Company Registration No. 07954363 (England and Wales)

THE COWPLAIN SCHOOL

(FORMERLY COWPLAIN COMMUNITY SCHOOL)

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2017

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 10
Governance statement	11 - 14
Statement on regularity, propriety and compliance	15
Statement of governors' responsibilities	16
Independent auditor's report on the accounts	17 - 19
Independent reporting accountant's report on regularity	20 - 21
Statement of financial activities including income and expenditure account	22 - 23
Balance sheet	24
Statement of cash flows	25
Notes to the accounts including accounting policies	26 - 44

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
REFERENCE AND ADMINISTRATIVE DETAILS

Governors	N Bains (Chair) (Resigned 12 October 2016) S Head (Chair) (Appointed 18 October 2016) L Berrecloth S Cornell D Cox T Cullen I Gates (HT/AO) L Harbour D Lander M Simmons (Resigned 12 October 2016) A Skinner R Teal A Tudor (Resigned 12 October 2016) A Turner S Young
Members	N Bains (Resigned 12/10/2016) S Head D Lander M Simmons (Resigned 12/10/2016) A Tudor (Resigned 12/10/2016) I Gates (Appointed 12/10/2016 / Resigned 01/12/2016) T Cullen (Appointed 12/10/2016) S Young (Appointed 12/10/2016)
Senior management team	
- Headteacher	I Gates
- Deputy Headteacher	N Brockhurst
- Assistant Headteacher	I Clarke
- Assistant Headteacher	A Clemas
- Assistant Headteacher	J Baker
- Assistant Headteacher	E Zambo
Company secretary	D Pidgeon
Company registration number	07954363 (England and Wales)
Registered office	Hart Plain Avenue Waterlooville Hampshire PO8 8RY
Independent auditor	Moore Stephens (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire SP1 2TJ

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
REFERENCE AND ADMINISTRATIVE DETAILS

Bankers	Nat West Bank Plc London Road Waterlooville Hampshire
Solicitors	Hampshire County Council Legal Department The Castle Winchester Hampshire SO23 8UJ

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the period 1st 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 Trust operates an academy for pupils aged 11 to 16 serving a community north of Waterlooville. It has a pupil capacity of 1080 and had a roll of 822 as of January 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 company was incorporated on the 17th February 2012.

The governors act as the trustees for the charitable activities of The Cowplain School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Cowplain School (formerly known as Cowplain Community School).

Details of the governors 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.

Governors' indemnities

The School has purchased Governors' Liability Insurance (£5,000,000) at a cost of £340 in 2016/17

Method of recruitment and appointment or election of governors

The term of office for any governor shall be 4 years although the nominating bodies may re-nominate the governor to serve for a further period.

The Articles of Association provide for the appointment or election of up to 20 Governors as follows:-

- 1 Governor - appointed by members
- 6 Parent Governors - elected by parents of registered pupils at the School (minimum number 2)
- Up to 3 Staff Governors – appointed by staff
- Up to 10 Community Governors – appointed by the Governing Body
- The Headteacher
- In addition the Secretary of State has power to appoint additional governors

There are currently 10 Governors appointed.

Governors carry out an annual skills matrix exercise. Active recruitment, therefore, takes place to fill any gaps in skills identified. Governors are made clear of the expectations before joining the Governing Body and a proactive and committed approach is necessary at all times.

Policies and procedures adopted for the induction and training of governors

All Governors are provided with an induction and training programme appropriate to their skills and experience.

Organisational structure

The Governing Body of The Cowplain School fulfils the following roles:

- Setting the school's strategic direction in the areas of structure, standards, finance, curriculum, and community relevance.
- Monitoring the performance of the school in these areas to ensure probity, efficiency and effectiveness.
- Acting as final arbitrator in the resolution of disputes.

Specifically this means:

- Agreeing the School's annual Raising Achievement plan.
- Scrutinising annual school targets.
- Adopting the annual budget and making financial decisions above a limit of £25,000.
- Maintaining a working knowledge of each subject area's procedures and performance.
- Ensuring that school disciplinary procedures for staff and students are carried out according to policy.

The Headteacher and the Leadership Team are responsible for the following:

- Ensuring the agreed strategic direction is implemented at an operational level.
- Meeting targets for exam outcomes, budget solvency, teaching standards and site development.
- Providing the Governing Body with the necessary information for them to carry out their role.
- Managing the day to day issues associated with running the school.
- Leading the staff in discharging the learning process effectively.

Arrangements for setting pay and remuneration of key management personnel

The school operates an appraisal process that methodically charts the performance of all staff including key personnel. Performance is recorded electronically and available for scrutiny by the Headteacher and governors. Pay awards are made based on the annual performance of staff, each recommendation made by line managers is scrutinised by the Headteacher (HT) and a senior member of staff. The governors pay committee then further scrutinises each decision and is able to question decisions made by the HT. A separate committee scrutinises the performance of the HT and awards pay progression if warranted. The FGB further scrutinises the decision of the pay committees and approves pay awards. The policy for awarding pay progression is transparent and contained in the Pay Policy available to all staff.

Related parties and other connected charities and organisations

The School is connected to the following organisations.

• The Cowplain - Horndean cluster which has members spanning the educational experience of all students from the age of 4 to 16. This organisation ensures that there is continuity of experience for all young people as they work their way through compulsory education.

• The school's PTA acts as an organisation which provides recreational activities for the parent body and some financial assistance to the school.

• The school has also joined the Rural Schools Alliance, a collection of 5 schools that serves to offer opportunities for school centred initial teacher training

Objectives and activities

Objects and aims

At Cowplain we are committed to ensuring success for all our students and to help them achieve their dreams and aspirations. Our strapline "Work hard. Enjoy learning. Achieve highly." summarises our work at Cowplain; the commitment to enabling young people to shape their dreams and the instilling of belief that they can be achieved.

Achievement at Cowplain is rising and this year we again celebrated record GCSE results. In addition we offer opportunities for all our students to participate in a range of extensive activities outside the school curriculum; consequently, our students excel in a number of fields, gaining local and national recognition in many areas. The 2016/17 Action Plan represents the strategies implemented to achieve improvements in the school, as identified by the April 2015 OFSTED and the school's own self-evaluation.

Objectives, strategies and activities

The School's Action Plan focuses on 'Excellence through Engagement' and identifies the areas for focus as:

- Students
- Parents
- Staff
- Engagement with the system, including focus on new examinations and assessment arrangements

The Action Plan has been shared with staff and the Governing Body and incorporates the actions required to improve standards. It has been formulated through analysis of GCSE results; lesson observations throughout the year; analysis of appraisal targets; rigour needed to improve standards in relation to the new GCSE exams; OFSTED targets. The Action Plan is routinely and regularly reviewed by the SLT and by Governors and is referenced when devising the school's professional learning and CPD activities.

Public benefit

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Our role as a secondary school of necessity moves beyond the core task of providing a high quality rounded education for 11 -16 year olds. We must provide opportunities for adults to acquire knowledge and skills which enable them to improve their working lives or enhance their leisure time. We need to support the community through the opportunity to use our facilities. In this way we are able to encourage a wide range of people to continue to engage in leisure activities. We also provide opportunities to become elite sports people though our connections with local sports clubs.

Our contribution to the Havant Federation of Schools has enabled students from other schools to benefit from both additional courses and business related activities which enhance their life chances.

We contribute to the training of PGCE teachers and participate in School Direct teacher training. We also remain one of the biggest employers in the area.

Value for money is achieved by recording examination results that show progress for our students being better than the national average.

Strategic report

Achievements and performance

Results in 2017 were again record results for the school, with 56% of students achieving English and Maths GCSEs at the new Grade 4, with 33% achieving at Grade 5. The Progress 8 figure has been estimated at around average (0), meaning that students at The Cowplain School made progress in line with national expectations. The cohort obtaining these results was also the least able in the school's history based on their attainment on entry. English and Maths progress measures showed that those making expected progress compared to national figures was higher in Maths, slightly below average for English. Results for those qualifying for the Pupil Premium rose significantly in 2016 but dropped back in 2017, although the gap between their outcomes and those of others was still better than 2015 figures. A particular strength was the school's EBACC score of 27% at Grade 4 and 22% at Grade 5, which was higher than all but one of the ten local schools.

Media Studies, Geography, Catering, Drama, Music, Business Studies, Photography and Triple Science, all recorded excellent results.

Exams table 2016/17 - Grade C/L4+ and above:

Subject Name	% A* to C
Applied Business	100%
Art	59%
Biology	94%
BTEC Business	66%
Business and Communication Studies	81%
Catering	84%
Chemistry	97%
Child Development	55%
Computing	32%
Dance	60%
Drama	81%
ECDL	100%
Engineering	58%
English Language	60%
English Literature	66%
French	57%
Geography	68%
Graphic Design	36%
History	47%
Law	28%
Leisure and Tourism	54%
Maths	63%
Media	85%
Music	100%
Music Technology	100%
Performing Arts	71%
Photography	88%
Physics	97%
Product Design	50%
Psychology	42%
Religious Studies	49%
Science - Additional	48%
Science - Core	44%
Spanish	27%
Sport	35%

Attendance Data 2016/17 (as of July 17)
Data to May Half Term 27th May 2017 on a four- year trend

	16-17	15-16	14-15	13-14	12-13
Whole School	**95.30%**	**94.37%**	**93.71%**	**94.40%**	**93.88%**
Year 7	95.31%	95.34%	94.75%	95.46%	95.30%
Year 8	95.70%	94.09%	93.47%	95.24%	94.06%
Year 9	95.58%	93.74%	94.00%	94.41%	93.86%
Year 10	94.10%	95.19%	93.33%	93.81%	93.07%
Year 11	95.90%	93.64%	93.26%	93.03%	93.12%

Exclusion Data 2016/17 (as of July 17):

	Fixed term exclusions as % of pupil group (number of exclusions)						% Enrolments with 1 or more fixed term exclusion (no of students)					
	2011/12	2012/13	2013/14	2014/15	**2015/16**	**2016/17**	2011/12	2012/13	2013/14	2014/15	**2015/16**	**2016/17**
All Pupils	18.70	8.50	7.40	8.53	7.58	**7.71**	8.08	4.50	4.00	3.94	3.26	**3.48**
Male	26.07	15.06	9.50	9.92	10.22	**11.91**	11.69	7.53	5.37	4.86	4.44	**5.39**
Female	10.58	1.78	9.49	6.98	4.66	**2.38**	4.27	1.39	2.60	2.93	1.96	**1.05**
FSM/PP	43.80	28.50	15.57	23.65	28.98	**17.16**	20.75	13.04	8.10	10.79	12.31	**7.29**
No FSM/PP	14.58	3.43	4.78	3.29	3.47	**3.72**	6.48	2.33	2.46	1.58	1.52	**1.86**
English 1st Language	18.70	8.59	7.40	8.53	7.38	**7.71**	8.08	4.54	4.00	3.94	3.26	**3.48**
Other than English	0.00	0.00	0.00	0	0	**0**	0.00	0.00	0.00	0	0	**0**
Unclassified	0.00	0.00	0.00	0	0	**0**	0.00	0.00	0.00	0	0	**0**
No SEN	9.71	3.80	3.66	6.31	7.05	**4.89**	7.10	2.45	2.78	3.88	2.79	**2.44**
SEN no Statement/ EHCP	47.44	27.23	23.97	21.36	12.55	**20.88**	23.52	12.04	8.18	9.4	5.66	**8.73**
SEN Statement/ EHCP	23.07	23.53	15.38	30.76	33	**100**	18.18	17.65	15.38	15.38	16.6	**28.57**
Permanent Exclusions	0.19	0.10	0.90	0.21	0.23	**0.24**	0.00	0.00	0.00	0.21	0.2	**0.24**

Number on Roll (Census Oct 16):

Year	Total	Male	Female
7	158	79	79
8	151	84	67
9	141	87	54
10	186	99	87
11	190	97	93
Total	**826 ***	**446**	**380**

*includes 4 students dual registered therefore not funded

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 Statement of Accounting Policies. Risks such as decreasing examination results resulting in a poor OFSTED report have been minimised through the improvements the school has made over the last 2 years.

Financial review

The GAG income for the year was approximately £387,000 less than in the previous year. This was due to funding formula changes and the fall in NOR which resulted in 80 less students in the year. Although the Year 7 admission numbers are set to rise in September 2017, the effect of the low student numbers that has been apparent in the local area in the last two years, will have an impact on the funding levels for at least the next two years.

Despite this, the financial position to August 2017 was positive and an in-year surplus was achieved. This was mainly due to reduced staffing and efficiency savings made throughout the year.

The Accounts show that the main incoming resources were from educational funding totalling £4,924,081.

Additionally, income from activities for generating funds was £291,556. The main expenditure was on staff salaries totalling £4,154,325. Other significant expenditure was £181,243 on educational supplies, £81,732 on examination fees and £42,193 on work experience, vocational college courses and Y5/6 transition work. The income exceeded the resources expended on expenditure and management in the period by £38,280.

Expenditure during the period has supported the key objectives identified in the School's Raising Achievement Plan in the following ways:-

- Maintained pastoral staffing structure to support students
- Continuation of the work experience programme for students
- Continued ICT hardware replacement in accordance with the ICT plan
- Installation of a new telephone system.

The principal financial management policies adopted in the year are those contained in the Academy Financial Handbook and the Academy Funding Agreement.

Reserves policy

The Governors have discussed the reserves that have been held and agreed to carry forward a prudent level of resources in order to meet the long term cyclical needs of renewal and any other unforeseen contingencies Whilst there is a significant deficit on the Local Government Pension Scheme it is recognised that it is not an immediate liability. A Reserves Policy was approved on 9 July 2014 and is reviewed annually at the first Finance Committee meeting of the academic year.

The total of restricted reserves held at 31 August 2017 was £832,759. The value of reserves available for general purposes held at 31 August 2017 was £315,000, being the equivalent of one month's payroll. The balance of restricted reserves are held for specific purposes, the details of which are identified in the Reserves Policy. The level of unrestricted reserves at 31 August 2017 was £656,834.

Investment policy and powers

The School aims to manage its cash balances to provide for the day to day working capital requirements of its operations. In addition the School aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is minimal risk to the loss of these cash funds.

The School is using a reserve deposit account and a 95 day deposit account for funds in excess of day to day working capital requirements in accordance with the Investment Policy. Investment options will be reviewed annually.

Principal risks and uncertainties

During the period ended 31 August 2017, a risk register has been prepared to identify the major risks to which the school is exposed. The register will enable risks relating to teaching provision, operational areas and its finances to be monitored.

Where significant risk still remains the school has ensured that it has adequate insurance cover. The school has an effective system of internal financial control and this is explained in more detail in the Governance Statement on pages 11-14.

With 90% of the School's operational income being from the GAG funded by the EFA, the greatest risk in the medium to longer term is the failure to attract a full quota of students. This is because a significant element of GAG is determined directly by pupil numbers. Encouragingly, the Year 7 starting in September 2017 is the biggest year group at 204 students, so that school will have grown by around 10 students compared to the previous year; this reflects the trust parents now have in the school due to its continued improvement and success.

However, the school has identified that uncertainty over the number of students on roll continues to remain a concern as numbers of students in the local area continue to fall. The school has sought to minimise this risk by continuing to invest in teaching personnel and resources to raise standards. In addition, teaching and support staff numbers have been reduced and the school runs a very lean teacher:pupil ratio, with some teachers teaching more than one subject to minimise costs. Other income relates to specific activities and associated costs. Community income has been increased to allow investment in a new pitch and other opportunities are being considered to increase income, such as a potential land sale.

Financial and risk management objectives and policies

There is no exposure to any financial instruments other than the use of cash, bank balances and trade creditors. Consequently the financial risks are deemed to be low. The funding of the Local Government Pension Scheme remains the major non-operational financial risk.

Plans for future periods

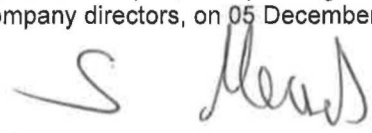
The School Action Plan outlines the strategy to improve standards over a three-year period, taking in the period when the next OFSTED inspection is due, which may be the year 2017/18. The plans for the school are for standards to continue to improve and that the school continues to strive for excellence, with 66% of students targeted to achieve English and Maths GCSEs at Grade 4 in 2018. The Progress 8 score is targeted to be 0.25, with the core subjects achieving 65%+ A*-C. Attendance is targeted to rise to 96% and exclusions to be at the national average. To achieve this, resources will be targeted to maintaining the teaching workforce and in improving the quality of teaching through effective CPD. The school also aims to continue to devise plans for further successful CIF bids, building on those that have been obtained for new dining facilities, refurbishment of science labs and a new roof to one to the main buildings. The school is also looking to enhance its performing arts and PE facilities and through generation of its own funds, although progress has been extremely slow in obtaining decisions from the EFSA in respect of this aim.

Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 05 December 2017 and signed on its behalf by:



S Head
Chair

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Cowplain School 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 governors' Report and in the Statement of governors' responsibilities. The Full Governing Body has formally met six times during the period. Attendance during the year at meetings of the Governing Body was as follows:

Governors	Meetings attended	Out of possible
N Bains (Chair) (Resigned 12 October 2016)	1	6
S Head (Chair) (Appointed 18 October 2016)	6	6
L Berrecloth	5	6
S Cornell	3	6
D Cox	4	6
T Cullen	6	6
I Gates (HT/AO)	6	6
L Harbour	6	6
D Lander	5	6
M Simmons (Resigned 12 October 2016)	0	6
A Skinner	4	6
R Teal	1	6
A Tudor (Resigned 12 October 2016)	1	6
A Turner	2	6
S Young	5	6

Towards the end of the financial year, the governing body agreed to restructure its meetings and move all work done in sub committees to the main FGB. It is felt that this will result in all governors getting a better understanding of all the issues and increase involvement in decision making. This change will take effect from 1st September 2017. All governors are actively involved in the activities of the school. Governors make use appropriate of training courses both individually and collectively.

The Governors perform a yearly self-assessment review as well as a skill matrix to monitor effectiveness. The governors work with the school to ensure that the widest curriculum choice is offered within the financial constraints.

The Governors receive performance data from the school management team and the Head teacher's report which is robustly reviewed and discussed. It is further supplemented and verified by governor visits to heads of departments and department presentations.

A further improvement in exam results in 2017 obtained from a less able cohort shows that The Cowplain School is building on the solid results obtained in 2016. The Governance arrangements continue to be robust and challenging ensuring clarity of vision, ethos and strategic direction. The Governing Body continues to challenge leaders and holds them to account for students' achievement.

Governors effectively compare performance with other like schools both locally and nationally. Performance management is robust and all staff are aware of their performance targets and how to progress. Governors scrutinise and evaluate all staff progression and ensure they oversee and fulfil all financial management requirements.

The pastoral system is based on pupil wellbeing and safeguarding in combination with academic results which has shown a closing of the gap between pupil premium students and others. A strategy of enhanced reporting and monitoring data to deliver positive results is working well. Governors take their safeguarding and strategic roles seriously and discharge their duties effectively and with utmost integrity. We have structured our development plan alongside the school's and embedded the new statutory requirements around Prevent, Child Sexual Exploitation, Children Missing in Education and Modern Slavery alongside our current safeguarding procedures.

The refurbishment of five of the science laboratories has given the school a state of the art facility which will encourage learning. Many areas of the school have been redecorated and modern display boards to show pupils work have been added. We are looking to make further improvements to the school when it is prudent to do so.

The Governing Body acknowledges the need to promote the school within its community and reinforce the excellent progress measures that are being achieved throughout a student's journey at Cowplain. The rebranding of the school as "The Cowplain School" together with the new uniform has raised the school profile in the community. The Improving academic results and a strategic plan revolving around further improving achievement in Teaching and Learning, Behaviour, Safety and Leadership, Management and attendance will continue. Regular reporting from Senior Leadership Team reassures governors that the school can rise to the challenge of the new grading, reporting and assessment structure.

The finance and audit committee is a sub-committee of the main board of governors. Its purpose is to:

- to recommend the annual budget to the full governing body
- to monitor the implementation of budget plan and variances
- to approve spending between certain limits
- review of internal/external audit reports
- financial risk review for RO programme

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
S Head (Chair) (Appointed 18 October 2016)	1	5
D Cox	4	5
T Cullen	4	5
I Gates (HT/AO)	5	5
R Teal	0	5
A Turner	4	5

Review of value for money

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year by, for example, securing funding from the EFSA, to refurbish the school's science facilities and to repair the roof on one of the main buildings. The Science labs were completed in November 2016 and the roof October 2016. Science facilities at the school are now amongst the best in Hampshire and will provide a good impetus for Science results to improve further, building on the improvement seen in 2016 and 2017 GCSE results.

The school has again delivered a strong in-year budget surplus for the 2016/17 financial year, at a time when many schools in Hampshire have recorded a deficit. This has been achieved by investment in the teaching personnel of the school where it was needed, specifically the core subjects, whilst rationalising areas which were over staffed or did not have a direct influence on the quality of teaching and learning provided. In addition, the school has ensured personnel structures are fit for purpose and staff absence is extremely low at around 3%. The school's performance related pay policy sees high performance rewarded appropriately whilst weaker performance has not been rewarded through pay and has been addressed through appropriate procedures. Professional Learning activities continue to generally be delivered 'in-house,' by school staff with expertise in specific areas and are targeted at the school's needs. However, the school has bought into CPD provided by subscription services to PIXL, the SSAT and Optimus Education. Results have continued to be impressive with attainment measures improved from 2015/16. Progress measures see outcomes that compare well to the national average. Attainment of those students qualifying for the pupil premium has also risen significantly and the gap between their outcomes and those of others has been reduced since 2015, although the gap was widened again slightly compared to 2016.

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 Cowplain School for the period 1 September 2016 to 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 School 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 on-going 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 financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

The School'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 Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The governing body has considered the need for a specific internal audit function and appointed Moore Stephens from 1 September 2013 as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The Internal Audit Programme for 2015/16 was drawn up by the Auditor and approved by the Finance/Audit Committee at the beginning of the year. The checks this year included:-

- review of the Register of Business Interests and publication of Governance information
- review of Management Report information, purchase cycle and contracts
- review of bank reconciliations
- review of the payroll cycle and testing
- review of the Academies Financial Handbook 2016 Must Do List
- review of ongoing budgets

Three times during the year, Moore Stephens the auditor reported to the board of trustees, through the finance/ audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of effectiveness

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

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

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

Approved by order of the members of the governing body on 5/12/17 and signed on its behalf by:

S Head
Chair

I Gates
HT/AO

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2017

As Accounting Officer of Cowplain Academy Trust I have considered my responsibility to notify the academy trust Governing Body 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.

I confirm that I and the academy trust Governing Body 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.

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 Governing Body and EFA.

I. R. Gates

I Gates
Accounting Officer

05 December 2017

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The governors (who act as trustees for charitable activities of The Cowplain School and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the governing body on 5/12/17 and signed on its behalf by:

S Head
Chair

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COWPLAIN SCHOOL

Opinion

We have audited the accounts of The Cowplain School 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 governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the governors 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 governors 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 Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' Report including the incorporated strategic report have 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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, the governors 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 governors 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 governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the 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.

L Hastings

Louise Hastings (Senior Statutory Auditor)
for and on behalf of Moore Stephens (South) LLP

15/12/17

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE COWPLAIN SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 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 Cowplain School 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 Cowplain School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Cowplain School 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 Cowplain School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Cowplain School's accounting officer and the reporting accountant
The accounting officer is responsible, under the requirements of The Cowplain School's funding agreement with the Secretary of State for Education dated 1st April 2012 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.

This work involved;

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;.

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
Moore Stephens (South) LLP

Dated: 15/12/17

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	2	3,409	-	(9,626)	(6,217)	1,008,231
Charitable activities:						
- Funding for educational operations	3	-	4,924,081	-	4,924,081	5,329,575
Other trading activities	4	291,556	-	-	291,556	261,701
Investments	5	2,281	-	-	2,281	4,423
Total income and endowments		297,246	4,924,081	(9,626)	5,211,701	6,603,930
Expenditure on:						
Charitable activities:						
- Educational operations	7	217,325	5,125,722	305,733	5,648,780	5,787,764
Total expenditure	6	217,325	5,125,722	305,733	5,648,780	5,787,764
Net income/(expenditure)		79,921	(201,641)	(315,359)	(437,079)	816,166
Transfers between funds		(130,321)	(37,502)	167,823	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	770,000	-	770,000	(1,219,000)
Net movement in funds		(50,400)	530,857	(147,536)	332,921	(402,834)
Reconciliation of funds						
Total funds brought forward		707,234	(1,364,098)	18,893,771	18,236,907	18,639,741
Total funds carried forward		656,834	(833,241)	18,746,235	18,569,828	18,236,907

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
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	Notes	Unrestricted Funds £	Restricted funds: General £	 Fixed asset £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	-	2,246	1,005,985	1,008,231
Charitable activities:					
- Funding for educational operations	3	-	5,329,575	-	5,329,575
Other trading activities	4	261,701	-	-	261,701
Investments	5	4,423	-	-	4,423
Total income and endowments		266,124	5,331,821	1,005,985	6,603,930
Expenditure on:					
Charitable activities:					
- Educational operations	7	185,858	5,308,167	293,739	5,787,764
Total expenditure	6	185,858	5,308,167	293,739	5,787,764
Net income		80,266	23,654	712,246	816,166
Transfers between funds		(260,160)	46,027	214,133	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	18	-	(1,219,000)	-	(1,219,000)
Net movement in funds		(179,894)	(1,149,319)	926,379	(402,834)
Reconciliation of funds					
Total funds brought forward		887,128	(214,779)	17,967,392	18,639,741
Total funds carried forward		707,234	(1,364,098)	18,893,771	18,236,907

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
BALANCE SHEET
AS AT 31 AUGUST 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	11		18,702,323		18,543,579
Current assets					
Debtors	12	112,915		436,509	
Cash at bank and in hand		1,749,046		2,310,899	
		1,861,961		2,747,408	
Current liabilities					
Creditors: amounts falling due within one year	13	(328,456)		(728,080)	
Net current assets			1,533,505		2,019,328
Total assets less current liabilities			20,235,828		20,562,907
Creditors: amounts falling due after more than one year	14		-		(50,000)
Net assets excluding pension liability			20,235,828		20,512,907
Defined benefit pension liability	18		(1,666,000)		(2,276,000)
Net assets			18,569,828		18,236,907
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			18,746,235		18,893,771
- Restricted income funds			832,759		911,902
- Pension reserve			(1,666,000)		(2,276,000)
Total restricted funds			17,912,994		17,529,673
Unrestricted income funds	16		656,834		707,234
Total funds			18,569,828		18,236,907

The accounts set out on pages 22 to 44 were approved by the board of governors and authorised for issue on 05 December 2017 and are signed on its behalf by:

S Head
Chair

Company Number 07954363

THE COWPLAIN SCHOOL
(FORMERLY COWPLAIN COMMUNITY SCHOOL)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Net cash provided by (used in) operating activities	19		(37,970)		222,700
Cash flows from investing activities					
Dividends, interest and rents from investments		2,281		4,423	
Capital grants from DfE and EFA		(9,626)		1,005,985	
Payments to acquire tangible fixed assets		(464,477)		(1,041,989)	
			(471,822)		(31,581)
Cash flows from financing activities					
Repayment of long term bank loan		(49,441)		-	
Finance costs		(2,620)		(2,599)	
			(52,061)		(2,599)
Change in cash and cash equivalents in the reporting period			(561,853)		188,520
Cash and cash equivalents at 1 September 2016			2,310,899		2,122,379
Cash and cash equivalents at 31 August 2017			1,749,046		2,310,899

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 Cowplain School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The governors 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 governors 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.

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.

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.

1 Accounting policies (Continued)

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.

1.5 Tangible fixed assets and depreciation

Assets costing £ 2,000 per item or £4,000 per batch of computers 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.

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/reducing balance basis over its expected useful life, as follows:

Land and buildings	Buildings 2% straight line, land not depreciated
Computer equipment	33% Reducing balance
Fixtures, fittings & equipment	25% Straight line
Motor vehicles	25% Reducing balance

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)**

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

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

1.8 Taxation

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

1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, 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.

1.10 Fund accounting

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

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

1 Accounting policies **(Continued)**

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

1.11 Financial instruments

The only financial instruments held by the school are debtors and creditors. These are categorised as "basic" in accordance with Section11 of FRS102 and are initially recorded at transaction price. These are subsequently measured at their transaction price less any impairment.

1.12 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 18, 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.

On conversion to an academy trust, the assets and liabilities of the School are measured at fair value. This includes any buildings. The valuation of the buildings involves a significant degree of estimation, refer to note 11 for further detail of this estimation.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	-	(9,626)	(9,626)	1,005,985
Other donations	3,409	-	3,409	2,246
	3,409	(9,626)	(6,217)	1,008,231

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	4,658,944	4,658,944	5,045,491
Other DfE / ESFA grants	-	198,348	198,348	222,245
	-	4,857,292	4,857,292	5,267,736
Other government grants				
Local authority grants	-	55,295	55,295	57,839
Special educational projects	-	11,494	11,494	4,000
	-	66,789	66,789	61,839
Total funding	-	4,924,081	4,924,081	5,329,575

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	75,352	-	75,352	65,896
Catering income	73,904	-	73,904	54,428
Music tuition	5,655	-	5,655	-
Visits and trip income	89,140	-	89,140	91,622
Other income	47,505	-	47,505	49,755
	291,556	-	291,556	261,701

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Other investment income	2,281	-	2,281	4,423

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
- Direct costs	3,038,420	-	472,737	3,511,157	3,749,839
- Allocated support costs	1,148,715	759,973	228,935	2,137,623	2,037,925
	4,187,135	759,973	701,672	5,648,780	5,787,764

Net income/(expenditure) for the year includes:	2017 £	2016 £
Fees payable to auditor for:		
- Audit	6,350	6,250
- Other services	5,429	7,718
Operating lease rentals	15,087	16,313
Depreciation of tangible fixed assets	305,733	293,739
Bank interest payable	2,620	2,599
Net interest on defined benefit pension liability	43,000	35,000

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Direct costs - educational operations	136,431	3,374,726	3,511,157	3,749,839
Support costs - educational operations	80,894	2,056,729	2,137,623	2,037,925
	217,325	5,431,455	5,648,780	5,787,764

Analysis of costs	2017 £	2016 £
Direct costs		
Teaching and educational support staff costs	3,005,610	3,216,033
Staff development	32,810	28,407
Technology costs	47,157	51,592
Educational supplies and services	181,243	206,708
Examination fees	81,732	86,222
Other direct costs	162,605	160,877
	3,511,157	3,749,839
Support costs		
Support staff costs	1,148,715	1,045,404
Depreciation and amortisation	305,733	293,739
Technology costs	9,915	8,795
Maintenance of premises and equipment	202,100	201,346
Cleaning	118,160	112,423

7 Charitable activities (Continued)

Energy costs	74,502	93,195
Rent and rates	32,124	29,344
Insurance	27,354	48,206
Security and transport	41,273	14,954
Catering	57,774	48,710
Finance costs	45,620	37,599
Other support costs	49,124	77,735
Governance costs	25,229	26,475
	2,137,623	2,037,925

8 Staff costs

	2017 £	2016 £
Wages and salaries	3,157,344	3,399,170
Social security costs	251,356	241,673
Operating costs of defined benefit pension schemes	622,225	547,108
Staff costs	4,030,925	4,187,951
Supply staff costs	97,450	60,486
Staff restructuring costs	25,950	13,000
Staff development and other staff costs	32,810	28,407
Total staff expenditure	4,187,135	4,289,844

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

	2017 Number	2016 Number
Teachers	49	58
Administration and support	68	72
Management	6	6
	123	136

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

	2017 Number	2016 Number
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1

8 Staff costs **(Continued)**

Non statutory/non-contractual staff severance payments
Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £25,950 (2016: £13,000), paid to three individuals.

Key management personnel
The key management personnel of the academy trust comprise the governors 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 £427,312.

9 Governors' remuneration and expenses

The Headteacher and other 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 governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, travel and subsistence payments of £500 (2016: £564) were reimbursed to 2 trustees.

The value of governors' remuneration was as follows:

I Gates (Headteacher) £85,000-£90,000 & pension £10,000-£15,000 (2016: £85,000-£90,000 & pension £10,000-£15,000)
L Berrecloth (staff) £45,000-£50,000 & pension £5,000-£10,000 (2016: £40,000-£45,000 & pension £5,000-£10,000)
S Cornell (staff) £40,000-£45,000 & pension £5,000-£10,000 (2016: £35,000-£40,000 & pension £5,000-£10,000)

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

10 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2017 was £340 (2016: £1,376).

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2016	19,576,837	116,499	158,965	10,913	19,863,214
Additions	444,503	-	19,974	-	464,477
At 31 August 2017	20,021,340	116,499	178,939	10,913	20,327,691
Depreciation					
At 1 September 2016	1,086,243	109,519	116,053	7,820	1,319,635
Charge for the year	265,453	4,632	34,875	773	305,733
At 31 August 2017	1,351,696	114,151	150,928	8,593	1,625,368
Net book value					
At 31 August 2017	18,669,644	2,348	28,011	2,320	18,702,323
At 31 August 2016	18,490,594	6,980	42,912	3,093	18,543,579

The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by Hampshire County Council as at 31 August 2012. The land is valued at £6,365,200 and the buildings at £11,978,555. This was done as a separate valuation to the EFA valuation which has been disregarded, no others are planned for the near future.

12 Debtors

	2017	2016
	£	£
Trade debtors	11,816	7,395
VAT recoverable	32,316	59,978
Prepayments and accrued income	68,783	369,136
	112,915	436,509

13 Creditors: amounts falling due within one year

	2017	2016
	£	£
Government loans	50,559	50,000
Trade creditors	106,367	122,200
Other taxation and social security	71,702	77,788
Other creditors	860	543
Accruals and deferred income	98,968	477,549
	328,456	728,080

14 Creditors: amounts falling due after more than one year	2017	2016 As restated
	£	£
Government loans	-	50,000
Analysis of loans		
Wholly repayable within five years	50,559	100,000
Less: included in current liabilities	(50,559)	(50,000)
Amounts included above	-	50,000
Loan maturity		
Debt due in one year or less	50,559	50,000
Due in more than one year but not more than two years	-	50,000
	50,559	100,000

At year end a loan of £50,559 from the Educational Funding Agency is outstanding, this loan is provided on the following terms; the academy is to pay £4,264 a month with an interest rate of 2.20% per annum applied.

15 Deferred income	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	23,113	34,073
Deferred income at 1 September 2016	34,073	42,087
Released from previous years	(34,073)	(42,087)
Amounts deferred in the year	23,113	34,073
Deferred income at 31 August 2017	23,113	34,073

Deferred income relates to income which was received in the year to 31 August 2016 but relates to the year to 31 August 2017. Details of the amounts deferred at the year end are as follows:

Rates £14,392
Other £8,721

16 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	911,902	4,658,944	(4,700,585)	(37,502)	832,759
Other DfE / ESFA grants	-	198,348	(198,348)	-	-
Other government grants	-	66,789	(66,789)	-	-
Funds excluding pensions	911,902	4,924,081	(4,965,722)	(37,502)	832,759
Pension reserve	(2,276,000)	-	(160,000)	770,000	(1,666,000)
	(1,364,098)	4,924,081	(5,125,722)	732,498	(833,241)
Restricted fixed asset funds					
DfE / ESFA capital grants	18,893,771	(9,626)	(305,733)	167,823	18,746,235
Total restricted funds	17,529,673	4,914,455	(5,431,455)	900,321	17,912,994
Unrestricted funds					
General funds	707,234	297,246	(217,325)	(130,321)	656,834
Total funds	18,236,907	5,211,701	(5,648,780)	770,000	18,569,828

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

Restricted General Funds are those which are supplied for a specific duty and the funds spent only in accordance with the agreement or restriction placed upon each.

Restricted Fixed Asset Funds are those which have been capitalised when the academy converted in 2012 or assets which have subsequently been purchased using grants or income from one of the other restricted or unrestricted funds, plus EFA capital grants unspent at the year end.

Unrestricted Funds are all other sources of income generated by the academy though trading or fundraising and to which no restrictions apply regarding the way they are spent.

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.

16 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	793,221	5,045,491	(4,972,837)	46,027	911,902
Other DfE / ESFA grants	-	222,245	(222,245)	-	-
Other government grants	-	61,839	(61,839)	-	-
Other restricted funds	-	2,246	(2,246)	-	-
Funds excluding pensions	793,221	5,331,821	(5,259,167)	46,027	911,902
Pension reserve	(1,008,000)	-	(49,000)	(1,219,000)	(2,276,000)
	(214,779)	5,331,821	(5,308,167)	(1,172,973)	(1,364,098)
Restricted fixed asset funds					
DfE / ESFA capital grants	17,967,392	1,005,985	(293,739)	214,133	18,893,771
Total restricted funds	17,752,613	6,337,806	(5,601,906)	(958,840)	17,529,673
Unrestricted funds					
General funds	887,128	266,124	(185,858)	(260,160)	707,234
Total funds	18,639,741	6,603,930	(5,787,764)	(1,219,000)	18,236,907

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	18,702,323	18,702,323
Current assets	667,775	1,150,274	43,912	1,861,961
Creditors falling due within one year	(10,941)	(317,515)	-	(328,456)
Defined benefit pension liability	-	(1,666,000)	-	(1,666,000)
	656,834	(833,241)	18,746,235	18,569,828

17 Analysis of net assets between funds **(Continued)**

	Unrestricted Funds	Restricted funds: General	Restricted funds: Fixed asset	Total 2016
	£	£	£	£
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	18,543,579	18,543,579
Current assets	723,564	1,673,652	350,192	2,747,408
Creditors falling due within one year	(16,330)	(711,750)	-	(728,080)
Creditors falling due after one year	-	(50,000)	-	(50,000)
Defined benefit pension liability	-	(2,276,000)	-	(2,276,000)
	707,234	(1,364,098)	18,893,771	18,236,907

18 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 Hampshire Council. 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 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

18 Pensions and similar obligations **(Continued)**

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%

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 £317,404 (2016: £353,049).

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 13% for employers and between 6% and 7.5 for employees.

In order to address the pension deficit, the academy has paid an additional £65,833 in employer contributions over the year to 31 August 2017.

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

Total contributions made	**2017**	**2016**
	£	**£**
Employer's contributions	177,000	170,000
Employees' contributions	49,000	50,000
Total contributions	226,000	220,000

18 Pensions and similar obligations **(Continued)**

Principal actuarial assumptions	**2017**	**2016**
	%	**%**
Rate of increases in salaries	3.5	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

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

	2017	**2016**
	Years	**Years**
Retiring today		
- Males	24.0	24.6
- Females	27.0	26.4
Retiring in 20 years		
- Males	26.0	26.7
- Females	29.3	28.7

18 Pensions and similar obligations **(Continued)**

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 August 2017 and the projected service cost for the period ending 31 August 2018 is set out below.

Discount rate assumption

Adjustment to discount rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	4.466	4.573	4.683
% change in present value of total obligation	-2.4%		2.4%
Projected service cost (£M)	0.263	0.271	0.279
Approximate % change in projected service cost	-3.0%		3.1%

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	4.609	4.573	4.537
% change in present value of total obligation	0.8%		-0.8%
Projected service cost (£M)	0.271	0.271	0.271
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts assumption

Adjustment to pension increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
Present value of total obligation (£M)	4.647	4.573	4.500
% change in present value of total obligation	1.6%		-1.6%
Projected service cost (£M)	0.279	0.271	0.263
Approximate % change in projected service cost	3.1%		-3.0%

Post retirement mortality assumption

Adjustment to mortality age rating assumption *	-1 year	Base figure	+1 year
Present value of total obligation (£M)	4.708	4.573	4.439
% change in present value of total obligation	2.9%		-2.9%
Projected service cost (£M)	0.281	0.271	0.262
Approximate % change in projected service cost	3.5%		-3.5%

* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them

18 **Pensions and similar obligations** (Continued)

The academy trust's share of the assets in the scheme	**2017 Fair value £**	**2016 Fair value £**
Equities	1,779,084	1,519,560
Gilts	720,936	704,840
Other bonds	31,977	48,240
Cash	87,210	139,360
Property	188,955	198,320
Other assets	98,838	69,680
Total market value of assets	2,907,000	2,680,000
Actual return on scheme assets - gain/(loss)	37,000	437,000

Amounts recognised in the statement of financial activities	**2017 £**	**2016 £**
Current service cost	117,000	14,000
Interest income	(56,000)	(82,000)
Interest cost	99,000	117,000
Total operating charge	160,000	49,000

Changes in the present value of defined benefit obligations	**2017 £**	**2016 £**
Obligations at 1 September 2016	4,956,000	3,067,000
Current service cost	294,000	184,000
Interest cost	99,000	117,000
Employee contributions	49,000	50,000
Actuarial (gain)/loss	(789,000)	1,574,000
Benefits paid	(36,000)	(36,000)
At 31 August 2017	4,573,000	4,956,000

18 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	2,680,000	2,059,000
Interest income	56,000	82,000
Actuarial loss/(gain)	(19,000)	355,000
Employer contributions	177,000	170,000
Employee contributions	49,000	50,000
Benefits paid	(36,000)	(36,000)
At 31 August 2017	2,907,000	2,680,000

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

	2017	2016 As restated
	£	£
Net income/(expenditure) for the reporting period	(437,079)	816,166
Adjusted for:		
Capital grants from DfE/EFA and other capital income	9,626	(1,005,985)
Investment income	(2,281)	(4,423)
Financing costs	2,620	2,599
Defined benefit pension costs less contributions payable	117,000	14,000
Defined benefit pension net finance cost/(income)	43,000	35,000
Depreciation of tangible fixed assets	305,733	293,739
(Increase)/decrease in debtors	323,594	(247,675)
Increase/(decrease) in creditors	(400,183)	319,279
Net cash used in operating activities	(37,970)	222,700

20 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	11,093	15,087
Amounts due in two and five years	15,705	24,846
	26,798	39,933

21 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the accounts	-	450,682

There were no capital commitments to disclose for the current year end.

Capital commitments in the prior year related to £37,690 to complete the dining room project, £60,924 to complete the roof repairs and £352,068 for new science labs. All projects were completed in the year.

22 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which governors 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.

No related party transactions took place in the period of account.

23 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.