REGISTERED COMPANY NUMBER: 07735646 (England and Wales)

Trustees' Report and Financial Statements for the Year Ended 31st August 2018 for The Crescent Academy

Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

The Crescent Academy

Contents of the Financial Statements
for the Year Ended 31st August 2018

The Crescent Academy

Reference and Administrative Details for the Year Ended 31st August 2018

Members	John Harp Darren Christie Sue Molloy David Alston (Ex-Officio)
Trustees	Sue Molloy (Chair of the Trustees) Darren Christie John Harp Lisa Stewart (resigned 26/03/2018) Rachael Lines (appointed 26/03/2018) Ben Webster Michelle Probyn (appointed 15/09/2017) Sean Thorneycroft (appointed 01/09/2017) David Alston Jackie Williams Jennifer Watt Nadine Massey
Company Secretary	Rebecca Thorneycroft
Responsible Officer	Graham Kirby
Governors	Sue Molloy (Community Governor) Darren Christie (Parent Governor) Lisa Stewart (Parent Governor) resigned 26/03/2018 Rachael Lines (Parent Governor) appointed 26/03/2018 Ben Webster (Parent Governor) Michelle Probyn (Non-teaching Staff Governor) appointed 15/09/2017 Sean Thorneycroft (Community Governor) appointed 01/09/2017 Jackie Williams (Principal) Jennifer Watt (Teacher Governor) Nadine Massey (Community Governor)
Senior Management Team	Executive Principal - David Alston Principal - Jackie Williams Vice Principal - Liz Boughey Assistant Principal - Helen Vance Assistant Principal - Lisa Tunnicliffe Assistant Principal/Safeguarding Officer - Pam Cooper Assistant Principal - Paul Davies
Registered Office	Pinewood Crescent Meir Stoke on Trent Staffordshire ST3 6HZ
Registered company number	07735646 (England and Wales)
Independent auditors	Hardings Chartered Accountants & Statutory Auditor 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU

Bankers	Lloyds TSB Fountain Square Hanley ST1 1LE
Solicitors	Stone King 16 St. Johns Lane London EC1M 4BS

Trustees' Report
for the Year Ended 31st August 2018

The trustees who are also directors of the academy for the purposes of the Companies Act 2006, present their report with the financial statements of the academy for the year ended 31st August 2018. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trustees present their annual report together with the financial statements and auditor's reports of the company for the period 1st September 2017 to 31st August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The trust operates an academy for pupils aged 3 - 11 years, serving an area of high deprivation. In the Summer Census the academy had 690 pupils on roll.

Objectives and activities
Objectives and aims
To develop in every child a vision of their value as individuals and as members of the community.
To provide a stimulating, secure and caring environment in which children can achieve and achievements are celebrated.
To develop in pupils an attitude of co-operation and consideration towards their work, their teachers and their friends.
To teach children the academic and social skills which will enable them to develop and progress to the highest standards.
To help the pupils to develop creative and enquiring minds and become increasingly independent in their own learning.
To help pupils develop respect for spiritual and moral values and an understanding of other religions, races and ways of life.
To help pupils to adjust to the expectations of school and enable the smooth transition from class to class and from school to school.

Public benefit
The governors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by the Trust is the provision of a high quality of education to its students.

Beyond this, the academy aims to offer an education for the whole individual providing exceptional opportunities for personal as well as academic success. In this the academy seeks to provide for the cultural, physical, spiritual as well as academic development of students. The wide range of extra-curricular activities, educational trips and visits and partnership projects offered to - and taken up by - our students contribute to a school, which is happy and in which students thrive.

In addition, the academy is continuing to be used as a resource by the local community. The academy provides a wide range of family and adult learning opportunities, which are being taken up by the academy community.

The academy has a Well-Being Centre, to provide a friendly and secure environment in which our adults can meet with our experienced inclusion team.

Academy Development Plan
Issues on the 2018 plan are:

To Improve:
Learning in Greater Depth
Speaking and Listening
Reading
Independent Learning
Spelling, Grammar and Punctuation

Through:
Good Attendance
PM and CPD
Indoor and Outdoor Learning
Rewards and Sanctions
Assessment and Tracking
Innovative Pedagogy

Achievements and Performance

Last Ofsted Grade and date	Good March 2014	Overall current school judgment	Outstanding
Number of Teachers/ FTE	42/ 34 (1 currently on maternity leave)	Number of employees	132
Number of Teaching Support Workers	25	Number of Premises/IT/Office Staff	18
Number of Inclusion Support Workers	32	Inclusion Support hours paid directly from PP	350

Number on Roll	695	% eligible for PP	59%	CP Plans/ LAC	1/5	Children with EHC Plans	17

PP expenditure	P&FWO, Outreach Worker, Well Being Officer, Targeted Inclusion Staff, additional TA hours, Assistant SENCo, IT equipment, Subsidised trips & residentials Y4-Y6(inc Holland), Learning Environments, Breakfasts, Retaining and rewarding high quality staff, Additional EWO & EP time. Counselling training, I Pads and 2Simple software		
Sports Premium Expenditure	Increase on previous swimming provision by 150%; Employment of a Sports Coach and additional after school clubs.		
Pupil premium allocation	2016/17 £423,480	2017/18 £446,040	2018/19 £463,740
Total Revenue Income	2016/17 £3,283,271	2017/18 £3,373,000	2018/19 £3,591,000

Parents' Survey 2018 R-Y6

2017 in red	Strongly agree	Agree	Disagree	Strongly disagree
My child is happy at this school	75% 87%	23% 13%	1%	
My child feels safe at this school	77% 88%	22% 12%	1%	
My child makes good progress at this school	76% 89%	24% 11%		
My child is well looked after at this school	81% 87%	18% 13%	1%	
My child is taught well at this school	82% 87%	18% 13%		
My child receives appropriate homework for their age	72% 85%	25% 11%	2% 3%	.5%
This school makes sure its pupils are well behaved	76% 85%	23% 14%	1% 1%	
This school deals effectively with bullying	68% 83%	29% 16%	1% 1%	1%
This school is well led and managed	79% 89%	21% 11%		
This school responds well to any concern I raise	81% 87%	18% 13%	1%	
I receive valuable information from the school about my child's progress	76% 84%	23% 16%	1%	
I would recommend this school to another parent	81% 87%	19% 1%	1%	1%

Things the School does well 2017-18

- Builds confidence. Makes sure children are ok. Fantastic work with children.
- Teaches children well. Educating and learning. Helping children to learn new things.
- Pushing children to improve. Encourages children to do the best that they can.
- Ensures kids are taught well, are looked after and are safe
- Keeping the kids safe. Reading, writing and socializing. The school club.
- Good communication, keeping parents informed. Keeps us well informed. Email updates.
- Dojo online. Working alongside parents. All staff are lovely and approachable
- Deals with raised concerns. Interacts with parents, listens to concerns. Discusses problems
- Teaches discipline. Supports children. Keeps children happy healthy and safe.
- Gives good feedback and updates
- Good organization. Great events. Lots of enrichment. Excellent educational trips
- The model of teaching
- Everything

Things the school needs to do better

- More homework
- Help children make friends
- Focus less on naughty children and praise well behaved children more
- Bullying seems to continue, handle bullying better. Manage bad behaviour
- Car parking
- Look after lost cardigans and PE kit
- Give children more time to eat dinner
- A lot of sporting activities and outdoor adventures
- Timing of sessions
- Parents smoking and vaping outside school premises
- Change reading books more often
- Communication

NURSERY SURVEY 2018

	Strongly agree	agree	disagree	Strongly disagree
My child enjoys coming to Nursery.	47 (90%)	5 (10%)	0	0
My child feels safe in Nursery.	49 (94%)	3 (6%)	0	0
I feel my child has made good progress in Nursery.	44 (85%)	8 (15%)	0	0
I feel my child is well looked after in Nursery.	49 (94%)	3 (6%)	0	0
My child is taught well.	47 (90%)	5 (10%)	0	0
The Nursery is well led and managed.	48 (92%)	4 (8%)	0	0
The Nursery responds to any concerns I raise.	47 (90%)	5 (10%)	0	0
The staff are approachable and friendly.	50 (96%)	2(4%)	0	0
I would recommend this Nursery to another parent.	50 (96%)	2(4%)	0	0

Strategic report
Achievement and performance
Key financial performance indicators

The Crescent Academy				
	1	2	3	4
Quality of Teaching, Learning and Assessment	✓			
Quality of Pupils' Development Behaviour and Welfare	✓			
Outcomes for Children	✓			
Effectiveness of the Early Years Provision.	✓			
The effectiveness of leadership and management	✓			
Overall effectiveness	✓			

Strategic report

Financial review

Investment policy

The Academy will only invest in low risk or risk free investments and will ensure adequate advice is taken prior to any investment. This is established by limiting investments to High Street banks with a high credit rating and where the invested capital is guaranteed. Regular cash flow reviews are completed by the Principal to ensure sufficient funding is available to meet commitments but also to ensure that is not excessive.

Reserves policy

The Academy aims to stay within the ESFA guidelines on levels and appropriate use of reserves. The Academy reviews its reserves policy on an annual basis to ensure they can meet any unexpected expenditure and any other current unidentified risks that may come to light following the regular risk review. The trust anticipates utilising its reserves during the next three business cycles.

Going concern

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

Principle risks and uncertainties

The principle risks and uncertainties facing the academy are outlined below:

Financial - the academy places considerable reliance on the continued provision of the monthly grant funding receipted through the ESFA. While the Academy expects the level of funding to continue there are no assurances that Government policy of practise will change especially within the next three year budget cycle. The risk is managed through considerate and careful budgeted expenditure which ensures the academy is never in deficit.

Staffing - the success of the academy is reliant upon the quality of its staff. The academy invests heavily in staff development as well as implementing leadership and succession planning.

Fraud and mismanagement of funds - The academy continues to buy in finance support from EdBC. Graham Kirby provides support in the preparation of the budget and accounts return. He also acts as the Responsible Officer and carries out checks to ensure that adequate systems are in place, and produces a report for the Governors. The Accountants have also provided additional support in preparing the information for the end of year accounts.

Financial and risk management objectives and policies

Most of the Academy's income is obtained from the Department for Education through recurrent grants disbursed via the Education Skills Funding Agency (ESFA) for restricted purposes. The income and expenditure of these grants are shown in the statement of the financial activities under restricted funds.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice 'Account and Reporting by Charities' (SORP2005) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The Academy also received funding from the Local Authority for supporting pupils with special educational needs and children in early years. These funds are restricted for this purpose and reported as such; this amounted to £424,143.

The Academy also received £8,500 donations towards the cost of a new Library Boat, which was purchased in January 2018. Governors approved the use of the 2016/17 carry forward to pay for the boat, groundworks and interior refurbishment. The donations were used to purchase books and a library system. The remaining balance from these funds will be used in 2018/19 to restock books.

The Executive Principal secured funding of £21,459 Essential Life Skills Funding which will be received into the 2018/19 budget. Also a Small Grants Fund from Stoke-on-Trent Opportunity Area to help support the Boat Project by part funding a librarian after school and during holiday periods.

Total incoming resources for the year ended 31st August 2018 amounted to £3,534,658.

Strategic report

Financial and risk management objectives and policies

During the year ended 31st August 2018 total expenditure of £3,786,559 was covered by these funds; the excess of income over expenditure for the year (excluding fixed asset funds and pension deficit), was £89,524. The balance is budgeted to be utilised for the educational benefit of the children within the next three year budget cycle.

At 31st August 2018 the net book value of the fixed assets was £6,385,677 and movements in assets are shown in Note 13.

The Academy has also benefitted from the unrestricted income of £28,265. A large proportion of this has been generated by the Executive Principal assisting other schools in the area providing training to other teachers. These funds are spent enriching the lives of our children.

The School Business Manager continues to work closely with the Responsible Officer who independently reviews the academy's financial procedures and ensures that these systems are adhered to. Regular reports are provided to the Accounting Officer, Principal and Governors giving an up to date financial position and highlighting any potential areas of concern. Zurich Municipal are the approved provider of the related insurance.

The academy does not have significant trade debtors at the year-end; any money owed to the Academy is actively chased up in line with the normal course of business.

Cash flow is monitored regularly and budgets are presented to the Trustees; the Academy regularly assesses the implications of expenditure against income, and ensures the balances at bank do not fall below the salary threshold. The Academy's payroll is paid via a BACs Intel solution and as part of the financial procedures, the Academy ensures that adequate funds are available to meet this cash flow as required.

Plans for future periods

The Academy will continue striving to provide the best possible education for all its students and to enable all children to achieve their potential.

The Trust's core purpose is to deliver its strategic vision of providing exceptional opportunities for personal and academic success for its students and community.

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.

The trustees of The Crescent Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Crescent Academy.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the Charitable Company undertakes to contribute to the assets of the 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 has its insurance with Zurich Municipal and has Governor's liability indemnity insurance to the level of £2 million.

Method of Recruitment and appointment of Trustees

Members of the Trust are nominated by either The Department for Education, DfE, or the Academy Trust. The articles of association require the members of the trust to appoint at least four trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy.

Structure, governance and management

Organisational structure

The management structure in place for the year consisted of an Executive Principal, a Principal, Vice Principal and 4 Assistant Principals. These seven posts constituted the Academy's Senior Leadership Team. The Senior Leadership Team of the Academy is responsible for the day to day management of the Academy, for acting out from the strategic decisions taken from the Board and subcommittees, ensuring an annual development plan is set out, monitored and carried out successfully. The aim of the leadership structure was to devolve responsibility, increase accountability and encourage involvement in decision making at all levels. The Executive Principal is the Accounting Officer.

The Governing Body, is responsible for all financial and general governance matters related to the Trust. It also carries out tasks delegated down by the full Board of Trustees on strategic and capital expenditure projects.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. Induction tends to be done informally and is tailored specifically to the individual.

Arrangements for setting pay and remuneration of key management personnel

The academy has formally adopted the Local Authority Whole School Pay Policy. As set out in section 6, the following conditions apply to the salary progression and performance management for key personnel:-

- Performance objectives relating to school leadership and management and to pupil progress will be agreed or set for all Leadership Group members during the Autumn Term.

- The Principal will seek to agree performance objectives with the Deputy/Assistant Principal(s).

- Progression on the range for members of the Leadership Group will be subject to a review of performance set against the annual appraisal review. The Relevant Body may decide to award one increment for sustained high quality performance or two increments where performance has been exceptional. Where performance has not been of a sustained high quality the Relevant Body may decide that there should be no pay progression.

- A recommendation on pay must be made in writing as part of the individual's appraisal report.

- Where the relevant body has determined a pay range the maximum of which exceeds the highest salary payable under this document, it must continue to pay any salary determined by reference to that pay range until such time it reassess the pay range for its leadership posts under the provision of this document with due regard to the circumstances in which safeguarding applies.

Related parties and other connected charities and organisations

The Executive Principal's role also involves supporting other schools and school leaders. He also trains prospective leaders and works as a Strategic Partner in the local teaching school alliance.

Auditors

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 17th December 2018 and signed on the board's behalf by:

S. Molloy

Mrs Susan Molloy - Chair of the Trustees

Governance Statement
for the Year Ended 31st August 2018

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

The board of trustees has delegated the day-to-day responsibility to the Executive Principal, as the Accounting Officer and the Principal, 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 Crescent Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance
The information on governance included here supplements that described in the Governors' Report and in the Statements of governors' responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows. Please note that this academic year the Governors were allocated to specific groups - Finance or Children's and so were only required to attend certain meetings:

Governors and Trustees	Meetings Attended	Out of a possible
Sue Molloy	7	8
Darren Christie	4	6
	plus one non compulsory	finance group meeting
Nadine Massey	3	6
Ben Webster	6	6
Jackie Williams	7	8
Sean Thorneycroft	5	6

During the course of the year Rachael Lines was appointed as a new parent Governor in replacement of Lisa Stewart. Michelle Probyn commenced her role as Staff Governor on 15th September. Jennifer Watt returned from her maternity leave in December.

Governors and Trustees	Meetings Attended	Out of a possible
Lisa Stewart	1	3
Rachael Lines	3	3
Michelle Probyn	5	5
	plus one non compulsory	finance group meeting
Jenny Watt	5	5

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy has delivered improved value for money during the year by:
- Individual budget holder responsibility to prepare an action plan of expenditure, detailing what resources are necessary and what impact will be made. This is monitored throughout the year.
- Discounts have been negotiated with suppliers
- Bulk purchases have been sourced via a collaboration with other local schools
- Employing a quantity Surveyor/architect to conduct a tender process for the new building works and to project manage the works to keep the costs to a minimum, negotiate variations to the works and ensure the quality of works carried out.

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 be 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's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Crescent Academy for the year ended 31st August 2018 and up to date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls. The academy uses EdBC to provide a Responsible Officer, who reports to the board of Trustees. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy's significant risks that has been in place for the year ending 31st August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the governors have approved EdBC to provide a Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems.

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 responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility of the development and maintenance of the internal control framework;

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

Governance Statement
for the Year Ended 31st August 2018

Approved by order of the members of the board of trustees on 17th December 2018 and signed on its behalf by:

S. Molloy

Mrs Susan Molloy - Chair of the Trustees

DJAlston

David Alston - Accounting Officer

The Crescent Academy

Statement on Regularity, Propriety and Compliance
for the Year Ended 31st August 2018

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

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

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

David Alston - Accounting Officer

17th December 2018

Statement of Trustees Responsibilities
for the Year Ended 31st August 2018

The trustees (who act as governors of The Crescent Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies 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 financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the academy and of the incoming resources and application of resources, including the income and expenditure, of the academy for that period. In preparing those financial statements, 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 2017 to 2018;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the academy 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 academy applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the academy's auditors are 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 auditors are aware of that information.

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

Approved by order of the board of trustees on 17th December 2018 and signed on it's behalf by:

S. Molloy

Mrs Susan Molloy - Chair of the Trustees

Report of the Independent Auditors to the Members of
The Crescent Academy

Opinion
We have audited the financial statements of The Crescent Academy (the 'academy') for the year ended 31st August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:
- give a true and fair view of the state of the academy's affairs as at 31st August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Academies Accounts Direction 2017 to 2018.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

Report of the Independent Auditors to the Members of
The Crescent Academy

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

T McNeal

Timothy McNeal FCA (Senior Statutory Auditor)
for and on behalf of Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

17th December 2018

Independent Reporting Accountant's Assurance Report on Regularity to The Crescent Academy and the Education and Skills Funding Agency

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

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

Respective responsibilities of The Crescent Academy's accounting officer and the reporting accountant
The accounting officer is responsible, under the requirements of The Crescent Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach
We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

Hardings
Chartered Accountants
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

17th December 2018

Statement of Financial Activities
for the Year Ended 31st August 2018

	Notes	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	31/8/18 Total funds £	31/8/17 Total funds £
Income and endowments from						
Donations and capital grants	2	-	11,000	32,939	43,939	38,371
Charitable activities						
Funding for the academy's educational operations	3	-	-	3,386,922	3,386,922	3,293,699
Other trading activities	4	28,081	1	75,531	103,613	126,232
Investment income	5	184	-	-	184	165
Total		28,265	11,001	3,495,392	3,534,658	3,458,467
Expenditure on						
Raising funds	7	-	-	58,112	58,112	56,794
Charitable activities						
Academy's educational operations		28,764	155,426	3,544,257	3,728,447	3,562,443
Total	6	28,764	155,426	3,602,369	3,786,559	3,619,237
Net income/(expenditure)		(499)	(144,425)	(106,977)	(251,901)	(160,770)
Transfers between funds	18	-	112,709	(112,709)	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	-	383,000	383,000	(53,000)
Net movement in funds		(499)	(31,716)	163,314	131,099	(213,770)
Reconciliation of funds						
Total funds brought forward		68,652	6,417,394	(948,010)	5,538,036	5,751,806
Total funds carried forward		68,153	6,385,678	(784,696)	5,669,135	5,538,036

The notes form part of these financial statements

The Crescent Academy (Registered number: 07735646)

Balance Sheet
At 31st August 2018

	Notes	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	31/8/18 Total funds £	31/8/17 Total funds £
Fixed assets						
Tangible assets	13	-	6,385,677	-	6,385,677	6,417,395
Current assets						
Debtors	14	215	-	177,780	177,995	157,044
Cash at bank and in hand		67,938	-	103,438	171,376	122,939
		68,153	-	281,218	349,371	279,983
Creditors						
Amounts falling due within one year	15	-	1	(210,914)	(210,913)	(118,342)
Net current assets		68,153	1	70,304	138,458	161,641
Total assets less current liabilities		68,153	6,385,678	70,304	6,524,135	6,579,036
Pension liability	19	-	-	(855,000)	(855,000)	(1,041,000)
Net assets		68,153	6,385,678	(784,696)	5,669,135	5,538,036
Funds	18					
Unrestricted funds					68,153	68,652
Restricted funds					5,600,982	5,469,384
Total funds					5,669,135	5,538,036

The financial statements were approved by the Board of Trustees on 17th December 2018 and were signed on its behalf by:

S. Molloy

Mrs Susan Molloy - Chair of the Trustees

Cash Flow Statement
for the Year Ended 31st August 2018

	Notes	31/8/18 £	31/8/17 £
Cash flows from operating activities:			
Cash generated from operations	22	160,961	163,911
Net cash provided by (used in) operating activities		160,961	163,911
Cash flows from investing activities:			
Purchase of tangible fixed assets		(123,708)	(273,504)
Capital grants from DfE/ESFA		11,000	10,640
Interest received		184	165
Net cash provided by (used in) investing activities		(112,524)	(262,699)
Change in cash and cash equivalents in the reporting period		48,437	(98,788)
Cash and cash equivalents at the beginning of the reporting period		122,939	221,727
Cash and cash equivalents at the end of the reporting period		171,376	122,939

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Crescent Academy meets the definition of a public benefit entity under FRS 102.

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

Income
All income is recognised in the Statement of Financial Activities once the academy has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

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

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

Sponsorship income
Sponsorship income provided to the academy 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 it is probable that the income will be received and the amount can be measured reliably.

Donations
Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

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

1. Accounting policies - continued

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'.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds
Raising funds includes all expenditure incurred by the academy to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities
Costs of charitable activities are incurred on the academy's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold Land and Buildings	- over the expected useful economic life
Improvements to leasehold property	- over the expected useful economic life
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Note that Land, included within Leasehold Land and Buildings is not depreciated.

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

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. **Accounting policies - continued**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

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.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Leased assets
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1. Accounting policies - continued

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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. Accounting policies - continued

Liabilities

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

Provisions

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

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

Critical accounting estimates and areas of judgement

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

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 31st March 2016 has been used by the actuary in valuing the pensions liability at 31st August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Donations and capital grants

	Unrestricted funds £	Restricted funds £	31/8/18 Total funds £	31/8/17 Total funds £
Grants	-	11,000	11,000	10,640
Educational visits	-	32,939	32,939	27,731
	-	43,939	43,939	38,371

Grants received, included in the above, are as follows:

	31/8/18 £	31/8/17 £
Capital Grant	11,000	10,640

3. Funding for the academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/18 Total funds £	31/8/17 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	2,442,193	2,442,193	2,395,354
Other DfE/ESFA Grants	-	547,345	547,345	505,417
	-	2,989,538	2,989,538	2,900,771
Other government grant				
Local Authority grants and other funding	-	397,384	397,384	392,928
	-	3,386,922	3,386,922	3,293,699

4. Other trading activities

	Unrestricted funds £	Restricted funds £	31/8/18 Total funds £	31/8/17 Total funds £
Fundraising events	-	1,870	1,870	3,121
Before and after school	22,732	-	22,732	20,294
Invoiced income	5,350	1,350	6,700	59,466
Catering income	-	37,248	37,248	32,670
Other	(1)	35,064	35,063	10,681
	28,081	75,532	103,613	126,232

Invoiced income includes the following:

	£	£
- Consultancy	5,350	9,400
- Income from Student Placements	1,350	1,300
- Income from Vancouver Study Tour	-	48,766

Other income includes donations for the Library Boat, as well as Early Years Teacher Training funds.

5. Investment income

	Unrestricted funds £	Restricted funds £	31/8/18 Total funds £	31/8/17 Total funds £
Deposit account interest	184	-	184	165

6. Expenditure

		Non-pay expenditure		31/8/18	31/8/17
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Raising funds					
Costs of fundraising					
Direct costs	-	-	58,112	58,112	56,794
Charitable activities					
Academies educational operations					
Direct costs	2,482,748	-	234,301	2,717,049	2,643,808
Allocated support costs	301,228	477,799	232,371	1,011,398	918,635
	2,783,976	477,799	524,784	3,786,559	3,619,237

Net income/(expenditure) for the period includes:

	31/8/18	31/8/17
	£	£
Operating lease rentals	8,139	14,173
Depreciation - owned assets	70,405	64,715
Depreciation - leasehold assets	84,054	83,281
(Gain)/loss on disposal of fixed assets	967	6,422
Fees payable to auditor for:		
- audit	4,600	4,600
- other services	2,000	2,000

7. Raising funds

Costs of fundraising

	Unrestricted funds	Restricted funds	31/8/18 Total funds	31/8/17 Total funds
	£	£	£	£
Educational visits	-	58,112	58,112	56,794

8. Charitable activities - academy's educational operations

	Unrestricted funds	Restricted funds	31/8/18 Total funds	31/8/17 Total funds
	£	£	£	£
Direct costs	28,764	2,688,285	2,717,049	2,643,808
Support costs	-	1,011,398	1,011,398	918,635
	28,764	3,699,683	3,728,447	3,562,443

8. Charitable activities - academy's educational operations - continued

	31/8/18 Total £	31/8/17 Total £
Analysis of support costs		
Support staff costs	301,228	286,382
Depreciation	18,528	16,695
Technology costs	9,156	10,323
Premises costs	247,879	242,041
Other support costs	198,087	193,432
Governance costs	236,520	169,762
Total support costs	1,011,398	918,635

9. Trustees' remuneration and benefits

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

J Williams (principal and trustee)
Remuneration £65,001 - £70,000 (2017: £65,001 - £70,000)
Employer's pension contributions £10,001 - £15,000 (2017: £10,001 - £15,000)

J Watt (staff trustee)
Remuneration £10,001 - £15,000 (2017: 10,001 - £15,000)
Employer's pension contributions £1,001 - £5,000 (2017: £1,001 - £5,000)

M Probyn (non teaching staff trustee) - appointed 15/09/2017
Remuneration £20,001 - £25,000
Employer's pension contributions £1,001 - £5,000

Other related party transactions involving the trustees are set out in note 21.

Trustees' expenses

During the year ended 31st August 2018 and the year ended 31st August 2017, there were no expenses reimbursed or paid directly to any of the trustees.

10. Staff costs

	31/8/18	31/8/17
	£	£
Wages and salaries	2,216,702	2,117,799
Social security costs	168,000	166,683
Operating costs of defined benefit pension schemes	399,274	370,555
	2,783,976	2,655,037

The average number of persons (including senior management team) employed by the academy during the year was as follows:

	31/8/18	31/8/17
Teachers	36	34
Administration and support	85	80
Management	7	7
	128	121

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

	31/8/18	31/8/17
£60,001 - £70,000	2	1
£80,001 - £90,000	-	1
	2	2

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 the employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £593,911 (2017: £518,001).

11. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

12. Comparatives for the statement of financial activities

	Unrestricted fund	Restricted fixed assets funds	Restricted funds	Total funds
	£	£	£	£
Income and endowments from				
Donations and capital grants	-	10,640	27,731	38,371
Charitable activities				
Funding for the academy's educational operations	-	-	3,293,699	3,293,699
Other trading activities	29,694	-	96,538	126,232
Investment income	165	-	-	165
Total	29,859	10,640	3,417,968	3,458,467

12. Comparatives for the statement of financial activities - continued

	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £
Expenditure on				
Raising funds	-	-	56,794	56,794
Charitable activities				
Academy's educational operations	-	154,420	3,408,023	3,562,443
Total	-	154,420	3,464,817	3,619,237
Net income/(expenditure)	29,859	(143,780)	(46,849)	(160,770)
Transfers between funds	-	262,864	(262,864)	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	-	(53,000)	(53,000)
Net movement in funds	29,859	119,084	(362,713)	(213,770)
Reconciliation of funds				
Total funds brought forward	38,793	6,298,310	(585,297)	5,751,806
Total funds carried forward	68,652	6,417,394	(948,010)	5,538,036

13. Tangible fixed assets

	Leasehold Land and Buildings £	Improvements to leasehold property £	Fixtures and fittings £
Cost			
At 1st September 2017	5,665,000	788,233	349,366
Additions	-	69,872	17,205
Disposals	-	-	(250)
At 31st August 2018	5,665,000	858,105	366,321
Depreciation			
At 1st September 2017	278,947	28,606	150,498
Charge for year	69,737	14,317	31,168
Eliminated on disposal	-	-	(139)
At 31st August 2018	348,684	42,923	181,527
Net book value			
At 31st August 2018	5,316,316	815,182	184,794
At 31st August 2017	5,386,053	759,627	198,868

	Motor vehicles £	Computer equipment £	Totals £
Cost			
At 1st September 2017	28,732	170,343	7,001,674
Additions	11,087	25,544	123,708
Disposals	-	(5,210)	(5,460)
At 31st August 2018	39,819	190,677	7,119,922
Depreciation			
At 1st September 2017	19,279	106,949	584,279
Charge for year	4,211	35,026	154,459
Eliminated on disposal	-	(4,354)	(4,493)
At 31st August 2018	23,490	137,621	734,245
Net book value			
At 31st August 2018	16,329	53,056	6,385,677
At 31st August 2017	9,453	63,394	6,417,395

Included in cost or valuation of land and buildings is leasehold land of £1,690,000 (2017 - £1,690,000), which is not depreciated.

14. Debtors: amounts falling due within one year

	31/8/18	31/8/17
	£	£
VAT	41,292	23,699
Prepayments and accrued income	136,703	133,345
	177,995	157,044

15. Creditors: amounts falling due within one year

	31/8/18	31/8/17
	£	£
Trade creditors	34,830	11,392
Social security and other taxes	43,681	36,284
Other creditors	62,138	-
Accruals and deferred income	22,046	28,396
Deferred government grants	48,218	42,270
	210,913	118,342

Deferred income and government grants

	31/8/18	31/8/17
	£	£
Deferred income and government grants at 1 September 2017	49,558	35,717
Resources deferred in the year	54,888	49,558
Amounts released from previous years	(49,558)	(35,717)
Deferred income and government grants at 31 August 2018	54,888	49,558

At the balance sheet date, the academy trust was holding funds received in advance the following relating to the 2018/19 academic year:

Educational visits income	6,670	7,288
Universal Free School Meals	42,189	36,326
GAG Rates relief	6,029	5,944
	54,888	49,558

16. Leasing agreements

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

	Other operating leases	
	31/8/18	31/8/17
	£	£
Amounts due within one year	14,208	11,448
Amounts due between one and five years	22,393	14,025
	36,601	25,473

17. Members' liability

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

18. Movement in funds

	At 1/9/17	Net movement in funds	Transfers between funds	At 31/8/18
	£	£	£	£
Unrestricted funds				
General fund	68,652	(499)	-	68,153
Restricted funds				
General Annual Grant (GAG)	25,544	87,165	(112,709)	-
Other DfE / ESFA grants	67,446	2,562	-	70,008
Other	-	296	-	296
Pension deficit	(1,041,000)	186,000	-	(855,000)
Restricted fixed assets funds	6,417,394	(144,425)	112,709	6,385,678
	5,469,384	131,598	-	5,600,982
TOTAL FUNDS	5,538,036	131,099	-	5,669,135

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	28,265	(28,764)	-	(499)
Restricted funds				
General Annual Grant (GAG)	2,442,194	(2,355,029)	-	87,165
Other DfE / ESFA grants	547,345	(544,783)	-	2,562
Local Authority grants	397,384	(397,384)	-	-
Other	108,469	(108,173)	-	296
Restricted fixed assets funds	11,001	(155,426)	-	(144,425)
Pension deficit	-	(197,000)	383,000	186,000
	3,506,393	(3,757,795)	383,000	131,598
TOTAL FUNDS	3,534,658	(3,786,559)	383,000	131,099

18. Movement in funds - continued

Comparatives for movement in funds

	At 1/9/16 £	Net movement in funds £	Transfers between funds £	At 31/8/17 £
Unrestricted Funds				
General fund	38,793	29,859	-	68,652
Restricted Funds				
General Annual Grant (GAG)	189,980	98,428	(262,864)	25,544
Other DfE / ESFA grants	78,723	(11,277)	-	67,446
Pension deficit	(854,000)	(187,000)	-	(1,041,000)
Restricted fixed assets funds	6,298,310	(143,780)	262,864	6,417,394
	5,713,013	(243,629)	-	5,469,384
TOTAL FUNDS	5,751,806	(213,770)	-	5,538,036

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	29,859	-	-	29,859
Restricted funds				
General Annual Grant (GAG)	2,395,354	(2,296,926)	-	98,428
Other DfE / ESFA grants	505,417	(516,694)	-	(11,277)
Local Authority grants	392,928	(392,928)	-	-
Other	124,269	(124,269)	-	-
Restricted fixed assets funds	10,640	(154,420)	-	(143,780)
Pension deficit	-	(134,000)	(53,000)	(187,000)
	3,428,608	(3,619,237)	(53,000)	(243,629)
TOTAL FUNDS	3,458,467	(3,619,237)	(53,000)	(213,770)

18. Movement in funds - continued

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

	At 1/9/16	Net movement in funds	Transfers between funds	At 31/8/18
	£	£	£	£
Unrestricted funds				
General fund	38,793	29,360	-	68,153
Restricted funds				
General Annual Grant (GAG)	189,980	185,593	(375,573)	-
Other DfE / ESFA grants	78,723	(8,715)	-	70,008
Other	-	296	-	296
Pension deficit	(854,000)	(1,000)	-	(855,000)
Restricted fixed assets funds	6,298,310	(288,205)	375,573	6,385,678
	5,713,013	(112,031)	-	5,600,982
TOTAL FUNDS	5,751,806	(82,671)	-	5,669,135

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	58,124	(28,764)	-	29,360
Restricted funds				
General Annual Grant (GAG)	4,837,548	(4,651,955)	-	185,593
Other DfE / ESFA grants	1,052,762	(1,061,477)	-	(8,715)
Local Authority grants	790,312	(790,312)	-	-
Other	232,738	(232,442)	-	296
Restricted fixed assets funds	21,641	(309,846)	-	(288,205)
Pension deficit	-	(331,000)	330,000	(1,000)
	6,935,001	(7,377,032)	330,000	(112,031)
TOTAL FUNDS	6,993,125	(7,405,796)	330,000	(82,671)

18. Movement in funds - continued

Purposes of unrestricted funds

Included in unrestricted funds includes income from outsourcing of staff and other income generated from the other small donations, etc. which carry no specific restrictions. These funds are available for the academy trust to use as deemed appropriate.

Purposes of restricted funds

The General Annual Grant represents the grant funding received from the ESFA in order to cover the on-going costs of the academy trust. 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 2018.

Other DfE/ESFA grants received include amounts to cover the cost of insurance, pupil premiums and PFI funding to provide support to pupils on the free school meals register.

Local Authority grants include nursery/early years funding and growth funding to support the increase in pupil numbers as well as funding to support children with special education needs.

Purposes of restricted fixed assets funds

The restricted fixed assets funds reflects resources received by the academy trust to acquire assets for continuing use and furtherance of the trust's aims and objectives. Resources expended reflect the associated depreciation charges as set out on the accounting policies.

19. Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions outstanding of £47,574 were payable to the schemes at 31 August 2018 (2017: £nil), and are included within creditors.

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

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

19. Pension and similar obligations - continued

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

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £192,274 (2017: £194,555).

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 an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension scheme
The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £259,000 (2017: £223,000), of which employer's contributions totalled £207,000 (2017: £176,000) and employees' contributions totalled £52,000 (2017: £47,000). The agreed contribution rates for future years are 21.2% per cent for employers and the contribution for employees is dependant upon banding.

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 amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31/8/18	31/8/17
	£	£
Present value of funded obligations	(2,462,000)	(2,309,000)
Fair value of plan assets	1,607,000	1,268,000
	(855,000)	(1,041,000)
Deficit	(855,000)	(1,041,000)
Liability	(855,000)	(1,041,000)

19. Pension and similar obligations - continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31/8/18	31/8/17
	£	£
Current service cost	376,000	291,000
Net interest from net defined benefit asset/liability	28,000	19,000
	404,000	310,000
Actual return on plan assets	35,000	22,000

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31/8/18	31/8/17
	£	£
Defined benefit obligation	2,309,000	1,787,000
Current service cost	376,000	291,000
Contributions by scheme participants	52,000	47,000
Interest cost	63,000	41,000
Benefits paid	(13,000)	(8,000)
Actuarial (gains)/losses from changes in financial assumptions	(325,000)	151,000
	2,462,000	2,309,000

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31/8/18	31/8/17
	£	£
Fair value of scheme assets	1,268,000	933,000
Contributions by employer	207,000	176,000
Contributions by scheme participants	52,000	47,000
Expected return	35,000	22,000
Benefits paid	(13,000)	(8,000)
Return on plan assets (excluding interest income)	58,000	98,000
	1,607,000	1,268,000

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/18	31/8/17
	£	£
Actuarial (gains)/losses from changes in financial assumptions	325,000	(151,000)
	325,000	(151,000)

19. Pension and similar obligations - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/18	31/8/17
	£	£
Equities	1,125,000	964,000
Bonds	305,000	152,000
Property	129,000	101,000
Cash	48,000	51,000
	1,607,000	1,268,000

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31/8/18	31/8/17
Discount rate	2.8%	2.5%
Future salary increases	2.7%	2.8%
Future pension increases	2.3%	2.4%
Inflation assumption (CPI)	2.4%	2.4%
Commutation of pensions to lump sums	50%	50%

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

	At 31/8/18	At 31/8/17
Retiring today		
Males	22.1	22.1
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.1
Females	26.4	26.4

20. Capital commitments

	31/8/18	31/8/17
	£	£
Contracted but not provided for in the financial statements	8,400	42,000

The capital commitments are in respect of a 2.5% retention payable on the completion of the Well Being Centre building work.

21. Related party disclosures

There were no related party transactions for the year ended 31 August 2018, nor in the previous year.

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	31/8/18 £	31/8/17 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(251,901)	(160,770)
Adjustments for:		
Depreciation	154,459	147,998
Capital grants from DfE/ESFA	(11,000)	(10,640)
Loss on disposal of fixed assets	967	6,422
Interest received	(184)	(165)
Rounding difference	-	(2)
(Increase)/decrease in debtors	(20,951)	146,839
Increase/(decrease) in creditors	92,571	(99,771)
Difference between pension charge and cash contributions	197,000	134,000
Net cash provided by (used in) operating activities	160,961	163,911