

**Company Registration No. 07988540 (England and Wales)**

**WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2016**

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

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# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

B Frederick (Chair of Governors)  
V Litchfield (Resigned 31 December 2015)  
S Morrison  
S Selley (Headteacher and Accounting Officer) (Resigned 31 August 2016)  
J Winder (Vice-Chair) (Resigned 31 August 2016)  
J Whitrow (Acting Chair Finance Committee)  
P Sage  
G Morley  
M Hewitt  
J Hayes  
R Clarke  
L Hall (Headteacher and Accounting Officer) (Appointed 1 September 2016)  
S Pitchers (Appointed 1 January 2016)  
H Hewavithana (Appointed 1 July 2016)

### Members

B Frederick  
J Winder  
S Morrison  
G Morley  
P Sage

### Senior management team

- Headteacher	L Hall (Appointed 1 September 2016)
- Headteacher	S Selley (Resigned 31 August 2016)
- Outreach Co-ordinator	L Howe
- HoD Junior Department	S Pitchers (Appointed 1 January 2016)
- HoD Infant Department	V Litchfield (Resigned 31 December 2016)
- CPD Co-ordinator	R Pritchard
- Business Manager and Clerk	S Boakes
- Family Link Worker	A Linnell
- Community Co-ordinator (STA)	A Gooding (Resigned 30 April 2016)
- Deputy Headteacher	M Swift

### Company registration number

07988540 (England and Wales)

### Independent auditor

UHY Hacker Young (East) Limited  
PO Box 501  
The Nexus Building  
Broadway  
Letchworth Garden City  
Herts  
SG6 9BL

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Bankers**

Lloyds TSB Bank plc  
4 Station Road  
Letchworth Garden City  
Herts  
SG6 3BH

### **Solicitors**

Brown Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for Special Needs pupils aged 4 to 11 serving a catchment area of North Hertfordshire and Stevenage and also the surrounding counties of Bedfordshire and Cambridgeshire. It has a pupil capacity of 110 rising to 115 and had a roll of 122 in the October 2016 school census. The Academy Trust's principal object and activity has been to maintain, manage and develop a school organised to make educational provision for pupils with Special Educational Needs including Moderate Learning Difficulties (MLD), Autism Spectrum Condition (ASC), Speech Language & Communication Needs (SLCN), & a variety of syndromes. Our vision is for everyone, pupils and staff, to reach their potential and to encourage the highest aspirations in all. We aim to "Live, Laugh and Learn Together".

### **Structure, governance and management**

#### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The trustees of Woolgrove School Special Needs Academy are also the directors of the Charitable Company for the purposes of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1. The Charitable Company is known as Woolgrove School, Special Needs Academy.

#### Members' liability

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

#### Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

Details of the insurance cover are provided in the financial statements.

#### Method of recruitment and appointment or election of Trustees

Members of the Governing Body are either elected or appointed. Confidential ballot elections are held and overseen by the Clerk. Nominations for Teaching and Support Staff Governors are taken from within the school. Nominations for Community Governors are welcomed from existing members of the board. Nominations for Parent Governors are welcomed from existing parents or guardians within the school. The Chair and Headteacher are in a position to recommend appointments directly to the Board.

The Instrument of Government provides for a Governing Body consisting of:

- 1 Headteacher
- 4 Parent Governors
- 2 Staff Governors
- 1 Local Authority Governor
- 8 Community Governors
- 3 Co-opted Governors

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2016*

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#### Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors depends on their previous experience. All new members are provided with an induction pack detailing information relating specifically to the academy, including previous minutes, policies, details of staffing and future plans. Formal induction training is provided by Herts Governance. The Academy subscribes to Herts Governance and further continuous training on educational, legal and financial matters is offered to all members.

#### Organisational structure

The structure of the academy consists of three senior levels; the Academy Trust (Member Governors), the board of governors and the Senior Leadership Team. An aim of the management structure is to distribute responsibility and encourage involvement in decision making at all levels.

The Governing Body is responsible for setting general policy, adopting an annual plan and budget monitoring of the Academy. It can make major decisions regarding the direction of the Academy, capital expenditure and senior staff appointments.

The Academy Trust Member Governors consist of a maximum of six members of the Governing Body, normally consisting of the Chair, Vice-Chair and Committee Chairs. They are nominated and appointed by the Governing Body. For the year to 31st August 2016 the Member Governors were Chair (Mr Brian Frederick), Vice-Chair (Mr John Winder) and Chair of the Personnel & Parental Support Committee (Mrs Sonia Morrison), Chair of the Curriculum & Quality Committee (Miss Phillipa Sage) and Chair of the Premises & Environment Committee (Mrs Georgina Morley). They control the Academy at an executive level, implementing the policies laid down by the Governing Body.

The Senior Leadership Team for the year to 31st August 2016 has included the Headteacher, Deputy Head, Heads of the Infant and Junior Departments, Outreach Co-ordinator, Head of CPD, Head of Science, Academy Business Manager and the Academy's two Senior Teaching Assistants. They are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and pupils. The Headteacher is the accounting officer for the Academy responsible for the financial position of the school delegated on a day to day basis to the Academy Business Manager. Spending is delegated to individual budget holders and the schools schedule of financial delegation details the cheque signatories required and the limits above which a second signature is needed.

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

The Headteacher and Deputy Head are paid in line with the Leadership Scale outlined in the teachers pay and conditions document. The trustees have the power to set the salary range based on these scales. The headteacher's salary is agreed each year by the Finance & Remuneration Committee following a performance management review carried out in conjunction with the HIP (Heads Improvement Partner). The Senior Leadership Team are paid an additional TLR point to reward the additional responsibilities of the role. All salaries are reviewed annually following performance management reviews.

#### Related parties and other connected charities and organisations

Woolgrove School, Special Needs Academy works alongside "Friends of Woolgrove" (FOW Charity Number XR-62498) to raise funds for the benefit of pupils and support their wider education. FOW assists with funding Riding for the Disabled, the costs of trips for pupils from disadvantaged backgrounds and funding theatre group visits to the Academy. They also raise funds to enhance the pupils' environment and this year have provided a tyre park for the junior playground, adding to the play experience and aiding the development of balance and co-ordination.

Throughout the year the Academy also holds several fund raising days to support national charities which this year have included Jeans for Genes, Marie Curie Cancer Care, RNLI and Children in Need.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **Objectives and activities**

#### Objects and aims

Woolgrove School seeks to respond positively to the challenge of change and build on its reputation for successful innovation in special education by:

- Being a self-evaluating school as a means of constantly improving the quality of education and raising pupils' achievements
- Providing an appropriate education for all pupils whatever their individual difficulties and needs so that each child feels valued and able to achieve.
- Continuing to ensure Continuing Professional Development is given a high profile in order to develop staff expertise and raise standards
- Expanding the identity of Woolgrove School, Special Needs Academy catering for pupils with autism, speech & language difficulties, moderate learning difficulties and a wide variety of other special educational needs
- Working in partnership with mainstream schools to develop the Outreach Service and meaningful integration projects promoting inclusion and benefitting all pupils
- Working in partnership with other mainstream and special schools, both within the County and beyond, in order to raise standards
- Ensuring provision includes extracurricular activities which pupils find engaging, supportive, fun and edifying
- Keep informed of current research in the field of Special Educational Needs (SEN), considering evidence produced and assessing the relevance to pupils within Woolgrove so that helpful improvements in provision may be implemented

#### Objectives, strategies and activities

Woolgrove is a thriving, energetic, family orientated learning environment. Our pupils' achievements are remarkable in so many different ways that parents, visitors and colleagues make comment. The school's happy and flourishing context is created by the dedicated staff who work as a thoughtful, caring team supporting each other to provide the best education for our pupils. Pupils in turn, behave well because they understand the clear rules and boundaries which are put in place to keep everyone safe and achieving.

#### Public benefit

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

Woolgrove School is an Academy converter catering for children aged 4 to 11 and strives to promote and support the advancement of education within the Hertfordshire area.

The school provides an extensive programme of educational and recreational activities to develop the children's experiences such as riding for the disabled, weekly swimming lessons at the local leisure centre and a number of travelling theatre performances.

The school works with the North Herts Schools Sports Partnership engaging in sporting events throughout the year, such as Dance Festivals, Netball and Football Tournaments and swimming galas.

Staff and pupils engage in a number of charity days to raise money for others for example, MacMillan Cancer Care, the Local Hospice, RNLI and Mungos Homeless Charity.

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. An example is the Breakaway Play scheme during school holidays. We also actively encourage the use of our extensive environmental grounds by local schools and charitable groups.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Strategic report

#### Achievements and performance

Assessment has changed due to the removal of National Curriculum Levels. Each school is required to determine its own method of assessment that measures pupil progress. Woolgrove School use a commercial assessment package called B Squared- Connecting Steps to assess the pupil's understanding. Teachers record the small steps the pupils make and use these steps to build a bigger picture of the pupils' learning and achievements. Progress is tracked mid-termly during the autumn term, then again in the spring and summer term. This is analysed in Pupil Progress meetings with a member of the SLT. This is to ensure that specific areas are identified and addressed. The school takes part in external moderation meetings with other schools to ensure consistency in the levelling of children's work.

Every child works at different, fluctuating rates and this is given consideration as they develop.

Marking of the children's work is used to identify next steps in order to aid progression. This information is then used to inform future planning. Over the past two years the school have revised the marking of children's working to include more pupil voice. The pupils are encouraged to indicate their level of understanding and whether they enjoyed their lesson. Photographs using the class iPads are used as evidence as well as the paper based work the children produce. The curriculum is reviewed on an on-going basis to ensure that it meets the needs of the children and is modified accordingly. The school work very closely with a wide range of professionals to ensure all of the pupils' needs are met. We liaise with a range of professionals including Visual Impairment Specialists, Speech and Language Therapists, Communication Disorders Team, Positive Behaviour, Autism, Learning Disability and Mental Health Service (PALMS) and the School Nurse. We also have a Play Therapist, Counsellor, Rebound Therapists, and Drama and a Music Therapist who support the children as required.

#### Results June 2015 to June 2016 Whole School

English		KS1	KS2	Comment
Speaking	Good	84.6%	73.7%	
	Outstanding	76.9%	53.9%	KS2 SDP '16/17 target
Listening	Good	92.3%	89.7%	
	Outstanding	84.6%	69.2%	KS2 SDP '16/17 target
Reading	Good	92.3%	90.9%	
	Outstanding	88.4%	83.3%	
Writing	Good	92.3%	82.2%	
	Outstanding	73.0%	73.0%	KS1 SDP '16/17 target

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Maths		KS1	KS2	Comment
Understanding and Applying	Good	84.6%	81.8%	
	Outstanding	73.0%	74.2%	
Number	Good	91.7%	82.4%	
	Outstanding	79.2%	67.6%	KS2 SDP '16/17 target
Shape Space and Measure	Good	92.3%	89.7%	
	Outstanding	73.0%	76.6%	KS1 SDP '16/17 target

SDP= School Development Plan

Following analysis of the attainment data, the SLT are able to target subject areas for the next academic year, in agreement with the Governors. This feeds into the school Performance Management process where Teachers have personalised targets set to increase attainment in the areas identified. The focus of lesson observations by SLT also concentrate on the subjects highlighted above. Whole school displays in the corridors and classrooms will showcase work in these specific subjects, generating enthusiasm and conversations between staff and pupils. Intervention groups with identified pupils have already started in the autumn term i.e. a KS2 Number Club. The school has a new 'Speaking and Listening' week planned for late October 2016 with a wide range of activities planned to excite and energise learning. The KS1 department are focusing on Writing as a priority for 2016-2017. There are no scaled scores to report on as the children do not take part in National Curriculum testing (SATS).

### Key performance indicators

The Governors consider that the following are key performance indicators for the Academy Trust:

- Pupil numbers which have a direct impact on funding levels. Following a period of uncertainty pupil numbers have currently been agreed with the LA as 110 and will rise to 115 for the year 2017/18. Our actual numbers for the October 2016 census were 122 and are likely to rise to 125 during the autumn term 2016. We also currently have seven out of county pupils funded additionally by their home county. We have a waiting list for places at Woolgrove, with a summer 2016 capacity report showing 125 pupils as our maximum safe capacity. We are currently in consultation with the Local Authority regarding the need for possible future expansion.
- The budget for 2016/17 has been amended following an increase in funding due to the rise in pupil numbers and amendments to planned expenditure on the appointment of our new headteacher Mrs Lisa Hall.
- The percentage of income spent on staffing in 2015/16 was 82%. The Trustees are aware that this is high but as a special school it is felt to be justified for the support and safekeeping of the children.

### 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.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Financial review

Most of the Academy's recurrent income is obtained from the EFA in the form of grants i.e. School Budget Share and Educational Services Grant. The Academy also receives funding from the LA in the form of top up funding in relation to the additional specific needs of its pupils. The Academies successful Outreach Department is funded separately by the LA until the end of March 2016. From April 2016 the Outreach funding will be divided throughout a number of special schools overseen by the local DSPL (Developing Special Provision Locally). We will continue to oversee North Herts and it is anticipated that we will share the provision of Outreach for the Stevenage area with Greenside School. This will result in a cut in funding for the financial year 2017/18.

The Academy was also successful in a bid for Capital funding during the 2015/16 period. Funds were gained to install a new updated wireless fire alarm system. The school had expanded over recent years and the previous system was struggling to keep pace with the additional area it was required to protect. We were unfortunately unsuccessful in our second bid to refurbish all the school pupil toilets. Woolgrove will be resubmitting an amended bid for the toilet refurbishment and also for security fencing in December 2016.

During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

### Reserves policy

The trustees review the reserves levels of the Academy throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The change in the abilities of children joining the Academy in recent years has necessitated an increase in the numbers of support staff required throughout the school year on year. This has led to a reduction in overall reserves.

### Investment policy and powers

The Governing Body have the power to allocate reserves for investment. They would act upon advice provided by the Academy Accountants and Academy Banking Advisor. In all respects the academy would aim to invest in ethical companies and would not wish to invest in products which could in any way cause harm to children.

The Governing Body has reviewed the possibility of investment and will consider this annually.

### Principal risks and uncertainties

The Trustees have identified the principal risk to the Academy being uncertainty in pupil numbers and the implications for funding. At the present time the academy has 125 pupils on roll and receives full funding for all pupils over 3% above the current 110 funded number. Pupil numbers are due to increase to 115 for the 2016/17 academic year.

The maintenance of the building is also identified as a potential risk. The flat roof has been completely replaced in the past three years, removing one potential risk. The boiler house has also been refurbished in 2015 and a survey of the boilers carried out at that time did not identify any immediate issues, despite their age. A survey of the school drainage system was carried out in 2014 which identified some areas of collapse. The trustees are aware that action may be required in the future.

The level of future funding by Government has been identified as a principal risk and the governors and Head Teacher are very aware of implications for resources throughout the school. Regular monitoring and assessment of future pupil numbers in order to minimise the impact will continue to be undertaken.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### Plans for future periods

Woolgrove school seeks to respond positively to the challenge of change and build on its reputation for successful innovation in special education.

#### One Year Overview of Priorities

##### 1. Partnerships with Parents and Rest of the Community

- To maintain and improve the amount of engagement parents and carers have in the life of the school through coffee mornings, training opportunities and after school activities.
- To support the aspirations of the Developing Special Provision Locally (DSPL) groups 1,2 & 5 through the Outreach Service by promoting inclusion of children with SEN in their local schools
- To develop increased connections with the local schools particularly through the use of the environmental area

##### 2. Achievements and Standards

- To raise pupils' attainment in writing in Key Stage 1
- To raise pupils' attainment in shape, space and measure in Key Stage 1
- To raise pupils' attainment in Speaking and Listening in Key Stage 2
- To raise pupils' attainment in number in Key Stage 2

##### 3. Personal Development and Well Being

- To develop a personalised curriculum for every child to address their barriers to learning and increase their social and emotional wellbeing
- To enrich provision for all children, including vulnerable groups and pupil premium
- To enhance pupils' exercise through appropriate use of the Sport Premium and to encourage healthy lifestyles

##### 4. Quality of Provision

- To increase the number of outstanding teachers within the school
- To enrich provision by developing outdoor learning experiences for all pupils

##### 5. Leadership and Management

- To ensure that the new Headteacher is in post (September 2016) and working with the rest of the school team
- To embed the school's assessment methods across the school so that there is clarity in every phase: Early Years Foundation Stage (EYFS), KS1 & KS2
- To ensure subject leaders fully assess the practice within school across all year groups and attainment in their given subject
- To increase active engagement of the Governors in their SEN responsibilities to ensure increased attainment of pupils

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **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.

A resolution proposing that UHY Hacker Young (East) Limited be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the Company Directors, on ..... and signed on its behalf by:

.....  
B Frederick  
**Chair of Governors**

.....  
J Whitrow  
**Acting Chair Finance Committee**

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Woolgrove School Special Needs 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 trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Woolgrove School Special Needs Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Trustees	Meetings attended	Out of possible
B Frederick (Chair of Governors)	3	3
V Litchfield (Resigned 31 December 2015)	3	3
S Morrison	3	3
S Selley (Headteacher and Accounting Officer) (Resigned 31 August 2016)	3	3
J Winder (Vice-Chair) (Resigned 31 August 2016)	3	3
J Whitrow (Acting Chair Finance Committee)	2	3
P Sage	1	3
G Morley	3	3
M Hewitt	1	3
J Hayes	3	3
R Clarke	1	3
L Hall (Headteacher and Accounting Officer) (Appointed 1 September 2016)	0	0
S Pitchers (Appointed 1 January 2016)	2	2
H Hewavithana (Appointed 1 July 2016)	1	1

At the 31 August 2016, S Selley resigned as Headteacher and Accounting officer of the trust and was replaced by L Hall, who took on the roles with immediate effect at 1 September 2016. This represents the only key change in the composition of the board of trustees.

After the balance sheet date, P Sage was appointed Vice Chair for 2016/17 on 25 November 2016.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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The finance committee is a sub-committee of the main board of trustees.

The Finance committee has oversight of risk management, financial procedures and compliance. The committee receives budget recommendations as part of routine budget setting and monitoring.

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
B Frederick (Chair of Governors)	3	4
S Morrison	1	4
S Selley (Headteacher and Accounting Officer) (Resigned 31 August 2016)	4	4
J Winder (Vice-Chair) (Resigned 31 August 2016)	4	4
J Whitrow (Acting Chair Finance Committee)	1	4

### **Review of value for money**

As accounting officer the principal 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 Academy 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. I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The Governing Body is accountable for the way in which the school's resources are allocated to meet the objectives set out in our School Development Plan. The Governing Body approve the annual budget and receive and approve the external auditors' management report and take action on any recommendations made by them following the annual audit. The finance Committee meets termly to review the budget monitoring reports and to approve larger expenditure items and compliance with the academies statement of internal financial control. Recommendations will be put to the termly Governing Body Meeting.

Contracts are regularly reviewed to ensure best value. During the year we have invested in a new phone system to ensure a more up-to-date and cheaper option for the academy.

The Academy carefully monitors pupils progress to ensure resources are targeted appropriately and pupil premium expenditure is assessed to show effectiveness in improving the attainment of students on Free School Meals and Looked After Children.

Resources are directed where they are most needed and most effective in meeting education requirements. Resources have been targeted to provide individual support to pupils with language difficulties, specific learning difficulties and in need of sensory support.

The Academy will continue to monitor the impact of changes to Special Educational Needs funding and to maximise pupil numbers in order to secure annual funding.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Woolgrove School Special Needs Academy for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

### **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 period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. 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 committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed J Withrow, a trustee, as acting Chair of Finance Committee.

No schedule of work has been planned or delivered in the year, and no quarterly reviews or reports have been prepared for the trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

### **Review of effectiveness**

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

- the work of the external auditor;
- the financial management and governance self-assessment process.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

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

Approved by order of the board of trustees on ..... and signed on its behalf by:

B Frederick  
**Chair of Governors**

L Hall  
**Headteacher and Accounting Officer**

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

*FOR THE YEAR ENDED 31 AUGUST 2016*

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As accounting officer of Woolgrove School Special Needs Academy I have considered my responsibility to notify the Academy Trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, 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 2015.

I confirm that I and the Academy Trust's board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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 EFA.

L Hall  
**Accounting Officer**

.....

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2016**

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The trustees (who also act as governors for Woolgrove School Special Needs Academy and are also the directors of Woolgrove School Special Needs Academy for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of trustees on ..... and signed on its behalf by:

B Frederick  
**Chair of Governors**

J Whitrow  
**Acting Chair Finance Committee**

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

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We have audited the accounts of Woolgrove School Special Needs Academy for the year ended 31 August 2016 set out on pages 21 to 39. 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', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the Trustees, who are also the directors of Woolgrove School Special Needs Academy for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on accounts**

In our opinion the accounts:

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

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY (CONTINUED)

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

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Tim Maris FCA (Senior Statutory Auditor)**  
for and on behalf of UHY Hacker Young (East) Limited

### **Chartered Accountants**

#### **Statutory Auditor**

PO Box 501

The Nexus Building

Broadway

Letchworth Garden City

Herts

SG6 9BL

Dated: .....

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY AND THE EDUCATION FUNDING AGENCY

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In accordance with the terms of our engagement letter dated 13 June 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woolgrove School Special Needs Academy during the period 1 September 2015 to 31 August 2016 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 Woolgrove School Special Needs Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Woolgrove School Special Needs Academy and EFA 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 Woolgrove School Special Needs Academy and EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Woolgrove School Special Needs Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Woolgrove School Special Needs Academy's funding agreement with the Secretary of State for Education dated 27 March 2012 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. 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.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Tim Maris FCA**

**Reporting Accountant**

UHY Hacker Young (East) Limited

Dated: .....

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

		Unrestricted Funds	Restricted funds:		Total 2016	Total 2015
	Notes	£	General	Fixed asset	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	6,783	-	175,740	182,523	149,773
Charitable activities:						
- Funding for educational operations	3	-	2,145,328	-	2,145,328	1,913,596
Other trading activities	4	24,629	26,691	-	51,320	35,976
Investments	5	606	-	-	606	681
<b>Total income and endowments</b>		<u>32,018</u>	<u>2,172,019</u>	<u>175,740</u>	<u>2,379,777</u>	<u>2,100,026</u>
<b>Expenditure on:</b>						
Raising funds	6	1,179	-	-	1,179	1,173
Charitable activities:						
- Educational operations	7	4,702	2,100,100	200,579	2,305,381	2,047,627
<b>Total expenditure</b>	<b>6</b>	<u>5,881</u>	<u>2,100,100</u>	<u>200,579</u>	<u>2,306,560</u>	<u>2,048,800</u>
<b>Net income/(expenditure)</b>		26,137	71,919	(24,839)	73,217	51,226
Transfers between funds		-	(112,651)	112,651	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(347,000)	-	(347,000)	(6,000)
<b>Net movement in funds</b>		<u>26,137</u>	<u>(387,732)</u>	<u>87,812</u>	<u>(273,783)</u>	<u>45,226</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		89,566	(66,029)	4,949,769	4,973,306	4,928,080
Total funds carried forward		<u>115,703</u>	<u>(453,761)</u>	<u>5,037,581</u>	<u>4,699,523</u>	<u>4,973,306</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative information ended 31 August 2015	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2015
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	2	5,057	-	144,716	149,773
Charitable activities:					
- Funding for educational operations	3	4,044	1,909,552	-	1,913,596
Other trading activities	4	15,622	20,354	-	35,976
Investments	5	681	-	-	681
<b>Total income and endowments</b>		<u>25,404</u>	<u>1,929,906</u>	<u>144,716</u>	<u>2,100,026</u>
<b>Expenditure on:</b>					
Raising funds	6	1,173	-	-	1,173
Charitable activities:					
- Educational operations	7	-	1,853,979	193,648	2,047,627
<b>Total expenditure</b>	<b>6</b>	<u>1,173</u>	<u>1,853,979</u>	<u>193,648</u>	<u>2,048,800</u>
<b>Net income/(expenditure)</b>		24,231	75,927	(48,932)	51,226
Transfers between funds		-	(40,382)	40,382	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(6,000)	-	(6,000)
<b>Net movement in funds</b>		<u>24,231</u>	<u>29,545</u>	<u>(8,550)</u>	<u>45,226</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>65,335</u>	<u>(95,574)</u>	<u>4,958,319</u>	<u>4,928,080</u>
Total funds carried forward		<u>89,566</u>	<u>(66,029)</u>	<u>4,949,769</u>	<u>4,973,306</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016		2015	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		5,037,581		4,949,769
<b>Current assets</b>					
Debtors: amounts falling due within one year	12	191,183		174,097	
Debtors: amounts falling due after more than one year	12	861		921	
Cash at bank and in hand		528,495		708,764	
		<u>720,539</u>		<u>883,782</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(156,597)		(340,245)	
<b>Net current assets</b>			563,942		543,537
<b>Net assets excluding pension liability</b>			5,601,523		5,493,306
Defined benefit pension liability	17		(902,000)		(520,000)
<b>Net assets</b>			<u>4,699,523</u>		<u>4,973,306</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	15				
- Fixed asset funds			5,037,581		4,949,769
- Restricted income funds			448,239		453,971
- Pension reserve			(902,000)		(520,000)
<b>Total restricted funds</b>			<u>4,583,820</u>		<u>4,883,740</u>
<b>Unrestricted income funds</b>	15		115,703		89,566
<b>Total funds</b>			<u>4,699,523</u>		<u>4,973,306</u>

The accounts set out on pages 21 to 39 were approved by the board of trustees and authorised for issue on ..... and are signed on its behalf by:

.....  
B Frederick  
**Chair of Governors**

.....  
J Whitrow  
**Acting Chair Finance Committee**

Company Number 07988540

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

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		2016		2015	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	18		(68,224)		176,057
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		606		681	
Capital grants from DfE and EFA		22,313		-	
Capital funding from sponsors and others		113,927		144,716	
Payments to acquire tangible fixed assets		(248,891)		(185,098)	
			(112,045)		(39,701)
<b>Change in cash and cash equivalents in the reporting period</b>					
			(180,269)		136,356
Cash and cash equivalents at 1 September 2015			708,764		572,408
<b>Cash and cash equivalents at 31 August 2016</b>			<u>528,495</u>		<u>708,764</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

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

#### 1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Woolgrove School Special Needs Academy meets the definition of a public benefit entity under FRS 102.

#### 1.2 Going concern

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

#### 1.3 Income

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

##### Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable 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.

##### Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### Donations

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

##### Other income

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

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's policies. A more robust system regarding the recording of donated services and gifts in kind is currently being developed.

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.

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

#### Charitable activities

These are costs incurred on the Academy's educational operations.

#### 1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 1 Accounting policies

(Continued)

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

Buildings	3.33% straight line
Computer equipment	33.33% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% 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.

#### 1.6 Liabilities

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

#### 1.7 Leasing and hire purchase commitments

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

#### 1.8 Taxation

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

#### 1.9 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, 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 are recognised in the period to which they relate.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 1 Accounting policies

(Continued)

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

#### 1.10 Fund accounting

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

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

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

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

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

##### 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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 depreciation charged on tangible fixed assets other than land is carried out over the expected useful life of the asset as estimated by trustees of the academy.

##### Critical areas of judgement

The trustees do not believe there are any areas of judgement that have a significant effect on amounts recognised in the financial statements, apart from those involving estimation and assumptions as disclosed above in Critical accounting estimates and assumptions.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donated fixed assets	-	39,500	39,500	-
Capital grants	-	136,240	136,240	144,716
Other donations	6,783	-	6,783	5,057
	<u>6,783</u>	<u>175,740</u>	<u>182,523</u>	<u>149,773</u>

### 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	1,163,181	1,163,181	1,165,450
Other DfE / EFA grants	-	90,038	90,038	190,562
	<u>-</u>	<u>1,253,219</u>	<u>1,253,219</u>	<u>1,356,012</u>
<b>Other government grants</b>				
Local authority grants	-	892,109	892,109	553,540
	<u>-</u>	<u>892,109</u>	<u>892,109</u>	<u>553,540</u>
<b>Other funds</b>				
Other incoming resources	-	-	-	4,044
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,044</u>
<b>Total funding</b>	<u>-</u>	<u>2,145,328</u>	<u>2,145,328</u>	<u>1,913,596</u>

All resources expended are inclusive of irrecoverable VAT.

### 4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Catering income	-	23,280	23,280	17,543
Lettings income	21,895	-	21,895	14,675
School trip income	-	3,411	3,411	2,811
Other income	2,734	-	2,734	947
	<u>24,629</u>	<u>26,691</u>	<u>51,320</u>	<u>35,976</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	606	-	606	681

### 6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
<b>Academy's educational operations</b>					
- Direct costs	1,536,358	167,694	25,315	1,729,367	1,356,661
- Allocated support costs	192,040	101,777	282,197	576,014	690,966
	<u>1,728,398</u>	<u>269,471</u>	<u>307,512</u>	<u>2,305,381</u>	<u>2,047,627</u>
<b>Other expenditure</b>					
Raising funds	1,179	-	-	1,179	1,173
	<u>1,179</u>	<u>-</u>	<u>-</u>	<u>1,179</u>	<u>1,173</u>
<b>Total expenditure</b>	<u>1,729,577</u>	<u>269,471</u>	<u>307,512</u>	<u>2,306,560</u>	<u>2,048,800</u>

<b>Net income/(expenditure) for the year includes:</b>	<b>2016</b> £	<b>2015</b> £
Fees payable to auditor for:		
- Audit	7,150	6,750
- Other services	1,530	2,525
Depreciation of tangible fixed assets	200,579	193,648
	<u>209,259</u>	<u>199,923</u>

### 7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Direct costs - educational operations	-	1,729,367	1,729,367	1,356,661
Support costs - educational operations	4,702	571,312	576,014	690,966
	<u>4,702</u>	<u>2,300,679</u>	<u>2,305,381</u>	<u>2,047,627</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 7 Charitable activities (Continued)

	2016 £	2015 £
<b>Analysis of support costs</b>		
Support staff costs	192,040	171,110
Depreciation and amortisation	32,885	193,648
Technology costs	28,261	22,086
Premises costs	68,892	80,333
Other support costs	229,783	174,439
Governance costs	24,153	49,350
	576,014	690,966
	576,014	690,966

### 8 Staff costs

	2016 £	2015 £
Wages and salaries	1,517,318	1,313,850
Operating costs of defined benefit pension schemes	171,480	130,391
	1,688,798	1,444,241
Staff costs	1,688,798	1,444,241
Supply staff costs	25,280	35,005
Staff development and other staff costs	15,499	39,580
	1,729,577	1,518,826
	1,729,577	1,518,826

#### Staff numbers

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

	2016 Number	2015 Number
Teachers	17	16
Administration and support	46	48
Management	9	9
	72	73
	72	73

The number of persons expressed as full time equivalent employed during the year was as follows:

Teachers	13	11
Administration and support	34	32
Management	8	8
	54	51
	54	51

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 8 Staff costs

(Continued)

#### Higher paid staff

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

	2016 Number	2015 Number
£60,001 - £70,000	1	1

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £409,620 (2015: £431,749).

### 9 Trustees' remuneration and expenses

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

The value of Trustees' remuneration was as follows:

S Selley (Headteacher and Trustee)

Remuneration £65,000 - £70,000 (2015: £60,000 - £65,000)

Employer's pension contributions £10,000 - £15,000 (2015: £5,000 - £10,000)

Other related party transactions involving the Trustees are set out within the related parties note.

### 10 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £95.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 11 Tangible fixed assets

	Buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2015	5,481,551	72,025	55,336	-	5,608,912
Additions	210,159	17,447	8,285	52,500	288,391
At 31 August 2016	5,691,710	89,472	63,621	52,500	5,897,303
<b>Depreciation</b>					
At 1 September 2015	555,235	70,217	33,691	-	659,143
Charge for the year	177,096	6,650	12,458	4,375	200,579
At 31 August 2016	732,331	76,867	46,149	4,375	859,722
<b>Net book value</b>					
At 31 August 2016	4,959,379	12,605	17,472	48,125	5,037,581
At 31 August 2015	4,926,316	1,808	21,645	-	4,949,769

### 12 Debtors

	2016	2015
	£	£
Trade debtors	3,671	4,345
VAT recoverable	91,092	45,669
Prepayments and accrued income	97,281	125,004
	192,044	175,018

Amounts included above which fall due after more than one year:

	2016	2015
	£	£
Trade debtors	861	921

### 13 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	50,803	179,539
Other creditors	78,131	49,759
Accruals and deferred income	27,663	110,947
	156,597	340,245

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

14 Deferred income	2016 £	2015 £
Deferred income is included within:		
Creditors due within one year	19,392	104,197
Deferred income at 1 September 2015	104,197	65,165
Released from previous years	(104,197)	(65,165)
Amounts deferred in the year	19,392	104,197
<b>Deferred income at 31 August 2016</b>	<b>19,392</b>	<b>104,197</b>

At the balance sheet date the academy trust was holding funds received in advance of entitlement for certain capital works.

15 Funds	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General Annual Grant	-	1,163,181	(1,110,706)	-	52,475
Other DfE / EFA grants	-	90,038	(62,285)	-	27,753
Other government grants	-	892,109	(892,109)	-	-
Other restricted funds	453,971	26,691	-	(112,651)	368,011
Funds excluding pensions	453,971	2,172,019	(2,065,100)	(112,651)	448,239
Pension reserve	(520,000)	-	(35,000)	(347,000)	(902,000)
	(66,029)	2,172,019	(2,100,100)	(459,651)	(453,761)
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	4,949,769	136,240	(200,579)	112,651	4,998,081
Private sector capital sponsorship	-	39,500	-	-	39,500
	4,949,769	175,740	(200,579)	112,651	5,037,581
<b>Total restricted funds</b>	<b>4,883,740</b>	<b>2,347,759</b>	<b>(2,300,679)</b>	<b>(347,000)</b>	<b>4,583,820</b>
<b>Unrestricted funds</b>					
General funds	89,566	32,018	(5,881)	-	115,703
<b>Total funds</b>	<b>4,973,306</b>	<b>2,379,777</b>	<b>(2,306,560)</b>	<b>(347,000)</b>	<b>4,699,523</b>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 15 Funds

(Continued)

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

#### General Annual Grant

The General Annual Grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August.

#### Other DfE / EFA grants

This represents other funding for various purposes including pupil premium, sports funding, training and other pupil related activities.

#### Other restricted funds

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant.

#### Pensions Reserve

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme.

#### Restricted fixed asset fund

The restricted fund asset fund was funded predominantly by the funds inherited on conversion to an academy from the local authority following the transfer of the land and buildings.

#### Devolved Formula Grant (DFG)

The academy is to use the Devolved Formula Grant allocation to maintain and improve its buildings and facilities.

### 16 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
<b>Fund balances at 31 August 2016 are represented by:</b>				
Tangible fixed assets	-	-	5,037,581	5,037,581
Current assets	123,974	596,565	-	720,539
Creditors falling due within one year	(8,271)	(148,326)	-	(156,597)
Defined benefit pension liability	-	(902,000)	-	(902,000)
	115,703	(453,761)	5,037,581	4,699,523
	115,703	(453,761)	5,037,581	4,699,523

### 17 Pensions 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 Hertfordshire County Council. Both are defined-benefit schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 and of the LGPS 31 August 2013.

Contributions amounting to £27,377 (2015: £22,615) were payable to the schemes at 31 August 2016 and are included within creditors.

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 17 Pensions and similar obligations

(Continued)

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to the TPS in the period amounted to £133,236 (2015: £91,564)

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25.3% for employers and 5.5% to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £107,000 (2015: £89,000).

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# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 17 Pensions and similar obligations

(Continued)

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

Total contributions made	2016 £	2015 £
Employer's contributions	107,000	92,000
Employees' contributions	25,000	21,000
Total contributions	<u>132,000</u>	<u>113,000</u>

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.60	4.00
Rate of increase for pensions in payment	2.10	2.60
Discount rate	2.00	3.70
Inflation assumption (CPI)	2.10	3.70
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

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

	2016 Years	2015 Years
Retiring today		
- Males	22.3	22.3
- Females	24.5	24.5
Retiring in 20 years		
- Males	24.3	24.3
- Females	<u>26.7</u>	<u>26.7</u>

The Academy Trust's share of the assets in the scheme	2016 Fair value £	2015 Fair value £
Equities	546,000	395,000
Bonds	243,000	173,000
Property	61,000	45,000
Other assets	<u>17,000</u>	<u>26,000</u>
Total market value of assets	<u>867,000</u>	<u>639,000</u>
Actual return on scheme assets - gain/(loss)	<u>110,000</u>	<u>26,000</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations	(Continued)	
<b>Amounts recognised in the statement of financial activities</b>	<b>2016</b>	<b>2015</b>
	£	£
Current service cost (net of employee contributions)	(123,000)	(106,000)
Net interest cost	(19,000)	(18,000)
	<u>          </u>	<u>          </u>
Total operating charge	<u>(142,000)</u>	<u>(124,000)</u>
<b>Changes in the present value of defined benefit obligations</b>		<b>2016</b>
		£
Obligations at 1 September 2015		1,159,000
Current service cost		123,000
Interest cost		45,000
Employee contributions		25,000
Actuarial loss		431,000
Benefits paid		(14,000)
		<u>          </u>
At 31 August 2016		<u>1,769,000</u>
<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>		<b>2016</b>
		£
Assets at 1 September 2015		639,000
Interest income		26,000
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain		84,000
Employer contributions		107,000
Employee contributions		25,000
Benefits paid		(14,000)
		<u>          </u>
At 31 August 2016		<u>867,000</u>

# WOOLGROVE SCHOOL SPECIAL NEEDS ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 18 Reconciliation of net income to net cash flows from operating activities

	2016 £	2015 £
Net income for the reporting period	73,217	51,226
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(175,740)	(144,716)
Investment income	(606)	(681)
Defined benefit pension costs less contributions payable	16,000	14,000
Defined benefit pension net finance cost	19,000	18,000
Depreciation of tangible fixed assets	200,579	193,648
Increase in debtors	(17,026)	(139,140)
(Decrease)/increase in creditors	(183,648)	183,720
<b>Net cash used in operating activities</b>	<u>(68,224)</u>	<u>176,057</u>

### 19 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016 £	2015 £
Amounts due within one year	6,269	6,269
Amounts due in two and five years	10,971	17,240
	<u>17,240</u>	<u>23,509</u>

### 20 Related party transactions

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

The following related party transactions took place in the period of account:

During the year £51 (2015: £341) was received from Chaplin Frobisher Welling Limited, a company which B Fredrick, trustee, is a director. The transaction was for use of Woolgrove's photocopier.

### 21 Members' liability

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