

Company Registration No. 07465343 (England and Wales)

THE GREETLAND ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017

THE GREETLAND ACADEMY

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THE GREETLAND ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

A Bennett (Executive Principal and Accounting Officer)
A Birt (Parent Governor) (Resigned 23 January 2017)
S Brierley (Chair)
P Dixon (Senior Vice Principal (previously Head of School))
J Fryer (Governor)
A Giles (Governor)
A Griffiths (Governor)
G Newton (Vice chair)
A Rawson (Governor)
H Vickers (Parent Governor)

Members

- Executive Principal	A Bennett
- Chair	S Brierley
- Governor	A Griffiths
- Vice Chair	G Newton

Senior management team

- Executive Principal and Accounting Officer	A Bennett
- Senior Vice Principal (previously Head of School)	P Dixon
- Deputy Principal	R Shaw
- Assistant Principal	S Read
- Deputy Principal (acting)	A Harris
- School Business Manager	J Firth

Company registration number 07465343 (England and Wales)

Registered office School Street
Greetland
Halifax
HX4 8JB

Independent auditor Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Bankers Yorkshire Bank plc
Southgate
Elland
HX5 0BP

Lloyds Bank plc
Commercial Street
Halifax
HX1 1BB

THE GREETLAND ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Ramsdens LLP
Oakley House
1 Hungerford Road
Huddersfield
HD3 3AL

THE GREETLAND ACADEMY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates 1 academy for pupils aged 4 (at the start of an academic year date of 1st September) to 11 primarily serving the area of Greetland. It has a pupil capacity of 420 and had numbers on roll of 420 in the school census on 18th May 2017.

Structure, governance and management

Constitution

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

The charitable company is known as The Greetland Academy.

The trustees of The Greetland Academy are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

The Academy Trust has four members (who are also trustees), as detailed in the Reference and Administrative details on page 1. 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 joined the Education Funding Agency's Risk Protection Assurance (RPA) from 1st January 2016 (the commercially purchased insurance arrangements expired 31st December 2015). The RPA provides for unlimited indemnity cover. The total cost of RPA was £8,300 within the period; the cost of indemnity cover is not separately identifiable.

Method of recruitment and appointment or election of trustees

The Members may appoint Staff Governors provided that the total number of staff governors (including Executive Principal and Senior Vice Principal) do not exceed one third of the total number of governors (including vacancies).

Parent Governors are elected by parents of registered pupils at the Academy; a Parent Governor must be a parent of a pupil at The Greetland Academy at the time when he / she is elected. The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies. If appointing a Parent Governor, the Governing Body will appoint a person who is the parent of a registered pupil at The Greetland Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Governors may appoint up to three Co-opted Governors. In 'Co-opting' Governors, the Governors will be mindful of the skills and experience required to ensure The Greetland Academy has sufficient experience to appropriately manage the Academy.

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new governors will depend on their existing experience; an Induction Pack is given to all governors. During the period, the Academy has considered the Governing Training programme provided by the local authority; the National Governors Association; the Specialist Schools Academies Trust; attendance at courses provided by independent providers; updates from academy senior leaders involved in national remits. A Governor Induction Pack is provided to all new Governors; this includes Governor responsibilities, Committee Terms of Reference, Governor and school expectations including a Code of Conduct. All governors are provided with copies of minutes, accounts, budgets, school development and school self-evaluation plans plus any other documents that they will need to undertake their role as governor. As there can be only one or two new governors per year, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

The management structure of The Greetland Academy consists of three levels: the governors, the Leadership Team and the Extended Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The governors are responsible for setting general policy, approving the School Development Plan, approving the school budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Leadership Team consists of an Executive Principal, a Senior Vice Principal, two Deputy Principals, one Assistant Principal and the School Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Leadership Team are responsible for the authorisation of spending within agreed budgets; the appointment of staff, though appointment boards for posts in the Leadership Team and teaching staff always contain a governor; the implementation and monitor of the School Development Plan; and, with Governors, completing the School Self Evaluation. Some spending control is devolved to members of the Extended Management Team, with limits above which the Executive Principal or Senior Vice Principal must countersign.

The Extended Management Team includes the Leadership Team (excluding the Executive Principal), three Curriculum Managers, the IT Director and the Bursar. The Extended Management Team is responsible for the day to day operation of the Academy, in particular organising the teaching staff and curriculum, overseeing the curriculum delivery and coordinating staff and children well-being.

The Executive Principal is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Decisions regarding pay and remuneration take account of the Department of Education's framework "School teachers' pay and conditions document and guidance on school teachers' pay and conditions"; the complexities of the academy's operation in relation to this guidance; reference to independent advice on pay and remuneration to ensure recruitment and retention of appropriately qualified and experienced key management personnel.

The Performance Management Committee (comprising Chair of Governors, Vice Chair of Governors and independent School Improvement Consultant) determine arrangements for setting pay and remuneration of the Executive Principal and Senior Vice Principal. The Executive Principal and Senior Vice Principal determine arrangements for setting pay and remuneration of the remaining senior management team with reference to Trustees of The Greetland Academy.

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Related parties and other connected charities and organisations

The Greetland Academy was designated a Teaching School in April 2014. In 2016-17 The Greetland Academy jointly led a Teaching School Alliance with Whitehill Community Academy called Teamworks working with a number of Strategic Partners to deliver the requirements of Teaching Schools; the Strategic Partners were: Abbey Grange Trust; The Halifax Academy and Holy Trinity Primary Academy. From the 1st September 2017 The Greetland Academy will take responsibility for the Teaching School Alliance.

The areas of responsibility of a teaching school alliance are known as the 'Big 6', with the strategic partners leading and supporting the delivery of these:

1. Initial teacher training (and Newly Qualified Teachers)
2. CPD and Leadership development
3. Succession planning and talent management
4. School-to-school support
5. Specialist Leaders in Education (SLE deployment)
6. Research and development

On 28th July 2015 The Greetland Academy was designated as a SCITT (School Centred Initial Teacher Training) by the Department of Education, which became operational on 1st September 2016. This included placing students across 26 primary and secondary schools in Calderdale. The Strategic Partners for the SCITT are: Crossley Heath Grammar School and Savile Park Primary School.

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of The Greetland Academy to provide education for pupils of different abilities between the ages of 4 and 11.

Objectives, strategies and activities

The objectives and strategies in the Academy's School Development Plan for the year ended 31 August 2017 can be summarised as:-

1. Improved Quality, Efficiency and Effectiveness: develop monitoring and maintaining systems across The Greetland Academy and MAT, which will include:
 - To prepare pupils effectively for their next stage of learning
 - To develop strategic leaders
 - To ensure the Academy is efficient in all areas of business.
2. Improved Focus: engage all staff in high quality research and development in order to continue to ensure all children at The Greetland Academy can achieve their full potential academically, socially, emotionally and in sports and the arts, which will include:
 - To enhance the culture of continuous improvement
 - Developing practice and process of research dissemination to impact on pedagogy across the school.
 - To ensure improved learner outcomes in writing via tailored learning.
3. Improved Engagement: develop parental engagement in school life to form more effective learning partnerships; to ensure whole staff awareness of academy and MAT vision, aims and agendas, which will include:
 - To improve parental engagement in school to form more effective learning partnerships
 - To ensure whole staff understanding of academy and MAT aims, vision and agendas.

The Academy's main strategy is encompassed in its mission statement, which is:

The Greetland Academy strives to always provide an inspirational, positive and welcoming environment where there is a sense of pride and fun and where everyone works together with confidence, enthusiasm and mutual respect. We aim to nurture academic, personal, spiritual and social development in a caring and professional manner so that all achieve their full potential and all can reach great heights.

The management structure of the Academy has enabled staff to continue to be deployed to provide support to other schools i.e. leadership coaching; monitoring of data and Pupil Premium provision; support for underachieving schools and staff in a number of settings. In addition, the Executive Principal, Mrs Bennett, was elected as a Teaching School Council representative for West Yorkshire and the Humber from November 2016.

The Greetland Academy continues to operate at a high level. This has resulted in another year of high attainment, as detailed within the Strategic Report section of the Trustees Report. Triangulation by Senior Leaders and External School Improvement Partner continues; reporting that:

"The 'best fit' judgement for overall effectiveness is 'Outstanding' (SIP Annual Report to the Governing Body, September 2017)."

Public benefit

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

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Strategic report

Achievements and performance

The standards of attainment continue to be very high with The Academy's self-evaluation processes, supported by external review, grading 'outcomes for pupils' as 'outstanding'. This is supported by 2017 results data:

- End of KS2 outcomes 2017 are very good overall.

Attainment:

- attainment is high compared with national figures at the expected level for Reading, Mathematics and GP&S
- attainment is above national figures at the expected level for Reading, Writing, Mathematics and the combined measurement of Reading, Writing & Maths
- at the more than expected level, attainment is high compared with national figures for Reading, Writing, Mathematics and GP&S

Progress:

- pupils have made above the national average progress from KS1 in Reading and in line with national averages in Writing and Mathematics.
- End of KS1 outcomes 2017 are very good overall:
 - the proportion of pupils achieving the expected standard are above the 2016 national figures for Reading, Writing and Mathematics
 - the proportions of pupils achieving above the standard are above the 2016 national figures in Reading, Writing and Mathematics
- Year 1 Phonics results are above national, with 92% meeting the expected standard compared with 81% nationally (2016)
- EYFS results are very good with 85% achieving a good level of development compared with 69% nationally (2016)

The Trustees approve the School Development Plan at the beginning of the year and receive regular reports on progress; the objectives for year ended 31st August 2017 are detailed on page 6. Achievements resulting from the School Development Plan also include:

- An increased involvement in the School Led system, developing strategic leaders particularly through the continued development of the Teaching School and the Teaching School Council. The Academy continues to progress its plan to become a Multi Academy Trust.
- Developing practice and process of research dissemination to impact on pedagogy across the school.
- Recruitment of students for the SCITT had been successful and financially viable with good student retention and graduation
- Writing a 'Greetland Specific' curriculum to ensure improved learner outcomes in writing via tailored learning.
- Embedding an assessment system that reflects the expectations of the new assessment and reporting arrangements introduced in 2016.

Key performance indicators

The following key performance indicators have been reported to Trustees during the period:

- The school's self-evaluation processes and independent School Improvement Partner report a strong position against Ofsted criteria
- All our monitoring evidence, combined with end of key stage outcomes in advance of national expectations, demonstrates that the quality of teaching is never less than consistently good and much is outstanding throughout the school.
- In addition to the above 2017 results data, 100% (8/8) Pupil Premium children attained at least the expected standard at the end of Key Stage 2 in Reading; 88% (7/8) in Writing; 100% (8/8) in Mathematics and 100% (8/8) in English GP&S.
- Continued attendance initiatives have maintained good levels of attendance for 2016-17 at 97.2% (97.4 % in 2015-16).
- The school admitted 60 pupils to Reception in September 2016, which is its capacity.

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees have monitored the income and expenditure of the Academy against the budgets agreed at the beginning of the financial year. The trustees have also set the following Key Financial Performance Indicators:

- Whilst not limiting the recruitment and retention policies and processes of the Academy, staff costs as a percentage of income to be below 80%. Due to the split site nature of The Greetland Academy, the school incurs additional staff costs, however, staff costs (excluding catering and SCITT) as a percentage of total revenue income for the year ended 31 August 2017 (excluding catering and SCITT) remained below this target at 78.9%.
- The level of free reserves to not exceed 10% of income. The level of free cash reserves at 31st August 2017 was £179,613 (excluding SCITT); this represents 9.2% of revenue income.
- The SCITT to have a positive cash flow at all times. This was achieved throughout the whole year.
- The Greetland Academy to have a positive cash flow at all times. This was achieved throughout the whole year.
- The amount due to creditors to not be more than 20% of one month's GAG (£23,875). Total creditors for The Greetland Academy at the year-end were £43,436; however, £19,371 related to the 'KS2 hall' capital project and £8,854 related to year end accounting, including one off pension charge; therefore the remaining balance of £15,211 achieves the key performance indicator.
- The catering function was self-financing and therefore required no funding from the school's budget.

Going concern

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

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes to support the objects of The Greetland Academy. The grants received from the ESFA during the period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP FRS 102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2017, total expenditure of £2,399,524 was not wholly covered by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and pension deficit) was £106,658.

At 31 August 2017 the net book value of fixed assets was £4,111,415 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Greetland Academy has two bank accounts in which it holds all its reserves. The Greetland Academy has no other investments.

The Academy held fund balances at 31 August 2017 of £3,845,790 comprising £4,217,175 of restricted funds and £256,615 of unrestricted general funds and a pension reserve deficit of £628,000.

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitment and the nature of reserves.

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Where the Academy holds unrestricted reserves, it is the governors' policy to apply these resources to meet the spending priorities determined by the Governing Body. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is a total of £256,615. The level of free reserves for The Greetland Academy is £179,613 and for the SCITT is £77,002, representing 9.2% and 23.1% of respective income (excluding capital income). The level of free reserves for The Greetland Academy is to not exceed 10% of the total income unless authorised by Governors for a specific, longer term, project; no such project has currently been identified; it is currently anticipated that these funds will be required to support the school budget for 2017-18.

The Academy had a total of £92,859 restricted reserves (excluding pension and capital); £1,514 related to the Sponsor Capacity grant; £1,468 PE and Sports grant; £6,906 Pupil Premium grant and the balance is General Annual Grant funds.

Investment policy and powers

The Greetland Academy has two bank accounts that hold all cash balances. The Academy endeavours to maximise the use of these funds and has therefore arranged with the bank to receive interest of 0.25% below the Bank of England base rate on balances held in the Yorkshire Bank account. The Greetland Academy takes into account social, environmental and ethical considerations with regard to its investments and therefore has chosen banks of national repute.

Principal risks and uncertainties

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the teaching, provision of facilities and other operational areas of the Academy, and its finances, all of which are detailed in the Risk Register. The governors have implemented a number of systems to assess risks that the school faces, especially in operational areas (e.g. in relation to teaching, health and safety, and school trips) and in relation to the control of finance as evidenced by the Financial Management and Governance Self-Assessment. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. The SCITT Board has direct oversight and management of potential risks associated with the SCITT; the Trustees receive information from the SCITT Board.

The Academy has a Risk Register that is reviewed regularly by the Trustees. The principal risks, other than the financial risks detailed above, come under the headings of: political; strategic/reputational; social; technological; legislative/regulatory; environmental; operational; managerial; legal; and physical. Due to the controls in place, there were no high risks to which the academy was exposed.

A separate Risk Register has been established for the SCITT. The principal risk areas come under the same headings for the academy (detailed above). There were several high risk areas identified: poor student recruitment; loss of facilities at Savile Park; grants receivable/ uncertainty over budgets, as this is directly linked to student recruitment. The Trustees have reviewed these risks and have put in place actions to manage them in order so that there is no detrimental effect to The Greetland Academy; the SCITT recruitment for 2017-18 enables the SCITT to remain financially viable.

The Greetland Academy's income is obtained from the ESFA in line with the Funding Agreement of the Academy. As such, the Academy's exposure to financial risks is limited to cash flow and liquidity risks; at 31 August 2017 the Academy Trust had £81,931 owed to creditors (including accruals), which was fully funded by the bank balance of £440,967.

The Greetland Academy has a pension deficit of £628,000 relating to the LGPS defined benefit pension scheme, which is a decrease from the deficit of £985,000 at 31st August 2016. This significant decrease is due to asset returns over the accounting period being higher than expected and a reduction in pension obligations following the 2016 valuation. The actuarial review took place during 2016 which increased employer contributions in April 2017 from 13.6% to 17.0%; in addition, there is an annual payment of £3,200 increasing by 3.25% in 2018 and 2019.

THE GREETLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Plans for future periods

1. Leadership: To develop fit for purpose leadership, including governance, in order to ensure all have the opportunity to 'reach great heights'
2. Teaching, Learning and Assessment: Promotion of our ethos of continuous improvement which we identify as beyond outstanding provision to ensure all have the opportunity to 'reach great heights'
3. Inclusion: Using evidence based practices that fully recognise the diversity of our pupils to ensure all reach their full potential and have the opportunity to 'reach great heights'
4. Outcomes: To sustain outstanding outcomes to ensure all have the opportunity to 'reach great heights'

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 Simpson Wood 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 27 November 2017 and signed on its behalf by:

G Newton
Vice chair

THE GREETLAND ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The governing body has delegated the day-to-day responsibility to Mrs A Bennett, Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between The Greetland Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 four times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A Bennett (Executive Principal and Accounting Officer)	4	4
A Birt (Parent Governor) (Resigned 23 January 2017)	2	2
S Brierley (Chair)	3	4
P Dixon (Senior Vice Principal (previously Head of School))	4	4
J Fryer (Governor)	4	4
A Giles (Governor)	2	4
A Griffiths (Governor)	1	4
G Newton (Vice chair)	4	4
A Rawson (Governor)	4	4
H Vickers (Parent Governor)	2	4

Following the Governors self-review (based upon an 'outstanding governing body checklist' of 13 questions from Ofsted), including a skills audit, The Members of the Academy reviewed the structure of the Governing Body and introduced a trial Governing Body structure that comprised a reduced membership of ten governors. The trial structure now comprises: three co-opted Governors (Members); two parent Governors; two staff Governors (Executive Principal and Senior Vice Principal); and three 'experts'.

The trial arrangements are continuing and are currently under review pending completion of Multi Academy Trust status, which is imminent.

THE GREETLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Finance and Premises Committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to ensure sound management of the academy's finances and resources, including budget setting and monitoring, ESFA requirements, regularity, audit and probity.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Bennett (Executive Principal and Accounting Officer)	2	3
P Dixon (Senior Vice Principal (previously Head of School))	3	3
J Fryer (Governor)	3	3
G Newton (Vice chair)	2	3

Review of value for money

As Accounting Officer the Executive 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 trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for The Greetland Academy has delivered improved value for money during the year by:

- Achieving excellent educational outcomes for our pupils, as detailed on page 6.
- Utilising the expertise of our teaching staff to support the development of other schools. Whilst impacting positively on the schools receiving the support it has also enabled The Greetland Academy to receive additional income and also have a positive impact upon the personal and professional development of The Greetland Academy staff.
- Continued monitoring of processes and procurement. Specific changes and reviews this year include minibus and photocopier lease tendering; change of finance systems to incorporate the new SCITT arrangements.

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 The Greetland Academy for the year ended 31 August 2017 and up to the date of approval of the Annual Report and Financial Statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

THE GREETLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and premises 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 Trustees have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Simpson Wood, Chartered Accountants, the external auditor, to perform a programme of additional checks.

The external auditor'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 bank reconciliations
- testing of income records
- testing of monitoring and governance reporting

On a termly basis the auditor reports to the Finance and Premises Committee on the operation of the systems of control and on the discharge of the board of trustees financial responsibilities.

There have been no material control issues identified as a result of external audit monitoring that has taken place according to schedule.

Review of effectiveness

As Accounting Officer, the Executive Principal, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the financial management and governance self-assessment process, which has been undertaken at The Greetland Academy, as best practice, even though it is not required to, as an established academy
- the work of the Bursar within the academy trust who has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises Committee and a plan to address any identified weaknesses to ensure continuous improvement of the system is in place.

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

A Bennett
Executive Principal and Accounting Officer

G Newton
Vice chair

THE GREETLAND ACADEMY

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

As accounting officer of The Greetland 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 2016.

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

A Bennett
Accounting Officer

27 November 2017

THE GREETLAND ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees (who also act as governors for The Greetland Academy and are also the directors of The Greetland 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare 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 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

G Newton
Vice chair

THE GREETLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREETLAND ACADEMY

Opinion

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

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2016 to 2017.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE GREETLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREETLAND ACADEMY (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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. 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 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel McAllister FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wood Limited

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Chartered Accountants
Statutory Auditor

Bank Chambers
Market Street
Huddersfield
HD1 2EW

THE GREETLAND ACADEMY

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

In accordance with the terms of our engagement letter dated 10 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Greetland Academy during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Greetland Academy's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Greetland Academy's funding agreement with the Secretary of State for Education dated 17 December 2010 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent.
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
- When performing sample testing of expenditure, consider whether the activity is permissible within the academy trust's framework of authorities.

THE GREETLAND ACADEMY

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

Conclusion

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

Reporting Accountant

Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated:

THE GREETLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted funds:		Total 2017	Total 2016
	Notes	£	General	Fixed asset	£	£
Income and endowments from:						
Donations and capital grants	3	11,531	-	8,691	20,222	336,555
Charitable activities:						
- Funding for educational operations	4	5,284	1,638,650	-	1,643,934	1,662,483
- Funding for teaching school	26	318,500	-	-	318,500	-
Other trading activities	5	303,537	-	-	303,537	339,877
Investments	6	262	-	-	262	766
Total income and endowments		<u>639,114</u>	<u>1,638,650</u>	<u>8,691</u>	<u>2,286,455</u>	<u>2,339,681</u>
Expenditure on:						
Raising funds	7	271,884	4,431	-	276,315	346,255
Charitable activities:						
- Educational operations	8	40,651	1,713,367	112,170	1,866,188	1,782,945
- Teaching school	26	255,773	-	1,248	257,021	-
Total expenditure	7	<u>568,308</u>	<u>1,717,798</u>	<u>113,418</u>	<u>2,399,524</u>	<u>2,129,200</u>
Net income/(expenditure)		70,806	(79,148)	(104,727)	(113,069)	210,481
Transfers between funds		-	(8,235)	8,235	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	466,000	-	466,000	(585,000)
Net movement in funds		<u>70,806</u>	<u>378,617</u>	<u>(96,492)</u>	<u>352,931</u>	<u>(374,519)</u>
Reconciliation of funds						
Total funds brought forward		<u>185,808</u>	<u>(913,757)</u>	<u>4,220,808</u>	<u>3,492,859</u>	<u>3,867,378</u>
Total funds carried forward		<u>256,614</u>	<u>(535,140)</u>	<u>4,124,316</u>	<u>3,845,790</u>	<u>3,492,859</u>

THE GREETLAND ACADEMY

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

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016		Unrestricted Funds	Restricted funds: General Fixed asset		Total 2016
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	5,916	11,544	319,095	336,555
Charitable activities:					
- Funding for educational operations	4	5,652	1,656,831	-	1,662,483
Other trading activities	5	339,877	-	-	339,877
Investments	6	766	-	-	766
Total income and endowments		<u>352,211</u>	<u>1,668,375</u>	<u>319,095</u>	<u>2,339,681</u>
Expenditure on:					
Raising funds	7	339,665	6,590	-	346,255
Charitable activities:					
- Educational operations	8	15,371	1,665,441	102,133	1,782,945
Total expenditure	7	<u>355,036</u>	<u>1,672,031</u>	<u>102,133</u>	<u>2,129,200</u>
Net income/(expenditure)		(2,825)	(3,656)	216,962	210,481
Transfers between funds		(5,235)	(24,753)	29,988	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	20	-	(585,000)	-	(585,000)
Net movement in funds		(8,060)	(613,409)	246,950	(374,519)
Reconciliation of funds					
Total funds brought forward		193,868	(300,348)	3,973,858	3,867,378
Total funds carried forward		<u>185,808</u>	<u>(913,757)</u>	<u>4,220,808</u>	<u>3,492,859</u>

THE GREETLAND ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		4,111,415		4,041,050
Current assets					
Stocks	14	1,791		1,645	
Debtors	15	78,894		65,856	
Cash at bank and in hand		441,166		582,521	
		<u>521,851</u>		<u>650,022</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(159,476)		(213,213)	
Net current assets			362,375		436,809
Net assets excluding pension liability			<u>4,473,790</u>		<u>4,477,859</u>
Defined benefit pension liability	20		(628,000)		(985,000)
Net assets			<u><u>3,845,790</u></u>		<u><u>3,492,859</u></u>
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			4,124,316		4,220,808
- Restricted income funds			92,860		71,243
- Pension reserve			(628,000)		(985,000)
Total restricted funds			<u>3,589,176</u>		<u>3,307,051</u>
Unrestricted income funds	18		<u>256,614</u>		<u>185,808</u>
Total funds			<u><u>3,845,790</u></u>		<u><u>3,492,859</u></u>

The accounts set out on pages 20 to 43 were approved by the board of trustees and authorised for issue on 27 November 2017 and are signed on its behalf by:

G Newton
Vice chair

Company Number 07465343

THE GREETLAND ACADEMY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016	
	Notes	£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	21		33,476		168,638
Cash flows from investing activities					
Dividends, interest and rents from investments		262		766	
Capital grants from DfE and EFA		8,691		319,095	
Payments to acquire tangible fixed assets		(183,784)		(232,401)	
			(174,831)		87,460
Change in cash and cash equivalents in the reporting period					
			(141,355)		256,098
Cash and cash equivalents at 1 September 2016			582,521		326,423
Cash and cash equivalents at 31 August 2017			<u>441,166</u>		<u>582,521</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Greetland 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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

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 are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £ 3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	2% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	15% straight line

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

No depreciation is provided in respect of freehold land.

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 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. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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 instrument.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 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.

1.11 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 20, 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.

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.

1.12 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.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

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

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 20, 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

No critical areas of judgement have been identified which would have a significant impact on the valuation of assets and liabilities within the accounts.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	-	8,691	8,691	319,095
Other donations	11,531	-	11,531	17,460
	<u>11,531</u>	<u>8,691</u>	<u>20,222</u>	<u>336,555</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,433,448	1,433,448	1,456,863
Other DfE / ESFA grants	-	169,683	169,683	163,583
National College grants	-	21,750	21,750	16,000
	-	1,624,881	1,624,881	1,636,446
Other government grants				
Local authority grants	-	13,769	13,769	15,385
Other funds				
Other incoming resources	5,284	-	5,284	10,652
Total funding	5,284	1,638,650	1,643,934	1,662,483

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	5,021	-	5,021	6,495
Catering income	175,882	-	175,882	165,247
Consultancy	59,337	-	59,337	103,858
Educational visits	16,818	-	16,818	16,304
Breakfast Club	24,750	-	24,750	22,878
Teaching school income	14,775	-	14,775	-
Other income	6,954	-	6,954	25,095
	303,537	-	303,537	339,877

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Short term deposits	262	-	262	766

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 £
Expenditure on raising funds	183,286	-	93,029	276,315	346,255
Academy's educational operations					
- Direct costs	1,044,909	-	88,488	1,133,397	1,149,415
- Allocated support costs	331,502	233,853	166,936	732,291	633,530
Teaching school					
- Direct costs	74,535	-	144,189	218,724	-
- Allocated support costs	12,781	1,248	24,768	38,797	-
	<u>1,647,013</u>	<u>235,101</u>	<u>517,410</u>	<u>2,399,524</u>	<u>2,129,200</u>

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Fees payable to auditor for:		
- Audit	4,150	3,499
- Other services	1,850	1,738
Operating lease rentals	17,234	17,356
Depreciation of tangible fixed assets	113,418	102,133
Net interest on defined benefit pension liability	19,000	13,000
	<u>165,642</u>	<u>148,726</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Direct costs - educational operations	33,811	1,099,586	1,133,397	1,149,415
Direct costs - teaching school	218,724	-	218,724	-
Support costs - educational operations	6,340	725,951	732,291	633,530
Support costs - teaching school	37,549	1,248	38,797	-
	<u>296,424</u>	<u>1,826,785</u>	<u>2,123,209</u>	<u>1,782,945</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities

(Continued)

	Teaching school	Educational operations	Total 2017	Total 2016
	£	£	£	£
Analysis of support costs				
Support staff costs	12,781	331,502	344,283	253,379
Depreciation and amortisation	1,248	112,170	113,418	102,133
Technology costs	6,436	27,757	34,193	31,779
Premises costs	-	88,970	88,970	98,737
Other support costs	17,832	159,263	177,095	132,937
Governance costs	500	12,629	13,129	14,565
	<u>38,797</u>	<u>732,291</u>	<u>771,088</u>	<u>633,530</u>

9 Staff costs

	2017 £	2016 £
Wages and salaries	1,240,322	1,205,872
Social security costs	105,082	85,298
Operating costs of defined benefit pension schemes	255,694	198,584
Staff costs	<u>1,601,098</u>	<u>1,489,754</u>
Supply staff costs	33,584	17,148
Staff development and other staff costs	12,331	17,039
Total staff expenditure	<u>1,647,013</u>	<u>1,523,941</u>

Staff numbers

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

	2017 Number	2016 Number
Teachers	15	15
Administration and support	48	47
Management	6	6
	<u>69</u>	<u>68</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

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

	2017 Number	2016 Number
Teachers	13	14
Administration and support	22	22
Management	6	6
	<u>41</u>	<u>42</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,000 - £70,000	-	1
£90,000 - £100,000	-	1
£100,000 - £110,000	1	-
	<u>1</u>	<u>2</u>

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 £368,448. (2016: £400,544)

10 Trustees' remuneration and expenses

The Principal and Staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, travel and subsistence payments totalling £957 (2016: £536) were reimbursed to 3 trustees (2016: 2 trustees)

The value of trustees' remuneration including pension costs was as follows:

A Bennett (Principal)	Remuneration	£100,000 - £105,000 (2016: £95,000 - £100,000)
	Pension costs	£15,000 - £20,000 (2016: £15,000 - £20,000)
A Rawson (Staff Governor)	Remuneration	£35,000 - £40,000 (2016: £40,000 - £45,000)
	Pension costs	£5,000 - £10,000 (2016: £5,000 - £10,000)
P Dixon (Staff Governor)	Remuneration	£55,000 - £60,000 (2016: £60,000 - £65,000)
	Pension costs	£5,000 - £10,000 (2016: £10,000 - £15,000)

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

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Trustees and officers insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2016	4,228,027	75,268	195,231	4,498,526
Additions	90,608	-	93,176	183,784
	<u>4,318,635</u>	<u>75,268</u>	<u>288,407</u>	<u>4,682,310</u>
At 31 August 2017	4,318,635	75,268	288,407	4,682,310
	<u>4,318,635</u>	<u>75,268</u>	<u>288,407</u>	<u>4,682,310</u>
Depreciation				
At 1 September 2016	321,866	64,963	70,647	457,476
Charge for the year	65,577	5,979	41,863	113,419
	<u>387,443</u>	<u>70,942</u>	<u>112,510</u>	<u>570,895</u>
At 31 August 2017	387,443	70,942	112,510	570,895
	<u>387,443</u>	<u>70,942</u>	<u>112,510</u>	<u>570,895</u>
Net book value				
At 31 August 2017	3,931,192	4,326	175,897	4,111,415
	<u>3,931,192</u>	<u>4,326</u>	<u>175,897</u>	<u>4,111,415</u>
At 31 August 2016	3,906,161	10,305	124,584	4,041,050
	<u>3,906,161</u>	<u>10,305</u>	<u>124,584</u>	<u>4,041,050</u>

13 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	42,024	43,616
	<u>42,024</u>	<u>43,616</u>
Carrying amount of financial liabilities		
Measured at amortised cost	81,931	171,156
	<u>81,931</u>	<u>171,156</u>

14 Stocks

	2017 £	2016 £
Catering stock	1,791	1,645
	<u>1,791</u>	<u>1,645</u>

THE GREETLAND ACADEMY

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

15 Debtors	2017	2016
	£	£
Trade debtors	42,024	43,616
VAT recoverable	647	1,675
Prepayments and accrued income	36,223	20,565
	<u>78,894</u>	<u>65,856</u>
	<u><u>78,894</u></u>	<u><u>65,856</u></u>
16 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	1,569	145,748
Accruals and deferred income	157,907	67,465
	<u>159,476</u>	<u>213,213</u>
	<u><u>159,476</u></u>	<u><u>213,213</u></u>
17 Deferred income	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	77,545	42,057
	<u>77,545</u>	<u>42,057</u>
	<u><u>77,545</u></u>	<u><u>42,057</u></u>
Deferred income at 1 September 2016	42,057	52,778
Released from previous years	(42,057)	(52,778)
Amounts deferred in the year	77,545	42,057
	<u>77,545</u>	<u>42,057</u>
Deferred income at 31 August 2017	<u><u>77,545</u></u>	<u><u>42,057</u></u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Free School Meals, Rates grant, Childcare vouchers, NCTL bursary and AFASG working group income.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	64,960	1,433,448	(1,407,201)	(8,235)	82,972
Other DfE / ESFA grants	6,283	191,433	(187,828)	-	9,888
Other government grants	-	13,769	(13,769)	-	-
	<u>71,243</u>	<u>1,638,650</u>	<u>(1,608,798)</u>	<u>(8,235)</u>	<u>92,860</u>
Funds excluding pensions					
Pension reserve	(985,000)	-	(109,000)	466,000	(628,000)
	<u>(913,757)</u>	<u>1,638,650</u>	<u>(1,717,798)</u>	<u>457,765</u>	<u>(535,140)</u>
Restricted fixed asset funds					
Transferred on conversion	2,970,315	-	(49,757)	-	2,920,558
DfE / ESFA capital grants	1,142,763	8,691	(50,183)	-	1,101,271
Capital expenditure from GAG	59,828	-	(13,478)	8,235	54,585
Private sector capital sponsorship	47,902	-	-	-	47,902
	<u>4,220,808</u>	<u>8,691</u>	<u>(113,418)</u>	<u>8,235</u>	<u>4,124,316</u>
Total restricted funds	<u>3,307,051</u>	<u>1,647,341</u>	<u>(1,831,216)</u>	<u>466,000</u>	<u>3,589,176</u>
Unrestricted funds					
General funds	185,808	305,839	(312,035)	-	179,612
Teaching school	-	333,275	(256,273)	-	77,002
	<u>185,808</u>	<u>639,114</u>	<u>(568,308)</u>	<u>-</u>	<u>256,614</u>
Total funds	<u>3,492,859</u>	<u>2,286,455</u>	<u>(2,399,524)</u>	<u>466,000</u>	<u>3,845,790</u>

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

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 2017.

Restricted fixed assets were funded by government grants and transfer from predecessor school.

Other DfE / EFA grants related to the Sponsor Capacity Grant, which has been carried forward as an appropriate school to sponsor has not yet been identified; the grant will be fully expended when the Academy becomes a Multi Academy Trust, PE & Sports Grant and Pupil Premium Grant.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds

(Continued)

Movements in funds - previous year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	23,019	1,456,863	(1,393,621)	(21,301)	64,960
Other DfE / ESFA grants	27,633	179,583	(201,263)	330	6,283
Other government grants	-	15,385	(15,385)	-	-
Other restricted funds	-	16,544	(12,762)	(3,782)	-
	<u>50,652</u>	<u>1,668,375</u>	<u>(1,623,031)</u>	<u>(24,753)</u>	<u>71,243</u>
Funds excluding pensions	50,652	1,668,375	(1,623,031)	(24,753)	71,243
Pension reserve	(351,000)	-	(49,000)	(585,000)	(985,000)
	<u>(300,348)</u>	<u>1,668,375</u>	<u>(1,672,031)</u>	<u>(609,753)</u>	<u>(913,757)</u>
Restricted fixed asset funds					
Transferred on conversion	3,021,471	-	(51,156)	-	2,970,315
DfE / ESFA capital grants	859,628	319,095	(35,630)	(330)	1,142,763
Capital expenditure from GAG	44,857	-	(15,347)	30,318	59,828
Private sector capital sponsorship	47,902	-	-	-	47,902
	<u>3,973,858</u>	<u>319,095</u>	<u>(102,133)</u>	<u>29,988</u>	<u>4,220,808</u>
Total restricted funds	<u>3,673,510</u>	<u>1,987,470</u>	<u>(1,774,164)</u>	<u>(579,765)</u>	<u>3,307,051</u>
Unrestricted funds					
General funds	193,868	352,211	(355,036)	(5,235)	185,808
Total funds	<u>3,867,378</u>	<u>2,339,681</u>	<u>(2,129,200)</u>	<u>(585,000)</u>	<u>3,492,859</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	4,111,415	4,111,415
Current assets	281,852	207,727	32,272	521,851
Creditors falling due within one year	(25,237)	(114,868)	(19,371)	(159,476)
Defined benefit pension liability	-	(628,000)	-	(628,000)
	256,615	(535,141)	4,124,316	3,845,790
	256,615	(535,141)	4,124,316	3,845,790
Balance to allocate	(1)	1	-	-
Per balance sheet	256,614	(535,140)	4,124,316	3,845,790
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	4,041,050	4,041,050
Current assets	185,808	150,625	313,589	650,022
Creditors falling due within one year	-	(79,382)	(133,831)	(213,213)
Defined benefit pension liability	-	(985,000)	-	(985,000)
	185,808	(913,757)	4,220,808	3,492,859
	185,808	(913,757)	4,220,808	3,492,859

20 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 West Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

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 GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Pensions and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (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 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 pension costs paid to the TPS in the period amounted to £113,981 (2016: £117,478).

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 17% for employers and 5.5 to 6.5% for employees. The estimated value of employer contributions for the forthcoming year is £63,000.

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

THE GREETLAND ACADEMY

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

20 Pensions and similar obligations (Continued)

Total contributions made	2017 £	2016 £
Employer's contributions	66,000	61,000
Employees' contributions	29,000	31,000
	<u> </u>	<u> </u>
Total contributions	95,000	92,000
	<u> </u>	<u> </u>

Principal actuarial assumptions	2017 %	2016 %
Rate of increases in salaries	3.25	3.4
Rate of increase for pensions in payment	2.0	1.9
Discount rate	2.5	2.0
Inflation assumption (CPI)	2.0	1.9
Revaluation of pension accounts	2.0	1.9
	<u> </u>	<u> </u>

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

	2017 Years	2016 Years
Retiring today		
- Males	22.1	22.7
- Females	25.2	25.6
Retiring in 20 years		
- Males	23.02	24.9
- Females	27.0	28.0
	<u> </u>	<u> </u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	2017	2016
Discount rate + 0.1%	(49,000)	(56,000)
Discount rate - 0.1%	50,000	58,000
Mortality assumption + 1 year	(61,000)	(69,000)
Mortality assumption - 1 year	62,000	69,000
	<u> </u>	<u> </u>

THE GREETLAND ACADEMY

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

20 Pensions and similar obligations

(Continued)

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

	2017 Fair value £	2016 Fair value £
Equities	1,087,110	903,453
Bonds	190,350	185,262
Property	63,450	57,744
Other assets	69,090	56,541
	<u>1,410,000</u>	<u>1,203,000</u>
Actual return on scheme assets - gain/(loss)	<u>120,000</u>	<u>186,000</u>

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	156,000	97,000
Interest income	(25,000)	(37,000)
Interest cost	44,000	50,000
	<u>175,000</u>	<u>110,000</u>

Changes in the present value of defined benefit obligations

	2017 £	2016 £
Obligations at 1 September 2016	2,188,000	1,298,000
Current service cost	156,000	97,000
Interest cost	44,000	50,000
Employee contributions	29,000	31,000
Actuarial (gain)/loss	(371,000)	734,000
Benefits paid	(8,000)	(22,000)
	<u>2,038,000</u>	<u>2,188,000</u>
At 31 August 2017	<u>2,038,000</u>	<u>2,188,000</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Pensions and similar obligations (Continued)

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

	2017 £	2016 £
Assets at 1 September 2016	1,203,000	947,000
Interest income	25,000	37,000
Actuarial gain	95,000	149,000
Employer contributions	66,000	61,000
Employee contributions	29,000	31,000
Benefits paid	(8,000)	(22,000)
	<u>1,410,000</u>	<u>1,203,000</u>
At 31 August 2017	<u>1,410,000</u>	<u>1,203,000</u>

21 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2017 £	2016 £
Net (expenditure)/income for the reporting period	(113,069)	210,481
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(8,691)	(319,095)
Investment income receivable	(262)	(766)
Defined benefit pension costs less contributions payable	90,000	36,000
Defined benefit pension net finance cost	19,000	13,000
Depreciation of tangible fixed assets	113,418	102,133
(Increase)/decrease in stocks	(146)	187
(Increase)/decrease in debtors	(13,038)	22,016
(Decrease)/increase in creditors	(53,736)	104,682
	<u>33,476</u>	<u>168,638</u>
Net cash provided by operating activities	<u>33,476</u>	<u>168,638</u>

22 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	8,288	13,624
Amounts due in two and five years	26,124	824
	<u>34,412</u>	<u>14,448</u>
	<u>34,412</u>	<u>14,448</u>

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

23 Capital commitments

	2017	2016
	£	£
Expenditure contracted for but not provided in the accounts	6,145	80,254
	<u>6,145</u>	<u>80,254</u>

24 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:

A Griffiths owns and is a director of The Education Guidance Service Ltd. £640 (2016 - £1,260) was paid to the company in the year in respect of services received for pupil assessments and reports.

S Brierley has a related party connection with H & J Hitchen. £905 (2016 - £2,353) was paid to the company in the year in respect of services received for electrical works and repairs.

A Giles owns and is a director of Alan Giles Consulting Ltd. £13,700 (2016 - £2,775) was paid to the company in the year in respect of services for educational and school improvement consultancy since A Giles became a governor.

25 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.

THE GREETLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

26 Teaching school trading account	2017		2016	
	£	£	£	£
Direct income				
Other income		318,500		-
Other income				
Fundraising and other trading activities		14,775		-
		<u>333,275</u>		<u>-</u>
Direct costs				
Direct staff costs	73,440		-	
Staff development	1,095		-	
Other direct costs	144,189		-	
	<u>218,724</u>		<u>-</u>	
Other costs				
Support staff costs	12,781		-	
Depreciation	1,248		-	
Technology costs	6,436		-	
Recruitment and support	5,435		-	
Security and transport	2,775		-	
Other support costs	9,622		-	
Share of governance costs	500		-	
	<u>38,797</u>		<u>-</u>	
Total expenditure		(257,521)		-
Transfers between funds excluding depreciation		1,248		-
Surplus/(deficit) from all sources		<u>77,002</u>		<u>-</u>
Teaching school balances at 1 September 2016		-		-
Teaching school balances at 31 August 2017		<u><u>77,002</u></u>		<u><u>-</u></u>