Company Registration Number: 08699391 (England and Wales)

BEECROFT ACADEMY

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

BEECROFT ACADEMY
(A Company Limited by Guarantee)

CONTENTS

BEECROFT ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS / GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2018

Members

M G Fowler
M Boyle
S Dutnall
L Money (resigned 18 December 2017)
H Bell
C Dalton (appointed 18 December 2017)

Governors

M G Fowler, Chair of Governors[1]
M Boyle, Vice Chair[1]
S Dutnall[1]
R Whitelock[1]
V Reavey, Staff Governor[1]
S Potter (resigned 10 March 2018)
M Hart, Staff Governor
L Money (resigned 18 December 2017)
J Hughes, Head Teacher[1]
N Hackett, Deputy Head Teacher[1]
S Knight, Staff Governor (resigned 1 September 2018)
L Salan[1]
Ms H Bell
C Dalton
J Martin (appointed 11 December 2017)[1]
D Watson, Staff Governor (appointed 11 December 2017)

[1] Members of resources committee

Company registered number

08699391

Company name

Beecroft Academy

Principal and registered office

Westfield Road
Dunstable
Bedfordshire
LU6 1DW

Senior management team

J Hughes, Headteacher
N Hackett, Deputy Headteacher
Mrs C Mitchell, Assistant Headteacher
Mrs M Phillips, Director of finance and administration
Ms M Hart, Children's centre manager

Advisers (continued)

Independent auditors

Streets Audit LLP
Chartered Accountants
Statutory Auditors
Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Bankers

Natwest Bank Plc
Leicester Customer Service Centre
Bede House
11 Western Boulevard
Leicester
LE2 7EJ

Solicitors

Michelmores Solicitors
Woodwater House
Pynes Hill
Exeter
Devon
EX2 5WR

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2017 to 31 August 2018. The Annual Report serves the purposes of both a Governors' Report, and a Directors' report under company law.

The trust operates an Academy for pupils aged 4 to 11 serving north Dunstable. It has a pupil capacity of 420 and had a roll 406 pupils on roll in the January 2018 census.

Structure, governance and management

a. CONSTITUTION

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The governors of Beecroft Academy are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Beecroft Academy.

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

b. MEMBERS' LIABILITY

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

c. GOVERNORS' INDEMNITIES

In accordance with normal commercial practive, the Academy has purchased insurance to protect Governors and officers from claims araising from negligent acts, error or omissions occuring whilst on Academy business. The insurance provides cover up to £10,000,000.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The Governors are Directors of the charitable company for the purposes of the Companies Act 2006 and Governors for the purposes of charity legislation.

The Members of the Academy trust are comprised of:-

- The Chair of Governors
- The Vice Chair of Governors
- The Chair of the Resources Committee (if different from above)
- Any persons appointed by the members.

There will always be a minimum of three Members.

The Governors comprise of:

- Parent Governors who are elected by the parents.
- Staff Governors who are elected by members of staff.
- Community members who are elected by the Members. (For names of Members see page 1).

Governors' term of office is four years but they are eligible for re election at the meeting at which they retire. At the AGM of each year the governors will elect a Chair and a Vice Chair.

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

The training and induction provided for new Governors will depend upon their existing experience and knowledge of the Academy and would always include the opportunity of a tour of the Academy and an opportunity to meet staff and pupils. All Governors are signposted to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. Governors are encouraged to participate in courses offered by the Local Authority and to use on-line training, and training is always an item for Governor meetings.

f. ORGANISATIONAL STRUCTURE

The Board of Governors meets once per term, but extra meetings are called for specific purposes. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of the Board and committees and other groups. It receives reports from its committees and policies for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks.

There are three sub-committees as follows:

• Resources Committee - this meets three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the Responsible Officer and approving the annual budget and staffing levels. It also deals with personnel, premises and health and safety matters. Members of this committee are also responsible for approving payments by the finance officer for invoices between £2,000 and £10,000.

• School Improvement Committee - this meets three times a year and is responsible for evaluating and reviewing Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment and pastoral issues.

• Data group – this meets once a year and is responsible for looking in detail at the analysis of the data, identifying the strengths and areas of development for the school and challenging the headteacher about actions taken in response to the findings.

The following decisions are referred to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the School Development Plan and budget. The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments. Trustees are responsible for approving payment by the finance manager of payments over £10,000.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team. The Headteacher is the Accounting Officer.

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The starting level of pay for newly appointed members of the senior leadership team and the Headteacher is set (depending of experience etc) within a range as advised by our Human Resources provider, in accordance with School Teachers Pay and Conditions. All increases are set by the Pay committee (a sub-committee of the Resources Committee) and dependent on the results of appraisal interviews and level of responsibility. The Headteacher makes recommendations to the Pay Committee who discuss each case. The Headteacher's pay is set by the Pay Committee and is again dependant on a successful appraisal meeting.

h. RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The Academy is responsible for the management of the Dunstable North (The Beehive) SureStart Children's Centre. This is funded by the Local Authority and although their finances are reported in the Academy accounts the monies are managed through a separate bank account. We work closely with other local primary academies and are a strategic partner in the Acorn Teaching School Alliance and Dunstable & Houghton Regis Cluster.

i. TRADE UNION FACILITY TIME

There were no employees who were relevant union officials during the year.

Objectives and Activities

a. OBJECTS AND AIMS

Our object, as stated in our Articles of Association is to advance for the public benefit education by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Beecroft Academy aims to be a place whereby children who attend are served in a nurturing and value driven manner, in order for every aspect of their potential to be recognised and fulfilled. Our desire is for children (and staff) to be part of a school for which they feel pride and excitement – one which cares for each member much like a family.

Through their time here at Beecroft Academy, we hope that children will learn:-

- A set of moral and spiritual values
- A core set of skills, such as reading, writing, mathematics, physical, scientific and artistic
- A hunger to better themselves and persevere
- A high sense of self- esteem and an understanding of their own value as individuals
- A tolerance and respect for all regardless of gender, religion, disability or ethnicity
- To be confident and successful learners

In order for this to be achieved, we at Beecroft Academy strive to offer outstanding and inspirational teaching, through skilled and constantly learning practitioners, who view the children's academic and personal, social, social and moral well- being as the priority.

All the staff endeavour to make Beecroft Academy a safe and secure environment, both with regards to the building and the grounds and also with the systems and the environment in which the children learn.

We also recognise that teamwork and positive partnerships – with individual children, the whole class, colleagues, Governors, parents and the wider community are integral to fulfilling our vision and values and we work incredibly hard to ensure that these partnerships are healthy and productive.

At Beecroft Academy, our principles are that the implementation of this vision statement will see children served to the best of the staff's ability and become the best they can possibly be.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives for the year, as set out in the five year plan were:-

- To Foster a Positive Attitude (Growth Mindset). This is continuing to be achieved by:-
  - The school and parents share mutual respect and support, the parents value the school
  - The school is an integral part of Dunstable and the local community. Among the initiatives school has taken part in this year with the Town Council –the 'Good, Bad and Ugly' scheme; also Men in Sheds
  - Parents are provided with regular information, retrievable via e-mail / internet /school website as well as at face to face meetings
  - Members of the community make contributions to assembly, PSHE, SMSC, Values
  - The school develops children who will, in turn, be responsible citizens.

- To Create a Modern, Vibrant Learning Environment. This is continuing to be achieved by:-
  - The school at the forefront of ICT and computing developments
  - All classrooms to be well maintained and comfortable and reviewed and redecorated as part of the maintenance plan
  - Quality areas for specialist learning and teaching
  - Spaces for intervention, changing, meetings and staff non-contact time
  - Classroom and corridor displays reflect classroom practice.

- To Encourage Praise and Achievement both Inside and Outside School. This is continuing to be achieved by:-
  - All pupils very positive about the school and the school to have an excellent reputation. The school was judged to be 'Good' by Ofsted in May 2017.
  - High quality pastoral care, with all pupils feeling valued, through positive behaviour management.
  - All pupils value the achievement of each other and others in our community including the house system
  - Develop lifelong aspirations in the children via links with former pupils.

- To Set the Highest Expectations. This is continuing to be achieved by:-
  - Staff to have the highest expectations of pupil achievement
  - Our test results to be above National Expectations for progress and attainment
  - Our Challenge Programme (Extra curricular learning) to be further enhanced
  - To be at the forefront of educational initiatives and developments, professional development and training
  - Our teaching, learning, behaviour, safety and leadership to be outstanding.

- To attain a balanced budget. This was achieved by:
  - Reviewing relevant contracts
  - Ensuring the Academy achieves best value at all times
  - Letting the premises in the evenings and weekend
  - Putting robust financial processes and procedures in place
  - Updating the finance manual.

- To further develop partnership working with other schools. This was achieved by:
  - Working with HT of local school and the Acorn Alliance.
  - Identifying key priorities.
  - Exploring links with schools further afield.
  - NQT training initiative.

c. PUBLIC BENEFIT

The Governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties.

The Academy provides facilities for a variety of community users. At present the school hosts dance classes, a football club and Clubbercise run for and by the community. The Beehive Children's Centre provides a range of activities which support the local community.

As an Academy we have a duty to support other schools. We work closely with other local primary academies and are a strategic partner in the Acorn Teaching School Alliance and Dunstable & Houghton Regis Cluster.

Achievements and performance

a. KEY PERFORMANCE INDICATORS

The achievement and progress of the pupils is considered 'good'.

The Academy continues to raise the attainment levels.

The school has 21% of children entitled to free school meals and 30% of children receiving Pupil Premium funding. Children speaking English as an additional language make up 25% of the school and the SEN count is 21%.

The children enter the Academy in Yr R at a level which is significantly below that of NA. By the end of the year the children achieved a GLD (good level of development) of 60% - a year on year increase and the highest percentage the Academy has had since its inception. National 72%.

The phonics screening check showed that 68% of children were working at or exceeded expected levels. This is a dip following year on year increases. National 83%. Including the retakes in Year 2 the children achieve 90% pass rate. National 91%.

Children make good progress throughout their time and by the time they leave KS1 they have achieved broadly in line with NA for Reading, Writing and Maths.

At KS2 expected level children attained below National in Reading, Writing and Maths. At exceeding level our children were broadly in line for reading, writing and maths.

During this year we received a KS2 moderation visit. The moderators were complimentary about the work of our staff and children, commenting about the accuracy of our judgements and quality of our books.

To ensure that standards are improving year on year the Academy operates a programme of target setting, curriculum monitoring and review that feed into the Academy Development Plan.

The performance of all the children is monitored in great detail and a variety of strategies to support both the academic, social and emotional development of the children are put in place.

The Academy also ensures that there are opportunities to share good practice and receive appropriate CPD matched to the needs of staff and the objectives of the Academy.

b. GOING CONCERN

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

Financial review

Most of the Academy's income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the 12 months ended 31 August 2018 and the associated expenditure is shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2018, total expenditure was more than covered by recurrent grant funding from the DfE together with other incoming resources.

a. RESERVES POLICY

The governors have given careful consideration to the level of reserves held by the academy. The academy seeks to maintain its commitment to delivering high quality education at the best value for money, within the funding available from the EFA and other sources.

The budget for the financial year under review was discussed and approved by a meeting of the full governing body on 16 July 2018. The budget forecast predicted an in-year surplus in the region of £129,277. The budgeted surplus is in line with the School Development Plan and is considered necessary in order to provide adequate funds for the future development of the academy trust.

b. INVESTMENT POLICY

When we are in a position to do so the Finance Manager will begin discussions with the Academy Bank Manager regarding cash flow and investment opportunities and will make recommendations to Governors on investment proposals.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The governors continue to monitor the risks and uncertainties within the academy and have prepared/maintained the risk register which was presented to the full board of governors on 12 March 2018.

The most significant risks identified at the current time are:

a) the continued pressure to maintain teaching standards and pupil achievement within the constraints of the current funding formula
b) the need to recruit and retain staff with appropriate skills to deliver high quality education, management and development of the academy in line with the School Development Plan
c) the financial risks associated with fluctuations in pupil numbers, accommodating an expanding number of pupils in the local area while recognising a potential vulnerability with increased parental choice
d) the financial cost of long term staff absence
e) the development of the academy trust in line with changes in Central and Local Government policies.

f) the need to update the disaster plan (This is currently being undertaken).
g) the need to check procedures for failure of key soft ware and hard ware. (This is currently being undertaken).

Fundraising

The school organises fundraising for charities (e.g. Jeans for Genes, MacMillan, Children in Need etc). We then split the funds between whichever charity and our PTA. The PTA often support these events - e.g. providing manpower. The PTA raises funds directly for the school - e.g. adventure play equipment, items for specific subjects etc. The PTA reports to the governing body and events are publicised on the school newsletter. The PTA accounts are audited annually. Complaints about fundraising can be made directly to the PTA though a variety of means as advertised on the Academy website. If complaints are not resolved they can be taken to the headteacher and then to the governors.

Plans for future periods

The Academy will continue striving to provide outstanding education and improve the levels of performance of its children at all levels. Following an Ofsted inspection where the overall effectiveness of the Academy was judged as 'Good' plans for the future period have been drawn up with heading in line with Ofsted Criteria.:-

- To continue to develop the quality of leadership and management across the school
- To ensure all learning consolidates and challenges pupils understanding, skill and knowledge.
- To continue to promote excellent behaviour and safety and to improve attendance.
- To develop innovative strategies to further narrow the gap for groups of pupils who are underperforming.
- To maximise the use of all buildings and grounds to provide safe and exciting learning experiences
- To develop a learning environment linked to extended services, in partnership with alliance schools and the local community.
- To sustain the progress of all pupils

FUNDS HELD AS CUSTODIAN GOVERNOR ON BEHALF OF OTHERS

The Academy and its Governors do not act as the Custodian Governors of any other Charity.

AUDITORS

Insofar as the governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that governors have taken all the steps that ought to have been taken as a Governors in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

After considering a number of tenders the trustees agreed that Streets should continue in office and a resolution to appoint them will be proposed at the AGM.

The Governors' Report was approved by order of the board of governors, as the company directors, on 10 December 2018 and signed on its behalf by:

M-G Fowler

Mrs M G Fowler
Chair of Governors

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of governors has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Beecroft Academy and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 4 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
M G Fowler, Chair of Governors	3	4
M Boyle, Vice Chair	4	4
S Dutnall	4	4
R Whitelock	4	4
V Reavey, Staff Governor	3	4
S Potter (resigned 10 March 2018)	2	2
M Hart, Staff Governor	3	4
L Money (resigned 18 December 2017)	1	1
J Hughes, Head Teacher	4	4
N Hackett, Deputy Head Teacher	4	4
L Salan	4	4
Ms H Bell	4	4
C Dalton	4	4
J Martin (appointed 11 December 2017)	3	3
D Watson, Staff Governor (appointed 11 December 2017)	3	3

During the year two trustees resigned and two trustees were appointed. Attendance at all meetings has been good. At each meeting the board has reviewed, and questioned, reports from its committees as well as the minutes of the School Council. The head teacher's report has included reports on the work of the PTA. The conversion of an old people's home on the boundary of the Academy in to accommodation for the homeless has been a cause for concern. The Academy carried out a Skills Audit. The findings are currently being analysed by trustees. The pre-meeting visit to each year group in the school has given trustees opportunity to discover the learning opportunities for pupils through detailed and informative presentations given by the staff. They have also been able to look at children's books, question the teachers and report to the meeting on what they have found. Trustees found this very useful and appreciate the time and effort given by the staff .The Academy is well led by the headteacher James Hughes and supported by the senior leadership team and all staff.

Governance reviews:

- A regular item on the agenda of meetings of the full trustee board is a review of effectiveness. The trustees have looked at different areas of responsibility in detail, indentifying areas of strength and those for development. Actions to be taken have been pinpointed.
- The impact of these reviews is shown by the trustees becoming increasingly aware of their responsibilities and in the level of challenge to statements and actions of the Head Teacher
- Trustees have undertaken a skills audit. The results are being analysed and acted upon.

- Trustees have undertaken regular visits to the Academy and their findings have been reported to the Board of Trustees and put on the Academy website.
- Trustees have undertaken a variety of training: - in-house, on line and provided by the LA.

The Resource Committee is a sub-committee of the main board of governors. Its purpose is to be responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the Responsible Officer and approving the annual budget and staffing levels. It also deals with personnel, premises and health and safety matters. Members of this committee are also responsible for approving payments by the finance manager for invoices between £2,000 and £10,000.

The main items for the reporting year have been the monitoring of the income and expenditure against budget. The reports of the Responsible Officer have been accepted. The training of the Finance Manager on 'Sage' has been monitored, resulting in governors approving the adoption of the SIMs finance package. New contracts for cleaning of the premises, for catering and ICT services were assessed as being good value for money and approved. Plans for improvements to the building, particularly with regard to Health and Safety have been approved.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
J Hughes, Accounting Officer	4	4
M Phillips, Finance Manager	4	4
R Whitelock	3	4
M Boyle, Chair	4	4
M G Fowler	3	4
V Reavey	3	4
S Dutnall	3	4
N Hackett	4	4
L Salan	2	4
J Martin (appointed 11 December 2017)	2	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Head Teacher has responsibility for ensuring that the Academy 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 Academy's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- deploying staff in the most appropriate way to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio and curriculum management;
- deploying equipment, materials and services to provide pupils and staff with resources which support quality of teaching and learning;
- working with the governors to develop procedures for assessing need, and obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost.

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 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 Beecroft Academy for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of governors has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2017 to 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 governors.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Miriam Drahmane, a , to carry out a programme of internal checks to carry out a programme of internal checks;

The reviewer'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 purchase systems
- testing of control account/ bank reconciliations.

On a quarterly basis, the reviewer reports to the board of governors through the audit committee on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Teacher 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 reviewer;
- the work of the external auditors;
- the work of the executive managers within the Academy 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 resource 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 governors on 10 December 2018 and signed on their behalf, by:

M. G. Fowler.

Mrs M G Fowler
Chair of Governors

J Hughes
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Beecroft Academy 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.

J Hughes
Accounting Officer

Date: 10 December 2018

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2018

The Governors (who act as trustees of Beecroft Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued 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 governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by order of the members of the board of governors on 10 December 2018 and signed on its behalf by:

M. G. Fowler

Mrs M G Fowler
Chair of Governors

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BEECROFT ACADEMY

OPINION

We have audited the financial statements of Beecroft Academy (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BEECROFT ACADEMY

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.

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 Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' 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 Governors' Responsibilities, the governors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BEECROFT ACADEMY

AUDITORS' 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 Auditors' 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.

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

OTHER MATTERS

Only partial disclosure has been made in respect of Governors' remuneration (note 11).

USE OF OUR REPORT

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

Jonathan Day (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants
Statutory Auditors

Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ
Date:
14 December 2018.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BEECROFT ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 5 November 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 Beecroft Academy during the year 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 Beecroft Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Beecroft Academy 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 Beecroft Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF BEECROFT ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Beecroft Academy's funding agreement with the Secretary of State for Education dated 1 November 2013, 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 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BEECROFT ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focussing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the Finance Team.

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 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Jonathan Day (Senior Statutory Auditor)

Streets Audit LLP

Chartered Accountants
Statutory Auditors

Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Date:

14 December 2018

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	*Total funds 2017 £*
INCOME FROM:						
Donations and capital grants	2	-	924	836,735	837,659	*15,937*
Charitable activities		24,186	1,994,403	-	2,018,589	*1,992,745*
Other trading activities	3	5,192	-	-	5,192	*13,095*
TOTAL INCOME		29,378	1,995,327	836,735	2,861,440	*2,021,777*
EXPENDITURE ON:						
Charitable activities		20,840	1,980,777	817,605	2,819,222	*1,836,693*
Other expenditure		-	-	-	-	*177,174*
TOTAL EXPENDITURE	5	20,840	1,980,777	817,605	2,819,222	*2,013,867*
NET INCOME BEFORE TRANSFERS		8,538	14,550	19,130	42,218	*7,910*
Transfers between Funds	17	-	(11,679)	11,679	-	*-*
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		8,538	2,871	30,809	42,218	*7,910*
Actuarial gains on defined benefit pension schemes	21	-	172,000	-	172,000	*94,000*
NET MOVEMENT IN FUNDS		8,538	174,871	30,809	214,218	*101,910*
RECONCILIATION OF FUNDS:						
Total funds brought forward		55,920	(281,643)	1,776,598	1,550,875	*1,448,965*
TOTAL FUNDS CARRIED FORWARD		64,458	(106,772)	1,807,407	1,765,093	*1,550,875*

BEECROFT ACADEMY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 08699391

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		1,738,937		1,768,964
CURRENT ASSETS					
Stocks	14	5,807		4,840	
Debtors	15	382,960		72,510	
Cash at bank and in hand		619,608		298,793	
		1,008,375		376,143	
CREDITORS: amounts falling due within one year	16	(540,219)		(98,232)	
NET CURRENT ASSETS			468,156		277,911
TOTAL ASSETS LESS CURRENT LIABILITIES			2,207,093		2,046,875
Defined benefit pension scheme liability	21		(442,000)		(496,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			1,765,093		1,550,875
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	335,228		214,357	
Restricted fixed asset funds	17	1,807,407		1,776,598	
Restricted income funds excluding pension liability		2,142,635		1,990,955	
Pension reserve		(442,000)		(496,000)	
Total restricted income funds			1,700,635		1,494,955
Unrestricted income funds	17		64,458		55,920
TOTAL FUNDS			1,765,093		1,550,875

The financial statements on pages 22 to 47 were approved by the governors, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:

M.G. Fowler

Mrs M G Fowler
Chair of Governors

J Hughes
Head Teacher

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	*2017 £*
Cash flows from operating activities			
Net cash provided by operating activities	19	**340,705**	*163,729*
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(19,890)**	*(20,055)*
Net cash used in investing activities		**(19,890)**	*(20,055)*
Change in cash and cash equivalents in the year		**320,815**	*143,674*
Cash and cash equivalents brought forward		**298,793**	*155,119*
Cash and cash equivalents carried forward		**619,608**	*298,793*

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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.

Beecroft Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The governors 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 Academy Trust to continue as a going concern. The governors 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.

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

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

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised 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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	2% per annum straight line
Furniture and fixtures	-	20% per annum straight line
Plant and equipment	-	20% per annum straight line

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 incorporating Income and Expenditure Account.

1.6 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1. ACCOUNTING POLICIES (continued)

1.8 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities and provisions 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 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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.14 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 governors.

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.

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy Trust 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 21, 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.

The annual depreciation charge for each class of tangible fixed asset is based on an estimate of the useful economic life of the respective assets. This is reviewed periodically by the directors to ensure that they reflect both the external and internal factors.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	**Restricted funds 2018 £**	**Restricted fixed asset funds 2018 £**	**Total funds 2018 £**	*Total funds 2017 £*
Donations	-	924	-	924	*4,211*
Capital Grants	-	-	836,735	836,735	*11,726*
	-	924	836,735	837,659	*15,937*
Total 2017	-	*4,211*	*11,726*	*15,937*	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	*Total funds 2017 £*
Hire of facilities	5,192	-	5,192	*13,095*
Total 2017	*13,095*	*-*	*13,095*	

4. FUNDING FOR EDUCATIONAL OPERATIONS

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	*Total Funds 2017 £*
DfE / ESFA REVENUE GRANTS				
General Annual Grant	-	1,433,472	1,433,472	*1,393,325*
Other DfE / ESFA Grants	-	248,742	248,742	*235,831*
	-	1,682,214	1,682,214	1,629,155
OTHER GOVERNMENT GRANTS				
Local Authority Grants	-	40,658	40,658	*37,333*
Childrens Centre	-	223,055	223,055	*222,803*
	-	263,713	263,713	260,136
OTHER INCOME				
Shop	-	2,137	2,137	*444*
Before/After School Clubs	-	26,340	26,340	*22,618*
Children Centre - Private Funding	-	2,402	2,402	*12,655*
School Trips	24,186	-	24,186	*15,840*
Other Income	-	17,597	17,597	*51,896*
	24,186	1,994,403	2,018,589	103,452
Total	24,186	1,994,403	2,018,589	*1,992,745*

5. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	*Total 2017 £*
Academy's educational operations:					
Direct costs	1,094,140	-	92,473	1,186,613	*1,132,684*
Support costs	293,461	878,727	265,097	1,437,285	*684,016*
Children centre:					
Direct costs	168,336	-	871	169,207	*162,291*
Support costs	3,464	6,463	16,190	26,117	*34,876*
	1,559,401	885,190	374,631	2,819,222	*2,013,867*
Total 2017	*1,560,476*	*85,075*	*382,756*	*2,028,307*	

6. CHARITABLE ACTIVITIES - DIRECT COSTS

	Academy's educational operations £	Children's centre £	Total 2018 £	*Total 2017 £*
Educational supplies	66,085	-	66,085	*73,520*
Staff development	5,548	871	6,419	*13,008*
Other costs	20,840	-	20,840	*15,840*
Wages and salaries	882,040	138,524	1,020,564	*968,544*
National insurance	73,732	10,084	83,816	*79,285*
Pension cost	138,368	19,728	158,096	*144,778*
	1,186,613	169,207	1,355,820	*1,294,975*
Total 2017	*1,132,684*	*162,291*	*1,294,975*	

7. CHARITABLE ACTIVITIES - SUPPORT COSTS

	Academy's educational operations £	Children's centre £	Total 2018 £	*Total 2017 £*
Pension cost (FRS 102)	14,000	-	14,000	*11,000*
Staff development	3,457	500	3,957	*2,979*
Repairs and maintenance costs	74,364	6,117	80,481	*68,446*
Cleaning	1,133	439	1,572	*28,238*
Rent and rates	7,224	-	7,224	*7,311*
Heat and light	29,451	346	29,797	*22,439*
Insurance	20,604	-	20,604	*14,443*
Other support costs	34,843	14,327	49,170	*35,396*
Technology costs	40,415	924	41,339	*27,636*
Catering	92,228	-	92,228	*91,378*
CIF expenditure	767,688	-	767,688	*-*
Governance cost	8,500	-	8,500	*8,896*
Wages and salaries	160,293	3,061	163,354	*235,859*
National insurance	9,925	88	10,013	*10,272*
Pension cost	123,243	315	123,558	*107,298*
Depreciation	49,917	-	49,917	*47,301*
	1,437,285	26,117	1,463,402	*718,892*
Total 2017	*684,016*	*34,876*	*718,892*	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	*2017 £*
Depreciation of tangible fixed assets:		
- owned by the charity	49,917	*47,301*
Auditors' remuneration - audit	6,000	*5,850*
Auditors' remuneration - other services	2,500	*3,046*

9. GOVERNORS' 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 governors and officers indemnity element from the overall cost of the RPA scheme.

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,149,625	1,093,839
Social security costs	93,829	89,557
Operating costs of defined benefit pension schemes	281,654	252,076
	1,525,108	1,435,472
Supply teacher costs - agency costs	24,027	90,740
Supply teacher costs - through payroll	10,266	19,824
Staff restructuring costs	-	14,440
	1,559,401	1,560,476

Staff restructuring costs comprise:

	2018	2017
Redundancy payments	-	14,440

b. Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2018 No.	2017 No.
Management	6	5
Teaching staff	22	21
Administration and support	36	37
	64	63

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Management	6	5
Teaching staff	17	16
Administration and support	25	30
	48	51

10. STAFF COSTS (continued)

c. Higher paid staff

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

	2018	*2017*
	No.	*No.*
In the band £60,001 - £70,000	**0**	*1*
In the band £70,001 - £80,000	**1**	*0*

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £245,506 (2017 £240,639).

11. GOVERNORS' REMUNERATION AND EXPENSES

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

		2018	*2017*
		£	*£*
Head Teacher	Remuneration	**70,000-75,000**	*60,000-65,000*
	Pension contributions paid	**10,000-15,000**	*10,000-15,000*
Staff Governors	Remuneration	**110,000-115,000**	*125,000-130,000*
	Pension contributions paid	**15,000-20,000**	*15,000-20,000*

During the year, no governors received any benefits in kind (2017 - £NIL).
During the year ended 31 August 2018, no governors received any reimbursement of expenses (2017 - £NIL).

12. OTHER FINANCE INCOME

	2018	*2017*
	£	*£*
Interest income on pension scheme assets	**20,000**	*10,000*
Interest on pension scheme liabilities	**(34,000)**	*(21,000)*
	(14,000)	*(11,000)*

13. TANGIBLE FIXED ASSETS

	Leasehold property £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	1,861,349	22,864	27,504	1,911,717
Additions	-	11,000	8,890	19,890
At 31 August 2018	1,861,349	33,864	36,394	1,931,607
Depreciation				
At 1 September 2017	119,646	5,463	17,644	142,753
Charge for the year	37,227	5,856	6,834	49,917
At 31 August 2018	156,873	11,319	24,478	192,670
Net book value				
At 31 August 2018	1,704,476	22,545	11,916	1,738,937
At 31 August 2017	*1,741,703*	*17,401*	*9,860*	*1,768,964*

14. STOCKS

	2018 £	*2017 £*
Educational supplies	5,807	*4,840*

15. DEBTORS

	2018 £	*2017 £*
Trade debtors	553	-
VAT Recoverable	86,132	*18,423*
Prepayments and accrued income	296,275	*54,087*
	382,960	*72,510*

16. CREDITORS: Amounts falling due within one year

	2018 £	*2017 £*
Trade creditors	130,159	*28,035*
Other creditors	996	*-*
Accruals and deferred income	409,064	*70,197*
	540,219	*98,232*

	2018 £	*2017 £*
Deferred income		
Deferred income at 1 September 2017	47,709	*49,586*
Amounts released from previous years	(47,709)	*(49,586)*
Universal infant free school meals	33,012	*24,472*
Income received in advance	30,263	*23,237*
Deferred income at 31 August 2018	63,275	*47,709*

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Designated funds						
School Trips	-	24,186	(20,840)	-	-	3,346
General funds						
General funds - School Activities	33,986	5,192	-	-	-	39,178
General funds - Children Centre	21,934	-	-	-	-	21,934
	55,920	5,192	-	-	-	61,112
Total Unrestricted funds	55,920	29,378	(20,840)	-	-	64,458

17. STATEMENT OF FUNDS (continued)

Restricted funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Annual Grant (GAG)	72,777	1,433,472	(1,337,421)	(11,679)	-	157,149
Other EFA Grants	-	248,742	(248,742)	-	-	-
Local Authority	-	40,658	(40,658)	-	-	-
Children Centre - local authority	140,153	223,055	(185,129)	-	-	178,079
Shop	-	2,137	(2,137)	-	-	-
Before/After School Clubs	-	26,340	(26,340)	-	-	-
Children Centre - private funding	-	2,402	(2,402)	-	-	-
Donation	-	924	(924)	-	-	-
Other income	1,427	17,597	(19,024)	-	-	-
Pension reserve	(496,000)	-	(118,000)	-	172,000	(442,000)
	(281,643)	1,995,327	(1,980,777)	(11,679)	172,000	(106,772)

Restricted fixed asset funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Tangible fixed assets	1,768,964	-	(49,917)	19,890	-	1,738,937
Devolved formula capital	7,634	8,185	-	(8,211)	-	7,608
CIF grants - Boiler project and roof works	-	828,550	(767,688)	-	-	60,862
	1,776,598	836,735	(817,605)	11,679	-	1,807,407
Total restricted funds	1,494,955	2,832,062	(2,798,382)	-	172,000	1,700,635
Total of funds	1,550,875	2,861,440	(2,819,222)	-	172,000	1,765,093

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

Designated Funds:
The Academy maintains a separate fund, within its bank account, which includes income and expenditure relating to school trips.

General Funds:
The Academy's general funds include the local authority settlement and represents income and expenditure relating to activities undertaken by the Academy as part of its charitable activities. The Academy can then use these funds for any purpose.

17. STATEMENT OF FUNDS (continued)

Restricted Funds:
The Academy received a number of grants during the period for the purpose of providing educational services to its pupils. These funds included grants from the EFA for the General Annual Grant (GAG) and Start Up Grant and Pupil Premium. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academy.

The Academy receives Sure Start Grants from the Local Authority for the running of the Children Centre known as 'Beehive'. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Children Centre.

Pension Reserve - As stated in note 21 the Academy is a participating employer in two defined benefit pension schemes. The liabilities relating to Beecroft Academy can only be determined for one of these schemes. A separate reserve has been included to show the impact of the changes in valuation of this pension scheme.

Restricted Fixed Assets Funds:
The Academy received Capital Formula funding to be spent on capital repairs and the purchase of new equipment. Assets which are capitalised in the accounts are represented by a separate fund within the Restricted Fixed Assets reserve.

The Academy also received grants from the ESFA's Conditions Improvement Fund totalling £828,550 to enable roof works and the boiler project to be undertaken, with the balance being carried forward for costs due to be incurred in the year to 31 August 2018.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2017* £
School Trips	-	*15,840*	*(15,840)*	-	-	-
General funds						
General funds - School Activities	*20,891*	*13,095*	-	-	-	*33,986*
General funds - Children Centre	*21,934*	-	-	-	-	*21,934*

17. STATEMENT OF FUNDS (continued)

Restricted funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	-	1,393,325	(1,305,761)	(14,787)	-	72,777
Other EFA Grants	-	235,831	(235,831)	-	-	-
Local Authority	-	37,333	(37,333)	-	-	-
Children Centre - local authority	99,754	222,803	(182,404)	-	-	140,153
Shop	-	444	(444)	-	-	-
Before/After School Clubs	-	22,618	(22,618)	-	-	-
Children Centre - private funding	-	12,655	(12,655)	-	-	-
Donation	-	4,211	(4,211)	-	-	-
Other income	-	51,896	(50,469)	-	-	1,427
Pension reserve	(491,000)	-	(99,000)	-	94,000	(496,000)
	(391,246)	1,981,116	(1,950,726)	(14,787)	94,000	(281,643)

Restricted fixed asset funds

Tangible fixed assets	1,796,210	-	(47,301)	20,055	-	1,768,964
Devolved formula capital	1,176	11,726	-	(5,268)	-	7,634
	1,797,386	11,726	(47,301)	14,787	-	1,776,598
Total restricted funds	1,406,140	1,992,842	(1,998,027)	-	94,000	1,494,955
Total of funds	1,448,965	2,021,777	(2,013,867)	-	94,000	1,550,875

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Designated funds						
School Trips	-	40,026	(36,680)	-	-	3,346
General funds						
General funds - School Activities	20,891	13,095	-	-	-	33,986
General funds - Children Centre	21,934	5,192	-	-	-	27,126
Total Unrestricted funds	42,825	58,313	(36,680)	-	-	64,458

Restricted funds

	Balance at 1 September 2016 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2017* £
General Annual Grant (GAG)	-	2,826,797	(2,643,182)	(26,466)	-	157,149
Other EFA Grants	-	484,573	(484,573)	-	-	-
Local Authority	-	77,991	(77,991)	-	-	-
Children Centre - local authority	99,754	445,858	(367,533)	-	-	178,079
Shop	-	2,581	(2,581)	-	-	-
Before/After School Clubs	-	48,958	(48,958)	-	-	-
Children Centre - private funding	-	15,057	(15,057)	-	-	-
Donation	-	5,135	(5,135)	-	-	-
Other income	-	69,493	(69,493)	-	-	-
Pension reserve	(491,000)	-	(217,000)	-	266,000	(442,000)
	(391,246)	3,976,443	(3,931,503)	(26,466)	266,000	(106,772)

17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Tangible fixed assets	*1,796,210*	*-*	*(97,218)*	*39,945*	*-*	*1,738,937*
Devolved formula capital	*1,176*	*19,911*	*-*	*(13,479)*	*-*	*7,608*
	-	*828,550*	*(767,688)*	*-*	*-*	*60,862*
	1,797,386	*848,461*	*(864,906)*	*26,466*	*-*	*1,807,407*
	1,406,140	*4,824,904*	*(4,796,409)*	*-*	*266,000*	*1,700,635*
Total of funds	*1,448,965*	*4,883,217*	*(4,833,089)*	*-*	*266,000*	*1,765,093*

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	**-**	**-**	**1,738,937**	**1,738,937**
Current assets	**64,458**	**875,447**	**68,470**	**1,008,375**
Creditors due within one year	**-**	**(540,219)**	**-**	**(540,219)**
Provisions for liabilities and charges	**-**	**(442,000)**	**-**	**(442,000)**
	64,458	**(106,772)**	**1,807,407**	**1,765,093**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	*Restricted funds 2017 £*	*Restricted fixed asset funds 2017 £*	*Total funds 2017 £*
Tangible fixed assets	*-*	*-*	*1,768,964*	*1,768,964*
Current assets	*55,920*	*312,589*	*7,634*	*376,143*
Creditors due within one year	*-*	*(98,232)*	*-*	*(98,232)*
Provisions for liabilities and charges	*-*	*(496,000)*	*-*	*(496,000)*
	55,920	*(281,643)*	*1,776,598*	*1,550,875*

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	**42,218**	*7,910*
Adjustment for:		
Depreciation charges	**49,917**	*47,301*
Increase in stocks	**(967)**	*(2,474)*
Increase in debtors	**(310,450)**	*(20,177)*
Increase in creditors	**441,987**	*32,169*
Defined benefit pension scheme cost less contributions payable	**104,000**	*88,000*
Defined benefit pension scheme finance cost	**14,000**	*11,000*
Net cash provided by operating activities	**340,705**	*163,729*

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	**619,608**	*298,793*
Total	**619,608**	*298,793*

21. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedford Borough Council. Both are Multi-Employer Defined Benefit Pension 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.

21. PENSION COMMITMENTS (continued)

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.

The employer's pension costs paid to TPS in the period amounted to £105,667 *(2017 - £93,310)*.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £98,000 *(2017 - £96,000)*, of which employer's contributions totalled £73,000 *(2017 - £71,000)* and employees' contributions totalled £25,000 *(2017 - £25,000)*. The agreed contribution rates for future years are 9.5% for employers and varying% 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*
Discount rate for scheme liabilities	**2.30 %**	*2.40 %*
Rate of increase in salaries	**2.60 %**	*2.70 %*
Rate of increase for pensions in payment / inflation	**2.80 %**	*2.50 %*

21. PENSION COMMITMENTS (continued)

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

	2018	*2017*
Retiring today		
Males	22.4	*22.4*
Females	24.5	*24.5*
Retiring in 20 years		
Males	24.0	*24.0*
Females	26.2	*26.2*

Sensitivity analysis	At 31 August 2018 £	*At 31 August 2017 £*
Discount rate -0.1	(38,000)	*(36,000)*
Mortality assumption - 1 year increase	40,000	*38,000*
CPI rate +0.1%	32,000	*29,000*

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

	Fair value at 31 August 2018 £	*Fair value at 31 August 2017 £*
Equities	523,000	*438,000*
Corporate bonds	126,000	*115,000*
Property	81,000	*69,000*
Cash and other liquid assets	172,000	*147,000*
Total market value of assets	902,000	*769,000*

The actual return on scheme assets was £20,000 *(2017 - £10,000).*

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	*2017 £*
Current service cost	(177,000)	*(159,000)*
Interest income	20,000	*10,000*
Interest cost	(34,000)	*(21,000)*
Total	(191,000)	*(170,000)*

21. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	1,265,000	930,000
Current service cost	177,000	159,000
Interest cost	34,000	21,000
Employee contributions	25,000	25,000
Actuarial (gains)/losses	(151,000)	138,000
Benefits paid	(6,000)	(8,000)
Closing defined benefit obligation	1,344,000	1,265,000

Movements in the fair value of the Academy Trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	769,000	439,000
Interest income	20,000	10,000
Actuarial losses	21,000	232,000
Employer contributions	73,000	71,000
Employee contributions	25,000	25,000
Benefits paid	(6,000)	(8,000)
Closing fair value of scheme assets	902,000	769,000

22. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	20,192	11,644
Between 1 and 5 years	22,424	24,084
Total	42,616	35,728

23. RELATED PARTY TRANSACTIONS

The wife of Mr J Hughes, Headteacher and Accounting Officer, is employed by Beecroft Academy. The appointment followed the correct staff recruitment policy. During the year the value of remuneration fell within the band £30,000 - £35,000 (2017 £20,000 - £25,000). The increase in the year relates to additional hours worked.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

24. MEMBERS' LIABILITY

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