2019 £(000)	2018 £(000)
Direct costs		
Teaching and educational support staff costs	2,685	2,835
Staff development	19	11
Depreciation	519	547
Technology costs	40	46
Educational supplies and services	116	117
Examination fees	57	60
	3,436	3,616

7 Charitable activities

Support costs		
Support staff costs	717	706
Depreciation	58	61
Maintenance of premises and equipment	72	58
Cleaning	107	147
Energy costs	93	69
Rent, rates and other occupancy costs	46	49
Insurance	16	17
Security and transport	10	14
Interest on defined benefit pension scheme	39	47
Other support costs	270	246
Governance costs	15	3
	1,443	1,417

8 Staff

Staff costs

Staff costs during the year were:

	2019 £(000)	2018 £(000)
Wages and salaries	2,500	2,667
Social security costs	256	295
Pension costs	658	613
Amounts paid to employees	3,414	3,575
Agency staff costs	68	75
Staff restructuring costs	21	-
Amounts paid to staff	3,503	3,650
Staff development and other staff costs	19	11
Total staff expenditure	3,522	3,661

Staff restructuring costs comprise:

Redundancy payments	15	-
Severance payments	6	-
	21	-

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6,297 (2018: £nil). Individually, the payments were: £4,122 and £2,175.

8 Staff

Staff numbers

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

	2019 Number	2018 Number
Teachers	40	45
Administration and support	42	43
Management	6	5
	88	93

The number of persons employed, expressed as a full time equivalent, was as follows:

	2019 Number	2018 Number
Teachers	34	41
Administration and support	29	38
Management	6	5
	69	84

Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£100,001 - £110,000	1	-

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 £458,000 (2018: £406,000).

9 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration was as follows:

M Wicks (principal and trustee)
Remuneration £100,001 - £110,000 (2018: £85,001 - £90,000)
Employer's pension contributions £15,001 - £20,000 (2018: £10,001 - £15,000)

N George (staff trustee)
Remuneration £15,001 - £20,000 (2018: £10,001 - £15,000)
Employer's pension contribution £1 - £5,000 (2018: £1 - £5,000)

No travel and subsistence expenses were reimbursed to trustees in the year (2018: £nil). Other related party transactions involving the trustees are set out within the related parties note.

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 from claims arising from negligent acts, errors or omissions occurring whilst on academy trust 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

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£(000)	£(000)	£(000)	£(000)	£(000)
Cost					
At 1 September 2018	26,434	2,336	779	33	29,582
Additions	-	-	57	1	58
At 31 August 2019	26,434	2,336	836	34	29,640
Depreciation					
At 1 September 2018	4,024	2,278	747	23	7,072
Charge for the year	525	40	9	3	577
At 31 August 2019	4,549	2,318	756	26	7,649
Net book value					
At 31 August 2019	21,885	18	80	8	21,991
At 31 August 2018	22,410	58	32	10	22,510

12	**Debtors**	**2019 £(000)**	**2018 £(000)**
	Trade debtors	13	11
	VAT recoverable	9	23
	Prepayments and accrued income	144	127
		166	161

13	**Creditors: amounts falling due within one year**	**2019 £(000)**	**2018 £(000)**
	Trade creditors	41	7
	Accruals and deferred income	30	67
		71	74

14	**Deferred income**	**2019 £(000)**	**2018 £(000)**
	Deferred income is included within:		
	Creditors due within one year	17	-
	Deferred income at 1 September 2018	-	-
	Resources deferred in the year	17	-
	Deferred income at 31 August 2019	17	-

15 Funds

	Balance at 1 September 2018 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2019 £(000)
Restricted general funds					
General Annual Grant (GAG)	-	3,533	(3,562)	29	-
Other DfE / ESFA grants	-	174	(185)	11	-
Other government grants	-	85	(253)	168	-
Other restricted funds	-	11	-	(11)	-
Pension reserve	(1,302)	-	(233)	(1,113)	(2,648)
	(1,302)	3,803	(4,233)	(916)	(2,648)
Restricted fixed asset funds					
Inherited on conversion	22,395	-	(405)	-	21,990
DfE group capital grants	114	105	(172)	-	47
	22,509	105	(577)	-	22,037
Total restricted funds	21,207	3,908	(4,810)	(916)	19,389
Unrestricted funds					
General funds	612	432	(276)	(197)	571
Total funds	21,819	4,340	(5,086)	(1,113)	19,960

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

Restricted general funds are those that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted general funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from unrestricted general funds to restricted General Annual Grant funds is to cover the overspend in the year.

The transfer from unrestricted general funds to restricted fixed asset funds is the unrestricted depreciation charge.

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 2019.

15 Funds

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

	Balance at 1 September 2017 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2018 £(000)
Restricted general funds					
General Annual Grant (GAG)	4	3,685	(3,962)	273	-
Other DfE / ESFA grants	-	154	(154)	-	-
Other government grants	-	56	(56)	-	-
Pension reserve	(1,802)	-	(224)	724	(1,302)
	(1,798)	3,895	(4,396)	997	(1,302)
Restricted fixed asset funds					
Transfer on conversion	22,973	-	(578)	-	22,395
DfE group capital grants	128	16	(30)	-	114
	23,101	16	(608)	-	22,509
Total restricted funds	21,303	3,911	(5,004)	997	21,207
Unrestricted funds					
General funds	757	396	(268)	(273)	612
Total funds	22,060	4,307	(5,272)	724	21,819

16 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Restricted funds: Fixed asset £(000)	Total Funds £(000)
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	21,991	21,991
Current assets	688	-	-	688
Creditors falling due within one year	(117)	-	46	(71)
Defined benefit pension liability	-	(2,648)	-	(2,648)
Total net assets	571	(2,648)	22,037	19,960

16 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total Funds £(000)
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	22,510	22,510
Fixed asset investments	1	-	(1)	-
Current assets	685	-	-	685
Creditors falling due within one year	(74)	-	-	(74)
Defined benefit pension liability	-	(1,302)	-	(1,302)
Total net assets	612	(1,302)	22,509	21,819

17 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 Tameside Metropolitan Borough Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

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

17 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

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

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 and is due for completion in 2018 whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The pension costs paid to the TPS in the period amounted to £284,000 (2018: £301,000).

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17 per cent for employers and 6 to 18 per cent for employees. The estimated value of employer contributions for the forthcoming year is £126,000.

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.

Total contributions made	**2019 £(000)**	**2018 £(000)**
Employer's contributions	126	133
Employees' contributions	49	51
Total contributions	175	184

Principal actuarial assumptions	**2019 %**	**2018 %**
Rate of increase in salaries	3.1	3.1
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

17 Pension and similar obligations

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2019 Years	2018 Years
Retiring today		
- Males	20.6	21.5
- Females	23.1	24.1
Retiring in 20 years		
- Males	22.0	23.7
- Females	24.8	26.2

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

Sensitivity analysis

Changes in assumptions at 31 August 2019	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	15%	1,024
0.5% increase in the Pension Increase Rate	11%	755
0.5% increase in the Salary Increase Rate	3%	241

The academy trust's share of the assets in the scheme	2019 Fair value £(000)	2018 Fair value £(000)
Equities	2,986	2,757
Bonds	659	649
Property	351	284
Other assets	395	365
Total market value of assets	4,391	4,055

The actual return on scheme assets was £197,000 (2018: £206,000).

Amount recognised in the Statement of Financial Activities	2019 £(000)	2018 £(000)
Current service cost	253	310
Past service cost	67	-
Interest income	(115)	(94)
Interest cost	154	141
Total operating charge	359	357

17 Pension and similar obligations

Changes in the present value of defined benefit obligations	2019 £(000)	2018 £(000)
At 1 September 2018	5,357	5,502
Current service cost	253	310
Interest cost	154	141
Employee contributions	49	51
Actuarial loss/(gain)	1,195	(612)
Benefits paid	(36)	(35)
Past service cost	67	-
At 31 August 2019	7,039	5,357

Changes in the fair value of the academy trust's share of scheme assets	2019 £(000)	2018 £(000)
At 1 September 2018	4,055	3,700
Interest income	115	94
Actuarial gain	82	112
Employer contributions	126	133
Employee contributions	49	51
Benefits paid	(36)	(35)
At 31 August 2019	4,391	4,055

18 Reconciliation of net expenditure to net cash flow from operating activities

	2019 £(000)	2018 £(000)
Net expenditure for the reporting period (as per the statement of financial activities)	(746)	(965)
Adjusted for:		
Capital grants from DfE and other capital income	(105)	(16)
Defined benefit pension costs less contributions payable	194	177
Defined benefit pension scheme finance cost	39	47
Depreciation of tangible fixed assets	577	608
(Increase) in debtors	(5)	-
(Decrease)/increase in creditors	(3)	17
Net cash used in operating activities	(49)	(132)

20 Commitments under operating leases

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

	2019 £(000)	2018 £(000)
Amounts due within one year	32	9
Amounts due in two and five years	77	9
	109	18

21 Capital commitments

	2019 £(000)	2018 £(000)
Expenditure contracted for but not provided in the accounts	-	22

There was £nil (2018: £22,000) of committed capital expenditure at year end.

22 Related party transactions

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

During the year the academy received £25,000 (2018 - £22,000) from Stegta Limited, a company in which Mr J Whitby is the Chief Executive for the rental of premises. No amounts were owed to the academy trust at the end of the financial year. In entering into the transaction, the academy has complied with the requirements of the Academies Financial Handbook 2018/19.

23 Members' liability

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