

Registration number: 07680339

Biddulph High School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018

Beever and Struthers
Chartered Accountants and Statutory Auditors
St George's House
215-219 Chester Road
Manchester
M15 4JE

Biddulph High School

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Biddulph High School

Reference and Administrative Details

Members	Mr R Elkin Mr M Holland Mrs E Robinson Mrs L McQuade (resigned 1 September 2018)
Trustees	Mr D Ackerley Mr S P Ascroft Mrs N Axford Mr A Christley (appointed 21 September 2017) Mr P Dyer Mr R Elkin Mr M Holland Mr J Hunter Mrs E Robinson Mrs D Scarlett Mr E Simms (appointed 8 March 2018) Miss J Smart Mrs A Rourke (resigned 26 November 2017) Mrs L McQuade (resigned 1 September 2018) Mr M Ward (appointed 10 September 2018) Mr M Holland (resigned 31 August 2018) Mr R Elkin (resigned 31 August 2018)
Company Secretary	Mrs T Condliffe
Senior Management Team	Mr S P Ascroft, Headteacher Mr R Briggs, Deputy Headteacher Mrs C Carrol-Wright, Assistant Headteacher Miss C Bradley, Assistant Headteacher Mr M Taylor, Assistant Headteacher Mrs T Condliffe, Business Manager
Principal and Registered Office	Conway Road Knypersley Stoke on Trent Staffordshire ST8 7AR
Company Registration Number	07680339

Biddulph High School

Reference and Administrative Details (continued)

Auditors	Beever and Struthers Chartered Accountants and Statutory Auditors St George's House 215-219 Chester Road Manchester M15 4JE
Bankers	Lloyds 24 Tower Square Turnstall Stoke on Trent Staffordshire ST6 5DL
Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

Biddulph High School

Trustees' Report for the Year Ended 31 August 2018

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. 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 aged 13 to 18 serving the Biddulph area. It has a pupil capacity of 867 and had a roll of 738 in the school census on 04 October 2018.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 07680339.

The trustees of Biddulph High School and are also the directors of the charitable company for the purposes of company law. The charitable company operates as Biddulph High School.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Trustees' indemnities

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

Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

In accordance with the Articles of Association, the Governing Body of Biddulph High School may comprise of the following:

- Up to 12 governors appointed by Trust Members;
- Staff governors appointed by Trust Members through such process as they may determine, provided that the total number of governors (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the total number of governors;
- Up to one Local Authority governor appointed by the Local Authority;
- The Headteacher is treated for all purposes as being an ex-officio governor;
- A minimum of 2 parent governors elected by parents of pupils at the Academy: In the event that the number of parents standing for election is less than the number of vacancies, the Trust Members may appoint parent governors; and
- Up to 3 co-opted governors appointed by governors.

Biddulph High School

Trustees' Report for the Year Ended 31 August 2018 (continued)

Upon conversion to Academy status, the Members of the Academy Trust appointed 9 Governors from the former Biddulph High School Governing Body (including all Members of the Academy Trust), and held elections for staff and parent Governors early in the new term. Following these elections, 2 parent governors were elected by parents, and 3 staff governors were elected by staff. The Local Authority chose not to use their right to appoint a Local Authority governor.

The term of office for all Governors (with the exception of the Headteacher) is 4 years. Any Governor may be re-appointed or re-elected.

During this year there has been some movement within the Governing Body, Mrs Abigail Rourke resigned from the Board completely with effect from 28th November 2017 due to work commitments. Mrs Linda McQuade resigned from the board completely with effect from 1 September 2018. Mr Mark Holland and Mr Roger Elkin resigned as Trustees with effect from 1 September 2018 but retained their positions as Members. Mrs Elizabeth Robinson was elected as Chair of the Board of Trustees effective 1st September 2017. New Trustees joining the board are Mr Andrew Christley on 21st September 2017 and Mr Edward Simms on 8th March 2018.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors depends on their existing experience. All new governors are provided with the relevant information and documentation they need to undertake their role. The induction of new governors tends to be informal and tailored to their needs. All new governors have the opportunity to tour the Academy and meet with staff and students. Periodic training on educational, legal or financial matters is arranged as necessary for all governors.

Organisational structure

The Governing Body is responsible for setting the overall strategy of the Academy, and for outlining the Academy's medium and long term strategic direction. The Governing Body produces an annual plan and budget, allocates capital expenditure and takes part in staff appointments. All members of the Governing Body are appointed and/or elected in accordance with the Articles of Association. Upon conversion to Academy status the Governing Body was reduced in size from 21 to 15 Trustees to deliver a more focused decision making structure. The Governing Body is divided into 2 committees to ensure Trustees gain detailed knowledge and understanding of the issues involved. The committee structure comprises: Site, Finance and Staffing Committee and Student Committee.

The Leadership Group for 2017-18 comprised:

the Headteacher;

1 Deputy Headteacher;

3 Assistant Headteachers; and

1 Business Manager who control the Academy at executive level, are responsible for implementing the Governing Body's policies and are held accountable by the Governing Body.

As Accounting Officer, the Headteacher has overall responsibility for expenditure. However, there is a Scheme of Delegation in place devolving some control to members of staff with leadership and management responsibilities.

Biddulph High School

Trustees' Report for the Year Ended 31 August 2018 (continued)

Arrangements for setting pay and remuneration of key management personnel

The task of appraising and setting pay for the Headteacher, including the setting of objectives, is delegated to a sub-group team of 3 Trustees of which at least 2 will make a pay recommendation in terms of the Headteacher's progress on the leadership scale.

The Headteacher must demonstrate sustained high quality performance, with particular regard to leadership, management and pupil progress at the school and will be subject to a review of performance annually against performance objectives before any performance points will be awarded.

- The Board of Trustees have set the Individual School Range (ISR) of the Headteacher in accordance with the criteria specified in the School Teachers' Pay & Conditions Document 2013. This is a 7 point pay range.

The Board of Trustees will review the Headteacher's ISR annually in the Autumn Term on the basis of increased job weight/responsibility.

- Trustees have assigned the individual school range (ISR) 7 Points L27-L33.Group 6 School

The task of appraising and setting pay for the Deputy Headteachers and Assistant Headteachers, including the setting of objectives, will be the responsibility of the Headteacher.

The Headteacher may delegate appraisal of the Assistant Headteachers to the Deputy Headteacher. The Headteacher will also make a pay recommendation in terms of progress on the leadership scale, which will be formally considered by the Finance Committee of the Board of Trustees.

The Trustees have determined the 5-point range of Deputy and Assistant Head to reflect the criteria specified in the School Teachers' Pay and Conditions Document 2013. The ranges will be reviewed annually in the Autumn Term on the basis of performance objectives being met and increased job weight/responsibility. Since 2014 the fixed incremental leadership points on a spine do not exist. Pay ranges still exist and will continue to be used for the purposes of Leadership Pay progression.

Trustees have assigned the following salary ranges for other members of the School Leadership Group:

-- Headteacher	L27-33	(£75,735 - £87,732)
-- Deputy Headteacher	L17-21	(£59,265 - £65,384)
-- Assistant Headteacher	L12-16	(£52,414 - £57,934)
-- Head of Sixth Form	L7-12	(£46,430 - £52,414)
-- Head of Curriculum Area	L7-9	(£46,430 - £48,687)

Connected organisations, including related party relationships

As a converter Academy, Biddulph High School had no structural or commercial affiliation to any other organisation. The Academy continues to have links with local schools, which form the Biddulph Schools Partnership Trust.

As an ITT hub for Schools Direct, the school works closely with Staffordshire University, Manchester Metropolitan University, Keele University and Birmingham University. The school has also developed a Leadership Development qualification in conjunction with Staffordshire University.

The Academy is an Associate Member of The Potteries Educational Trust, a Multi Academy Trust formed in September 2017 currently comprising The City Of Stoke-on-Trent Sixth Form College as the only member. Biddulph High School, as Associate Member is helping to shape and develop the growth strategy of The Potteries Educational Trust. The Board of Trustees at Biddulph High School will take a decision in December 2018 whether or not to formalise the agreement and become a full member of The Potteries Educational Trust. During the year 2017/2018 there were no related party transactions between the Academy and The Potteries Educational Trust.

Biddulph High School

Trustees' Report for the Year Ended 31 August 2018 (continued)

Objectives and activities

Objects and aims

The object of the Charitable Company is the operation of Biddulph High School to advance, for the public benefit, education for students of different abilities between the ages of 13 and 19.

The Charitable Company has agreed and complied with the provisions of the Funding Agreement between the Trustees and Secretary of State, the following characteristics:

- The Academy will offer a balanced and broadly based curriculum
- The Academy will provide education for pupils of different abilities
- The Academy will provide education for pupils who are mainly drawn from the area in which the Academy is situated.

The main aims of the Academy Trust for the year ended 31 August 2018 are summarised below:

- To ensure consistent high expectations and levels of challenge drive independent learning for all
- To promote resilience and independence through encouraging a positive and aspirational mind-set in all stakeholders
- To remove the barriers to learning for all groups of students
- To ensure that all students make a positive contribution to society through good academic and personal progress
- To develop the academic provision and enrichment opportunities Post-16 (16 to 19 study programmes)

Objectives, strategies and activities

Achievement of students

To ensure that all students make substantial and sustained progress across the curriculum considering their different starting points

Close the performance gap between and ensure improved outcomes for all groups at each key stage

Quality of teaching

To ensure that effective planning and teaching drives progress by challenging all students

To ensure the provision of choice and differentiation for challenge for all students

To ensure that consistent, high quality marking and feedback supports progress for all students

Behaviour and safety of students

To ensure that attendance rates are above 96%

To continue to reduce persistent absence at KS4

To ensure that the new SEND developments are adhered to for all students

Leadership in and Management of the school

To ensure that assessment systems and new grading structures are used to drive progress for all students.

To facilitate professional growth through effective professional learning.

Public benefit

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's aims and objectives.

Biddulph High School

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Achievements and performance

Level 2 GCSE / BTEC RESULTS

Maths + English 5+ = 36.8%

Maths + English 4+ = 55.0%

EBACC 4+ = 28.7%

New examination specifications in a number of subjects made this a particularly challenging year for all. An admirable 330 of all examinations were graded 9-6 with students amassing 28 grade 9s between them. Over 55% of all students gained grades 9-4 in English and Mathematics with 29% achieving the EBacc.

Over 52% of all students gained an overall achievement above expectation.

Level 3 A LEVEL / BTEC RESULTS

Positive Value Added score across all subject areas

A* – B grades 40%

A* – C grades 72%

A* – E grades 99%

Students who gained their chosen Post-18 destination 97%

Biddulph High School Sixth Form students celebrated some exceptional results. Having faced up to the challenge of new courses in many subject areas the outcomes proved to be excellent with students performing above expectations across all subject areas.

The personalised support and guidance offered by the BH6 team has enabled all students to move forward to the next stage of their education or employment with a striking 97% of students moving onto their first choice destination.

Year 12 students also achieved some impressive results in the Extended Project Qualification (EPQ). This qualification allows students to study a subject independently before preparing a portfolio of work and delivering a 'viva' style presentation in front of a panel of assessors.

Particularly good results were gained in English Literature, Mathematics, Art, ICT, Sociology and Business Studies where over 60% of all students achieved A* – B grades.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of Accounting Policies, in note 1.

Biddulph High School

Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Financial review

The year ended 31 August 2018 is the seventh year since the school converted to become an Academy. The principal source of funding continued to be grants from the Education and Skills Funding Agency (ESFA) and the Local Authority (LA)

All grants received from the ESFA and LA during the year ended 31 August 2018 and the associated expenditure are shown as the restricted general funds in the Statement of Financial Activities.

During the year 31 August 2018 the total expenditure was £4,683k (excluding restricted fixed asset fund) which resulted in expenditure over income of £262k (excluding restricted asset fund and transfer between funds).

At 31 August 2018 the net book value of fixed assets was £7,378k 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 activities to the students of the Academy.

Reserves policy

The aim of the Governing Body is to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated. The Reserves provide a cushion to deal with unexpected emergencies such as urgent maintenance, help to maintain staffing levels during a short-term reduction in pupil numbers, for maternity or long term illness cover, and to help plan for capital projects.

At 31 August 2018 the Academy reserves carried forward totalled £5,802k. The analysis by fund is as follows:

Unrestricted Reserves £582k
Restricted funds (excluding pension reserve) (£168k)
Restricted Fixed Asset funds £7,665k

Investment policy

The Investment Policy has been reviewed by the Site, Finance and Staffing Committee in November 2015. The aim of the policy is to ensure that funds which the school does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but without risk. The aim is to spend public monies with which the Academy is entrusted for the direct education benefit of students as soon as is prudent and therefore the Academy does not consider the investment of any surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

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Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Principal risks and uncertainties

A risk register has been established which is reviewed at least annually by the Governing Body and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions which will need to be taken to reduce and mitigate the risks.

The principal risks and uncertainties facing the Academy for the year to 31 August 2019 are as follows:

Risk Description	Action
Recruitment to Biddulph Sixth Form has dipped with student numbers at a low point	Regular monitoring and inclusion with The City of Stoke on Trent Sixth Form College recruitment evenings
Loss or absence of key personnel including the Finance Manager	A revised staffing structure and training programme put in place to ensure a smooth transition

Plans for future periods

Biddulph High School Education Improvement Plan 2018-2019

Priority Statement

- To increase student and parent/carer engagement in the life of the Biddulph High School Community.
- To make more efficient and effective use of time.
- To increase professional accountability
- To provide opportunities to expand experiences of life beyond Biddulph for all students.

Key Development Points

Achievement of students

- Ensure that the attainment of disadvantaged students is at the forefront of all actions taken by leaders.
- Improve outcomes for high ability students in both Level 2 and Level 3 courses
- Continue to improve A-Level outcomes
- Improve outcomes in Chemistry at KS4 and KS5
- Continue to close gaps and remove barriers to learning for all students (PP; Male/Female)
- To introduce and embed the new assessment, intervention and monitoring processes (PiXL) so that all pupils make rapid and sustained progress by removing all barriers to learning

Quality of Teaching, Learning & Assessment

- To maintain the quality of teaching so that it is always good and frequently outstanding
- To improve the consistency of marking (including student feedback) so it leads to sustained progress
- Ensure all teachers have high expectations of what sixth form students can achieve.
- Focus monitoring activities on ensuring that teachers routinely plan to meet the individual needs of students and challenge them from their starting points
- To ensure the accuracy of OTF grades and all "professional predictions"
- To embed literacy and numeracy skills, particularly for low prior attaining students, on entry to the school.

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Trustees' Report for the Year Ended 31 August 2018 (continued)

Strategic Report

Behaviour and safety of students

- Continue to emphasise high expectations of behaviour, attendance and punctuality both in lessons and during extra-curricular activities
- Ensure that all staff respond to issues relating to the conduct of students consistently
- Further develop students' understanding of safety in relation to new and highly technical threats
- Continue to encourage activities additional to lessons for students to help them to develop extra skills and interests
- Enhance support for boys who are at risk of underachievement (Mentor; Saturday Progress Maths Group; identifying role models within the community to offer engaging activities and raise aspirations further)
- Continue to revise the Rewards Structure

Effectiveness of Leadership and Management.

- Continue to refine incisive and developmental staff appraisal, working with all school leaders to ensure that all members of the staff are held to account for their performance.
- Demonstrate explicit improvements in outcomes as a result of our focus on particular sub-groups including SEND and DLs
- To drive improvements in student outcomes in all areas but with particular emphasis on Chemistry.
- Reduce any reliance on 'interventions' and place greater emphasis on quality teaching in the classroom including strategies for vulnerable students.
- Encourage parents to engage with students' online learning and find more ways of involving them in their child's education.
- To continue to encourage students to engage fully in their learning both inside and outside of lessons.

Biddulph High School

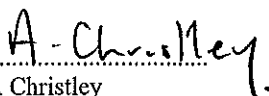
Trustees' Report for the Year Ended 31 August 2018 (continued)


Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on 6.12.2018 and signed on its behalf by:


.....
Mr A Christley
Trustee


.....
Mrs E Robinson
Trustee

Biddulph High School

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Biddulph High School 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 Mr S P Ascroft, 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 Biddulph High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. The Board of Trustees will be using the '20 questions for Governors' as the key document for development throughout the academic year 2018-2019. The Site Finance & Staffing Committee have added the Academy Financial Handbook 2018 "Musts" as a fixed item on the agenda.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Elkin	4	4
Mr M Holland	4	4
Mr J Hunter	3	4
Mr P Dyer	1	4
Mrs E Robinson	4	4
Mr A Christley	4	4
Mr S P Ascroft	4	4
Mrs D Scarlett	3	4
Miss J Smart	4	4
Mr D Ackerley	2	4
Mr E Simms	2	2
Mrs N Axford	2	4
Mrs L McQuade	3	4
Mrs A Rourke	0	1

Governance reviews

During the year ended 31 August 2018, the trust further developed the Education Improvement Plan and the Board of Trustees were actively engaged in the development. The Board carried out skills audits during the year and new members have an induction programme to introduce them to the role. The quality of data and information provided to the Board is detailed and acceptable to the Board as it provides clear information on Key Performance Indicators.

Biddulph High School

Governance Statement (continued)

The Site, Finance and Staffing Committee is a sub-committee of the main board of trustees. Its purpose is to achieve the effective management of human resources for the benefit of the pupils and further development of the Academy.

Members of the Site Finance and Staffing Committee have received information and training on Schools Financial Efficiency: top 10 planning checks for governors by the Business Manager who through her work as a Specialist Leader of Education is able to provide the checks to other academies.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr S P Ascroft	3	3
Mr J Hunter	2	3
Mrs D Scarlett	2	3
Mr M Holland	3	3
Mr A Christley	3	3
Mr D Ackerley	1	3
Mr E Simms	2	2

The Student Committee is a sub-committee of the main board of trustees. Its purpose is to review and monitor curriculum activity on a regular basis.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs N Axford	1	2
Mr R Elkin	2	2
Mr P Dyer	1	2
Miss J Smart	1	2
Mrs L McQuade	1	2

Biddulph High School

Governance Statement (continued)

Review of value for money

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- A full consultation and restructure of school support staff took place during the year. Support staff on whole year round contracts were moved to term time only with a 37hr FTE. This saved over £100k on the annual salary bill which accounted for the reduction in GAG following a slight drop in student numbers.
- The school facilities are marketed to bring in extra income and to strengthen the widening participation of the community.
- We have trained staff in house where possible to deliver training on Safeguarding and Health & Safety. This has enabled much better service and Value for Money for the trust.
- The Business Director is now fully qualified in IOSH Managing Health & Safety, this has reduced the need to outsource H & S audit and compliance, this is all now done in house achieving best value for the trust.
- The Trust are now supporting the finance and payroll functions of a local first school, which means sharing expertise in achieving efficiencies in the community whilst bring in funds to the trust.

The move to in house catering which took place in September 2017 made a promising start with a small profit made in the first 12 months of trading. We hope to outsource catering provision to other local schools as well as providing a more diverse opportunity to cater for local businesses and weddings/parties etc. All will bring income to the trust budget

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 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 Biddulph High School for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and General Purposes 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;

Biddulph High School

Governance Statement (continued)

- 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 Mr E Simms a Trustee, to carry out a programme of internal checks as Responsible Officer (RO) for the year ending 31/08/18.

The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchases systems
- testing of control account/bank reconciliations

On a annual basis, the Responsible Officer reports to the board of trustees through the Site Finance & Staffing Committee on the operation of the systems of control and on the discharge of the board of trustees's financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

Review of effectiveness

As Accounting Officer, Mr S P Ascroft 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 responsible officer;
- the work of the external auditor;
- 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 Site, Finance and Staffing 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 board of trustees on 6.12.18 and signed on its behalf by:



Mr S P Ascroft
Accounting officer
Trustee

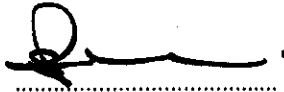
Biddulph High School

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Biddulph High School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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.



.....
Mr S P Ascroft
Accounting Officer

Date: 6.12.2016

Biddulph High School

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring 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 on 6.12.2018 and signed on its behalf by:



Mrs E Robinson
Trustee

Biddulph High School

Independent Auditor's Report on the Financial Statements to the Members of Biddulph High School

Opinion

We have audited the financial statements of Biddulph High School (the 'Academy') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2018 and of its results 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.

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 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's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Biddulph High School

Independent Auditor's Report on the Financial Statements to the Members of Biddulph High School (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, set out on page 17, the Trustees 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'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 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 judgement 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's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

Biddulph High School

Independent Auditor's Report on the Financial Statements to the Members of Biddulph High School (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'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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

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.

Use of our report

This report is made solely to the Academy's Trustees, 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's trustees 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

.....
Sue Hutchinson (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, Statutory Auditor

St George's House
215-219 Chester Road
Manchester
M15 4JE

Date: *11/12/18*

Biddulph High School

Independent Reporting Accountant's Report on Regularity to Biddulph High School and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Biddulph High School during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Biddulph High School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Biddulph High School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Biddulph High School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees' funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by 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:

- Review and testing of financial systems of control
- Sample testing of transactions
- Discussions with management

Biddulph High School

**Independent Reporting Accountant's Report on Regularity to Biddulph High School
and the Education & Skills Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Beeve and Struthers

.....

Sue Hutchinson

For and on behalf of Beeve and Struthers, Chartered Accountants

St George's House
215-219 Chester Road
Manchester
M15 4JE

Date: *11/12/18*

Biddulph High School

Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000	
Income and endowments from:						
Donations and capital grants	2	88	-	536	624	133
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	4,138	-	4,138	4,052
Other trading activities	4	204	-	-	204	84
Investments	5	4	-	-	4	7
Total	<u>296</u>	<u>4,138</u>	<u>536</u>	<u>4,970</u>	<u>4,276</u>	
Expenditure on:						
Raising funds	6	-	12	-	12	14
<i>Charitable activities:</i>						
Academy trust educational operations	7	304	4,379	411	5,094	5,065
Total	<u>304</u>	<u>4,391</u>	<u>411</u>	<u>5,106</u>	<u>5,079</u>	
Net (expenditure)/income	(8)	(253)	125	(136)	(803)	
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	23	-	414	-	414	439
Net movement in (deficit)/funds	(8)	161	125	278	(364)	
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2017	<u>349</u>	<u>(2,153)</u>	<u>7,584</u>	<u>5,780</u>	<u>6,144</u>	
Total funds/(deficit) carried forward at 31 August 2018	<u>341</u>	<u>(1,992)</u>	<u>7,709</u>	<u>6,058</u>	<u>5,780</u>	

Biddulph High School

(Registration number: 07680339)
Balance Sheet as at 31 August 2018

	Note	2018 £ 000	2017 £ 000
Fixed assets			
Tangible assets	11	7,378	7,585
Current assets			
Debtors	12	121	78
Cash at bank and in hand		928	646
		1,049	724
Creditors: Amounts falling due within one year	13	(299)	(243)
Net current assets		750	481
Total assets less current liabilities		8,128	8,066
Creditors: Amounts falling due after more than one year	14	(5)	(8)
Net assets excluding pension liability		8,123	8,058
Pension scheme liability	23	(2,065)	(2,278)
Net assets including pension liability		6,058	5,780
Funds of the Academy:			
Restricted funds			
Restricted general fund		73	125
Restricted fixed asset fund		7,709	7,584
Restricted pension fund		(2,065)	(2,278)
		5,717	5,431
Unrestricted funds			
Unrestricted general fund		341	349
Total funds		6,058	5,780

The financial statements on pages 23 to 46 were approved by the Trustees, and authorised for issue on ~~6.12.2018~~ and signed on their behalf by:



Mrs E Robinson
Trustee

Biddulph High School

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £ 000	2017 £ 000
Cash flows from operating activities			
Net cash used in operating activities	18	(53)	(299)
Cash flows from investing activities	20	337	(411)
Cash flows from financing activities	19	<u>(2)</u>	<u>(41)</u>
Change in cash and cash equivalents in the year		282	(751)
Cash and cash equivalents at 1 September		<u>646</u>	<u>1,397</u>
Cash and cash equivalents at 31 August	21	<u><u>928</u></u>	<u><u>646</u></u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018

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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

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

Donated fixed assets

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

Expenditure

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

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.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £3,000 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

Asset class	Depreciation method and rate
Long-term leasehold property	4% straight line
Building improvements	10% straight line
Motor vehicles	20% straight line
Fixtures and fittings	20% straight line
Computer equipment	33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold buildings.

Paintings are not depreciated.

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

Liabilities

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

Provisions

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

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

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Leased assets

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

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.

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

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

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

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

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Educational trips and visits	67	-	67	79
Capital grants	-	536	536	36
Other donations	21	-	21	18
	88	536	624	133

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	3,864	3,864	3,839
Other DfE/EFA grants	122	122	123
	3,986	3,986	3,962

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

3 Funding for the Academy Trust's educational operations (continued)

	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Other government grants			
Local authority grants	128	128	90
School Games	24	24	-
	152	152	90
Total grants	4,138	4,138	4,052

4 Other trading activities

	Unrestricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Hire of facilities	13	13	32
Catering income	147	147	-
Other sales	44	44	30
Associate teacher placements	-	-	22
	204	204	84

5 Investment income

	Unrestricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Short term deposits	4	4	7

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

6 Expenditure

	Non Pay Expenditure			2017/18	2016/17
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
Expenditure on raising funds					
Direct costs	12	-	-	12	14
Academy's educational operations					
Direct costs	3,322	-	313	3,635	3,685
Allocated support costs	<u>575</u>	<u>570</u>	<u>314</u>	<u>1,459</u>	<u>1,380</u>
	<u><u>3,909</u></u>	<u><u>570</u></u>	<u><u>627</u></u>	<u><u>5,106</u></u>	<u><u>5,079</u></u>

7 Charitable activities

		2017/18 £ 000	2016/17 £ 000
Direct costs - educational operations		3,635	3,685
Support costs - educational operations		<u>1,459</u>	<u>1,380</u>
		<u><u>5,094</u></u>	<u><u>5,065</u></u>
	Educational operations £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Analysis of support costs			
Support staff costs	575	575	497
Depreciation	411	411	452
Technology costs	2	2	9
Premises costs	159	159	166
Other support costs	271	271	209
Governance costs	<u>41</u>	<u>41</u>	<u>47</u>
Total support costs	<u><u>1,459</u></u>	<u><u>1,459</u></u>	<u><u>1,380</u></u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

8 Staff

Staff costs

	2017/18 £ 000	2016/17 £ 000
Staff costs during the year were:		
Wages and salaries	2,938	2,842
Social security costs	285	270
Operating costs of defined benefit pension schemes	634	586
	3,857	3,698
Supply staff costs	52	87
	3,909	3,785

Staff numbers

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

	2017/18 No	(As restated) 2016/17 No
Charitable Activities		
Teachers	44	40
Administration and support	41	46
Management	5	5
	90	91

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No	2017 No
£60,001 - £70,000	3	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
	5	2

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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £427,642 (2013: £508,148).

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mr S P Ascroft (Head Teacher):

Remuneration: (2017 - £80,000 - £85,000)

Employer's pension contributions: (2017 - £10,000 - £15,000)

Mr D Ackerley (staff trustee):

Remuneration: (2017 - £35,000 - £40,000)

Employer's pension contributions: (2017 - £5,000 - £10,000)

Miss J Smart (staff trustee):

Remuneration: (2017 - £35,000 - £40,000)

Employer's pension contributions: (2017 - £5,000 - £10,000)

During the year ended 31 August 2018, travel and subsistence expenses totalling £Nil (2017 - £579) were reimbursed or paid directly to 0 trustees (2017 - 1).

Other related party transactions involving the trustees are set out in note 24.

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 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.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and fixtures £ 000	Computer equipment £ 000	Motor vehicles £ 000	Assets under construction £ 000
Cost					
At 1 September 2017	7,975	80	168	49	-
Additions	-	-	-	-	191
At 31 August 2018	<u>7,975</u>	<u>80</u>	<u>168</u>	<u>49</u>	<u>191</u>
Depreciation					
At 1 September 2017	1,631	40	112	35	-
Prior year correction	(44)	-	-	-	-
Charge for the year	<u>265</u>	<u>14</u>	<u>21</u>	<u>6</u>	<u>-</u>
At 31 August 2018	<u>1,852</u>	<u>54</u>	<u>133</u>	<u>41</u>	<u>-</u>
Net book value					
At 31 August 2018	<u>6,123</u>	<u>26</u>	<u>35</u>	<u>8</u>	<u>191</u>
At 31 August 2017	<u>6,344</u>	<u>40</u>	<u>56</u>	<u>14</u>	<u>-</u>
			Building improvements £ 000	Paintings £ 000	Total £ 000
Cost					
At 1 September 2017			1,479	7	9,758
Additions			<u>12</u>	<u>-</u>	<u>203</u>
At 31 August 2018			<u>1,491</u>	<u>7</u>	<u>9,961</u>
Depreciation					
At 1 September 2017			355	-	2,173
Prior year correction			-	-	(44)
Charge for the year			<u>148</u>	<u>-</u>	<u>454</u>
At 31 August 2018			<u>503</u>	<u>-</u>	<u>2,583</u>
Net book value					
At 31 August 2018			<u>988</u>	<u>7</u>	<u>7,378</u>
At 31 August 2017			<u>1,124</u>	<u>7</u>	<u>7,585</u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

12 Debtors

	2018 £ 000	2017 £ 000
Trade debtors	7	1
VAT recoverable	50	29
Other debtors	8	(2)
Prepayments	36	28
Accrued grant and other income	20	22
	121	78

13 Creditors: amounts falling due within one year

	2018 £ 000	2017 £ 000
Trade creditors	108	25
Other taxation and social security	67	71
Loans	2	1
Other creditors	63	62
Accruals	13	23
Deferred income	46	61
	299	243
	2018 £ 000	2017 £ 000

Deferred income

Deferred income at 1 September 2017	61	43
Resources deferred in the period	46	61
Amounts released from previous periods	(61)	(43)
Deferred income at 31 August 2018	46	61

Deferred income relates to trip income, school games income, SEN grant income and rates reclaim received in 2018 relating to the 2018/19 academic year.

14 Creditors: amounts falling due after one year

	2018 £ 000	2017 £ 000
Loans	5	8

The loan relates to an interest free Salix loan of £10,000 taken over 5 years. The loan is being repaid by annual instalments of £2,000 with a first year payment during 2017 of £1,000.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds

	Balance at 1 September 2017 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Restricted general funds					
General Annual Grant	17	3,864	(3,925)	-	(44)
School Games Organiser	8	24	(24)	-	8
Other restricted income	-	250	(241)	-	9
Pitch sinking fund	100	-	-	-	100
	<u>125</u>	<u>4,138</u>	<u>(4,190)</u>	<u>-</u>	<u>73</u>
Restricted fixed asset funds					
Donations from Local Authority	6,351	-	(232)	-	6,119
Devolved Formula Capital	80	18	(10)	-	88
From GAG and unrestricted funds	195	-	(50)	-	145
Academies capital maintenance fund	358	-	(50)	-	308
Condition Improvement Fund	600	518	(69)	-	1,049
	<u>7,584</u>	<u>536</u>	<u>(411)</u>	<u>-</u>	<u>7,709</u>
Restricted pension funds					
Pension reserve	<u>(2,278)</u>	<u>-</u>	<u>(201)</u>	<u>414</u>	<u>(2,065)</u>
Total restricted funds	5,431	4,674	(4,802)	414	5,717
Unrestricted funds					
Unrestricted general funds	<u>349</u>	<u>296</u>	<u>(304)</u>	<u>-</u>	<u>341</u>
Total funds	<u><u>5,780</u></u>	<u><u>4,970</u></u>	<u><u>(5,106)</u></u>	<u><u>414</u></u>	<u><u>6,058</u></u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

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

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted general funds					
General Annual Grant	-	3,839	(4,030)	207	16
Other DfE/ESFA grants	-	123	(123)	-	-
School Games Organiser	11	25	(28)	-	8
Other restricted income	-	66	(66)	-	-
Trip income	-	79	(79)	-	-
Pitch sinking fund	75	-	-	25	100
	<u>86</u>	<u>4,132</u>	<u>(4,326)</u>	<u>232</u>	<u>124</u>
Restricted fixed asset funds					
Donations from Local Authority	6,626	-	(275)	-	6,351
Devolved Formula Capital	74	18	(12)	-	80
From GAG and unrestricted funds	216	-	(65)	44	195
Academies capital maintenance fund	413	-	(55)	-	358
Condition Improvement Fund	627	18	(45)	-	600
	<u>7,956</u>	<u>36</u>	<u>(452)</u>	<u>44</u>	<u>7,584</u>
Restricted pension funds					
Pension reserve	<u>(2,546)</u>	<u>-</u>	<u>(171)</u>	<u>439</u>	<u>(2,278)</u>
Total restricted funds	5,496	4,168	(4,949)	715	5,430
Unrestricted funds					
Unrestricted general funds	<u>647</u>	<u>107</u>	<u>(128)</u>	<u>(276)</u>	<u>350</u>
Total funds	<u><u>6,143</u></u>	<u><u>4,275</u></u>	<u><u>(5,077)</u></u>	<u><u>439</u></u>	<u><u>5,780</u></u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

15 Funds (continued)

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

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Restricted general funds					
General Annual Grant	-	7,703	(7,955)	207	(45)
Other DfE/ESFA grants	-	123	(123)	-	-
School Games Organiser	11	49	(52)	-	8
Other restricted income	-	316	(307)	-	9
Trip income	-	79	(79)	-	-
Pitch sinking fund	75	-	-	25	100
	<u>86</u>	<u>8,270</u>	<u>(8,516)</u>	<u>232</u>	<u>72</u>
Restricted fixed asset funds					
Donations from Local Authority	6,626	-	(507)	-	6,119
Devolved Formula Capital	74	36	(22)	-	88
From GAG and unrestricted funds	216	-	(115)	44	145
Academies capital maintenance fund	413	-	(105)	-	308
Condition Improvement Fund	627	536	(114)	-	1,049
	<u>7,956</u>	<u>572</u>	<u>(863)</u>	<u>44</u>	<u>7,709</u>
Restricted pension funds					
Pension reserve	<u>(2,546)</u>	<u>-</u>	<u>(372)</u>	<u>853</u>	<u>(2,065)</u>
Total restricted funds	5,496	8,842	(9,751)	1,129	5,716
Unrestricted funds					
Unrestricted general funds	<u>647</u>	<u>403</u>	<u>(432)</u>	<u>(276)</u>	<u>342</u>
Total funds	<u>6,143</u>	<u>9,245</u>	<u>(10,183)</u>	<u>853</u>	<u>6,058</u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	7,378	7,378
Current assets	341	377	331	1,049
Current liabilities	-	(299)	-	(299)
Creditors over 1 year	-	(5)	-	(5)
Pension scheme liability	-	(2,065)	-	(2,065)
Total net assets	341	(1,992)	7,709	6,058

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	7,584	7,584
Current assets	349	376	-	725
Current liabilities	-	(243)	-	(243)
Creditors over 1 year	-	(8)	-	(8)
Provisions	-	(2,278)	-	(2,278)
Total net assets	349	(2,153)	7,584	5,780

17 Commitments under operating leases

Operating leases

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

	2018 £ 000	2017 £ 000
Amounts due within one year	2	4
Amounts due between one and five years	-	1
	2	5

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2017/18 £ 000	2016/17 £ 000
Net expenditure	(136)	(803)
Depreciation	411	452
Capital grants from DfE and other capital income	(536)	(36)
Interest receivable	(4)	(7)
Defined benefit pension scheme cost less contributions payable	142	118
Defined benefit pension scheme finance cost	59	53
(Increase)/decrease in debtors	(43)	63
Increase/(decrease) in creditors	54	(139)
Net cash used in Operating Activities	(53)	(299)

19 Cash flows from financing activities

	2017/18 £ 000	2016/17 £ 000
Repayments of borrowing	(2)	(41)
Net cash used in financing activities	(2)	(41)

20 Cash flows from investing activities

	2017/18 £ 000	2016/17 £ 000
Dividends, interest and rents from investments	4	7
Purchase of tangible fixed assets	(203)	(454)
Capital funding received from sponsors and others	536	36
Net cash provided by/(used in) investing activities	337	(411)

21 Analysis of cash and cash equivalents

	2018 £ 000	2017 £ 000
Cash at bank and in hand	928	646
Total cash and cash equivalents	928	646

22 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 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.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 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 Staffordshire Pension Fund. 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.

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.

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%.

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.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £331,063 (2017: £322,174).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £219,000 (2017 - £194,000), of which employer's contributions totalled £173,000 (2017 - £152,000) and employees' contributions totalled £46,000 (2017 - £42,000). The agreed contribution rates for future years are 22.6% per cent for employers and 5.5 - 12.5% per cent for employees.

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

Principal actuarial assumptions

	2018 %	2017 %
Rate of increase in salaries	2.80	2.80
Rate of increase for pensions in payment/inflation	2.40	2.40
Discount rate for scheme liabilities	<u>2.80</u>	<u>2.50</u>

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

	2018	2017
Retiring today		
Males retiring today	22.10	22.10
Females retiring today	24.40	24.40
Retiring in 20 years		
Males retiring in 20 years	24.10	24.10
Females retiring in 20 years	<u>26.40</u>	<u>26.40</u>

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

	2018 £ 000	2017 £ 000
Equities	1,729	1,643
Corporate bonds	469	259
Property	198	173
Cash and other liquid assets	<u>74</u>	<u>87</u>
Total market value of assets	<u>2,470</u>	<u>2,162</u>

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

23 Pension and similar obligations (continued)

The actual return on scheme assets was £150,000 (2017 - £277,000).

Amounts recognised in the statement of financial activities

	2017/18 £ 000	2016/17 £ 000
Current service cost	315	270
Interest income	(56)	(36)
Interest cost	115	89
	<u>374</u>	<u>323</u>
Total amount recognized in the SOFA		

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

	2017/18 £ 000	2016/17 £ 000
At start of period	4,440	4,309
Current service cost	315	270
Interest cost	115	89
Employee contributions	46	42
Actuarial (gain)/loss	(320)	(198)
Benefits paid	(61)	(72)
	<u>4,535</u>	<u>4,440</u>
At 31 August		

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

	2017/18 £ 000	2016/17 £ 000
At start of period	2,162	1,763
Interest income	56	36
Actuarial gain/(loss)	94	241
Employer contributions	173	152
Employee contributions	46	42
Benefits paid	(61)	(72)
	<u>2,470</u>	<u>2,162</u>
At 31 August		

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

24 Related party transactions (continued)

Expenditure related party transactions

During the year the academy made the following related party transactions:

Paul Condliffe

(husband of Tracey Condliffe, Business Manager)

The academy trust paid P.Condliffe for repairs work totalling £150 (2017: £nil) during the year. The work was completed at cost.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

At the balance sheet date the amount due to Paul Condliffe was £Nil (2017 - £Nil).

25 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the academy trust received £24,913 and disbursed £15,921 from the fund. An amount of £8,992 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Biddulph High School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

26 Statement of Financial Activities for the Year Ended 31 August 2017

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2016/17 Total £ 000
Income and endowments from:				
Donations and capital grants	17	1	36	53
<i>Charitable activities:</i>				
Funding for the Academy trust's educational operations	15	4,131	-	4,146
Other trading activities	68	-	-	68
Investing	7	-	-	7
Total	107	4,132	36	4,275
Expenditure on:				
Raising funds	-	10	-	10
<i>Charitable activities:</i>				
Academy trust educational operations	129	4,487	452	5,067
Total	129	4,497	452	5,077
Net income/(expenditure)	(22)	(365)	(416)	(802)
Transfers between funds	(276)	232	44	-
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes	-	439	-	439
Net movement in funds/(deficit)	(298)	306	(372)	(363)
Reconciliation of funds				
Total funds/(deficit) brought forward at 1 September 2016	647	(2,460)	7,956	6,143
Total funds/(deficit) carried forward at 31 August 2017	349	(2,154)	7,584	5,779