

**Company Registration No. 07694050 (England and Wales)**

**THE WOODLAND ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

# THE WOODLAND ACADEMY TRUST

## CONTENTS

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	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of Trustees' responsibilities	17
Independent auditor's report on the accounts	18 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities	23 - 24
Balance sheet	25
Cash flow statement	26
Notes to the accounts	27 - 49

# THE WOODLAND ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Mrs E Ayere  
Mr F Green  
Mr M Green (appointed 18 July 2018)  
Mr D Laws  
Mr A Russell  
Ms C Unsted (ceased 16 April 2018)

### Directors (Trustees)

Dr D Absalom (appointed 1 September 2018)  
(Chair from 28 September 2018)  
Ms C Chukwujekwu  
Ms H Daley  
Mr K Giwa (appointed 1 September 2018)  
Mr M Green (ceased 3 May 2018)  
Miss R Johnson (appointed 12 September 2017)  
Mr D Morrow (EP and Accounting Officer, appointed  
1 September 2017)  
Mr N Riddington (appointed 12 September 2017)  
Mr J Rouncefield  
Mr A Russell (Chair, ceased 26 September 2018)  
Mrs E Tinka (ceased 31 August 2018)

### Senior Leadership Team

Executive Principal and Accounting Officer	Mr D Morrow
Chief Operating Officer and Principal Finance Officer	Mrs S Ashton
Executive Head Teacher for School Improvement	Mr P Powell
Head Teacher, Knockhall	Ms J Walkden
Head Teacher, Northumberland Heath	Mrs S Gordon
Head Teacher, Peareswood	Mrs J Carson
Acting Head Teacher, Willow Bank	Mr B Simber
Opportunities Director	Mrs T Blackman
Executive Officer	Mrs D Sydee

### Company registration number

07694050 (England and Wales)

### Registered office

The Woodland Academy Trust  
c/o Northumberland Heath Primary School  
Wheelock Close  
Erith  
Kent  
DA8 1JE  
United Kingdom

# THE WOODLAND ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Academies operated

Knockhall Primary School  
Northumberland Heath Primary School  
Peareswood Primary School  
Willow Bank Primary School

### Location

Kent  
Erith  
Erith  
Thamesmead

### Independent auditor

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

### Bankers

Lloyds TSB Bank PLC  
78 New Road  
Gravesend  
Kent  
DA11 0AR

### Solicitors

Browne Jacobson LLP (appointed 1<sup>st</sup> December 2017)  
15<sup>th</sup> floor  
6 Bevis Marks  
London  
EC3A 7BA

Michelmores (ceased 30 11 17)  
Woodwater House  
Pynes Hill  
Exeter  
EX2 5WR

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2017/18 issued by the ESFA.

The principal activity of the company is the operation of four state-funded academies, providing education for students aged 3 to 11. Following expansion, the pupil capacity of the Trust is as follows:

- Knockhall Primary School offers 90 places for Reception intake and a 52-place nursery
- Northumberland Heath Primary School offers 90 places for Reception intake and a 52-place nursery,
- Peareswood Primary School offers 60 places for Reception intake and a 52-place nursery, and
- Willow Bank Primary School offers 60 places for Reception intake

The total pupils within the Trust as at the school census on 17th January 2018 was 2018.

#### Structure, governance and management

##### Constitution

The charitable company is known as The Woodland Academy Trust.

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 Trust operates a three-tier governance structure:

- 1 Members
- 2 Board of Trustees
- 3 Regional Governing Board (overseeing the Bexley schools) and Local Governing Body (overseeing the Kent school)

The Trustees of The Woodland Academy Trust are also the Directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details included on page 1 of these accounts.

##### Members' liability

Every Member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the Company's debts and liabilities before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves.

##### Trustees' indemnities

The Trust has not provided any indemnities to any third parties on behalf of any Trustees.

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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

In accordance with the adopted Articles of Association, the Members of the charitable company comprise

- a) The Members of the Company on the date of the adoption of the Articles of Association,
- b) The Chairman of the Board of Trustees
- c) any person appointed under Article 15A

The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members

As at 31 August 2018, the Board of Trustees comprised the following

- a) 3 Trustees appointed by Members
- b) The Executive Principal
- c) 3 Trustees appointed by the Board (formerly Academy Trustees)

When a vacancy arises, the Members and Trustees seek to make an appointment that would maximise the relevant skills and experience on the Board and enable it to comprise appropriately qualified and experienced Trustees

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

The training and induction provided for new Trustees and Governors will depend on their existing experience. Mandatory induction training for Governors takes place within their first two terms following appointment. This induction session provides training in charity and educational, legal and financial matters. All Trustees are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Trustees

Training undertaken over the last year for all the Trust's governance groups included the following

- Governance Structure and the Roles and Responsibilities of Governors
- Safeguarding and Safer Recruitment
- Interrogating School Data
- The Statutory Responsibility for the Handling of Complaints
- Special Educational Needs (SEND)
- Pupil Premium Grant (PPG) Funding
- Educational School Visits and Assessing the Risk

The Trust buys into the Bexley Governor Services which offers a comprehensive programme of training events along with networking opportunities. Online training is also provided through The Key School for Governors, the National Governance Association and Governors for Schools

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trust subscribes to the following Leadership organisations

- National Governors' Association (NGA)
- The Key for School Leaders
- The Key for School Governors
- Schools, Students and Teachers Network (SSAT)
- Independent Academies Association (IAA)

The Trust has five Specialist Leaders in Education who are outstanding middle or senior leaders who provide support both across the schools in the Trust and other schools both within and outside the London Borough of Bexley. The Chief Operating Officer delivers the Academy Financial Management Governor training sessions for the Local Authority.

### Organisational structure

The Board of Trustees comprise those persons appointed under the Articles of Association as described earlier herein.

During Summer 2017, the Board of Trustees approved a new model of governance to be put in place from 1<sup>st</sup> September 2018 which would future-proof the Trust's governance arrangements in an expanding Trust. The Scheme of Delegation was reviewed and amended to support the new arrangements.

The Trust changed from the arrangement of a Local Governing Body for each school to "Hub" Governing Bodies - a Regional Governing Board overseeing the Bexley schools, and a Local Governing Body overseeing the Kent school. The Regional Governing Board was to consist of a group of appointed skills-based "Hub Governors" with no ex-officio Governors. The Board would focus on school performance to drive rapid school improvement.

In addition, a School Advisory Panel was to be put in place for each school consisting of "School Governors" with elected Staff and Parent Governors, along with appointed Co-opted Governors (who worked or lived in the community). The sole purpose of the Panel was to assess the impact of the school locally, how it was contributing to the local community, how it was relating to local families and how it understood local issues.

Trustees delegate specific responsibilities to the Regional Governing Board (Bexley) and Local Governing Body (Kent), the activities of which are reported to and discussed at the Board of Trustees' meetings. Day to day management of the company is undertaken by the Executive Principal supported by the Trust Business Team. Their work also encompasses the Academy Sponsor role of Northumberland Heath Primary School. The day to day running of each school is undertaken by that school's Head Teacher supported by their Senior Leadership Team.

The Executive Principal is the Accounting Officer and the Chief Operating Officer is the Principal Finance Officer.

Dr Deborah Absalom, signatory to these accounts, was appointed as a Trustee on 1<sup>st</sup> September 2018 and appointed as Chair of the Board on 28<sup>th</sup> September 2018. Mr Alan Russell (Chair of Board of Trustees and Member) resigned on 27<sup>th</sup> September 2018.

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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

The Trust and School Senior Leadership Teams are the key management personnel of the Trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as Trustees. Where staff Trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are Trustees is set out within the notes to the accounts.

The Trustees make determinations of pay in accordance with the Trust's Pay Policy. The Board of Trustees has fully delegated powers and is established in accordance with the appropriate school governance regulations. The Board of Trustees sets the pay of the Executive Principal and Executive Head Teacher for School Improvement annually. The Executive Principal and Executive Head Teacher for School Improvement must demonstrate sustained high quality of performance, with regard to leadership, management and school improvement across the Trust's schools. Pay of other Trust and Senior Leadership team members is also set by the Board of Trustees again having regard to performance against previously agreed objectives and recommendations made by the Executive Head Teacher for School Improvement.

### Trade Union Facility Time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
None	None

#### Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	None
1% - 50%	None
51% - 99%	None
100%	None

#### Percentage of pay bill spent on facility time

Total Cost of facility time	Nil
Total Pay bill	£6,806k
Percentage of the total pay bill spent on facility time	N/a

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	None
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### Related Parties and other Connected Charities and Organisations

The Trust has the following community-based organisations operating from the school sites under letting arrangements:

- Toddles Wood Pre-School
- Howbury Pre-School
- Jacqueline's Gems Childcare Services at Northumberland Heath and Knockhall Primary Schools
- NHS (Oxleas) Midwifery

The Trust works in partnership with Eco Communities and Age UK (both charities), to develop the libraries as community hubs. The role of the Trust in the running of the libraries is to advise on, and implement, educational input to utilise the facilities in delivering high quality provision.



# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 AUGUST 2018*

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The Trust's partnership with the University of Greenwich offering School Direct placements delivers school based initial teacher training and offers exciting and innovative professional development days for their students

These partnerships do not bring any financial liability to the Trust or our schools

### **Objectives and activities**

#### Objects and Aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object through the operation of The Woodland Academy Trust, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its pupils

#### Objectives, strategies and activities

The Woodland Academy Trust is a Multi Academy Trust based in and serving communities within the London Borough of Bexley and Kent. The core business of the Woodland Academy Trust is to ensure outstanding provision and outstanding outcomes for every child within our community. We aim to do this through

- Developing the whole child to enable them to become exceptional learners
- Nurturing the strengths of the local community
- Involving the extended family in the successful development of our young people
- All staff and governors sharing a clear understanding that excellence is required at all times
- Creating a stimulating and engaging environment which generates excitement in coming to school

We work as a Trust family but each school has its own strategically targeted School Improvement Plan that meets the needs of that school. This plan sets out some overarching objectives for the Trust within the coming year and it builds on the previous year's progress. It is then codified within a Trust Rapid Action Plan. Additionally each school has a Closing the Gap Action Plan (CtGAP) in order to ensure we have relentless focus on transforming the life chances of disadvantaged pupils.

The Trust is based firmly on the WAT CAIRS approach where Care, Aspiration, Inspiration, Respect and Stewardship- a set of values which drive the vision and strategy of the Trust. The plan identifies actions to support delivery of each strategic objective – some are ongoing but others define a timescale. Milestones both report on achievements and set targets for further review actions. The update to governors is intended as a means of supporting dialogue on the plan.

Our schools' performance is measured through a variety of measures including the Government's Floor Standards as well as our own evaluation of performance through Key Performance Indicators (KPIs), Strengths, Weaknesses, Opportunities and Threats analysis (SWOT) and a RAG rated spreadsheet of comparative data. All of which are intended to act as clear indicators against which to measure our pursuit of excellence.

Significant activities linked to our charitable status involve becoming a central hub in our communities, developing our community links with local churches and organisations and signposting our most vulnerable families to the support services that they need.

#### Public benefit

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

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 AUGUST 2018*

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### Strategic Report

#### **Knockhall Primary School**

<https://www.knockhallprimaryschool.co.uk/our-school/school-performance/>

Knockhall Primary is now in its second full year within the Trust

Improvements in the quality of provision and teaching have improved overall outcomes in Year R, Phonics and Key Stage 1

At Key Stage 2, attainment has improved and the combined figure has almost doubled from the previous year Progress in Reading, Writing and Maths has improved and is now in line, or close to, the National Averages

Knockhall has adopted a specialism within STEM

#### **Northumberland Heath Primary School**

<https://www.northumberlandheathprimaryschool.co.uk/our-school/school-performance/>

In EYFS, the Good Level of Development remains strong and stretch and challenge is increasing the level of pupils achieving above the expected level A significant improvement in Phonics outcomes has now placed the School above the National Average

Key Stage 1 outcomes have improved

At Key Stage 2, attainment in Reading, Writing and Maths has improved Progress in Reading has improved Progress in Writing and Mathematics are the focus for this Academic year

The school has maintained and embedded its Performing Arts Specialism

#### **Peareswood Primary School**

<https://www.peareswoodprimaryschool.co.uk/our-school/school-performance/>

In EYFS and KS1 outcomes have been strengthened and improved through Quality First teaching

At Key Stage 2, attainment has improved in Reading, Writing and Maths Progress in Reading, Writing and Mathematics has improved

The school has adopted a specialism in LOTC (learning outside of the Classroom)

#### **Willow Bank Primary School**

<https://www.willowbankprimaryschool.co.uk/our-school/school-performance/>

In EYFS and KS1, outcomes have improved (especially above the expected level)

In Phonics, individual case studies are available for why a minority of children were unable to achieve a pass, due to their identified Special educational Needs

Willow Bank Primary School received a visit from Ofsted where the Good rating of the School was confirmed Following a highly pleasing report, the school continues at pace in its journey to outstanding

Attainment in Reading, Writing and Maths has improved, building on previous improvements Progress in reading, Writing and Mathematics is either above, or well above, the national average

Willow Bank has adopted a Specialism within Environmentalism

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

### Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

### Financial review

We receive our income from different sources. Our income largely comes from central government via the Education and Skills Funding Agency who provide us with grant, based on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds"). Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries. The following balances held were held at 31 August 2018.

Fund	Category	2018 £'000	2017 £'000
GAG	Restricted General Funds	235	177
Start Up Grant	Restricted General Funds	187	187
Other DfE / ESFA Grants	Restricted General Funds	-	170
Other Government Grants	Restricted General Funds	-	24
Other Income	Restricted General Funds	-	-
		<u>422</u>	<u>558</u>
<b>Sub-total General Restricted Funds</b>			
Unspent Capital Grants	Restricted Fixed Asset Fund	985	92
Other Income	Unrestricted General Fund	<u>569</u>	<u>712</u>
<b>Sub-Total</b>	<b>Spendable Funds</b>	<b>1,976</b>	<b>1,362</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	20,311	20,597
Share of LGPS Deficit	Restricted Pension Reserve	<u>(2,442)</u>	<u>(2,920)</u>
<b>Total</b>	<b>All Funds</b>	<b><u>19,845</u></b>	<b><u>19,039</u></b>

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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During the year under review and before transfers and actuarial gains, there was a deficit (net expenditure) of £(74k) on general restricted funds, a deficit of £(143k) on unrestricted funds and a deficit on the LGPS pension fund of £(427k). The fixed asset fund had a surplus of £545k. Overall, there was net expenditure of £(99k) in the year.

### Reserves policy

The principal policy on reserves is that the accumulation of unspent GAG balances should not breach any limits thereon set out in the Funding agreement. The level of reserves should never be in deficit. Further details are set out above under Key Performance Indicators.

Each year the Trustees review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

### Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

### Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular, those relating to academic performance/finances/child welfare. The directors have implemented systems to assess risks that the company faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk remains, they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

The risk management process has been codified in a risk register implemented by the Leadership Team and overseen by Trustees.

Most of the Trust's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted. The grants received from the DfE during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

### **Our fundraising practices**

The trust and individual academies within it may organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust will not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.)

All fundraising will be undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact will be made through email, academy newsletters, our websites and via students. All fundraising material will contain clear instructions on how a person can be removed from mailing lists.

# THE WOODLAND ACADEMY TRUST

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

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### Plans for the future

In February 2016, the Department for Education approved the Trust's bid to open a Free School in the Borough Lime Wood Free School, the fifth school to join the Trust, is a brand-new school being built on the site of a disused quarry in Erith as part of a housing development. Its opening has been delayed until September 2020 and will cater initially for a Reception cohort of children with increasing capacity to 630 places for children aged 5-11 years. This new free school will support the need for places generated by housing development planned for the Borough of Bexley and will reflect the aspirations we have for all our schools and will offer another avenue of choice for parents and pupils.

### **Funds Held as Custodian Trustee on Behalf of Others**

The academy trust or its Trustees do not act as custodian trustee for any third parties.

### **Auditor**

In so far as the Trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2018 and signed on the Board's behalf by



Dr D Absalom  
Chair of the Board of Trustees

# THE WOODLAND ACADEMY TRUST

## GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

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### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The Woodland Academy Trust 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 Mr D Morrow, the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Woodland Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

### Attendance at meetings.

The Members met formally once during the year and attendance during the year at the meetings was as follows:

Members	Meetings attended
Mrs E Ayere	0/1
Mr F Green	1/1
Mr M Green (appointed 18 July 2018)	0/0
Mr D Laws	1/1
Mr A Russell	1/1
Ms C Unsted (ceased 16 April 2018)	1/1

The Trustees met formally 9 times during the year and attendance during the year at meetings was as follows:

Trustees	Meetings attended
Ms C Chukwujekwu	4/7
Ms H Daley	3/7
Mr M Green (ceased 3 May 2018)	0/5
Miss R Johnson (appointed 12 September 2017)	5/7
Mr D Morrow (EP and Accounting Officer)	7/7
Mr N Riddington (appointed 12 September 2017)	5/7
Mr J Rouncefield	7/7
Mr A Russell (Chair)	1/7
Mrs E Tinka (ceased 31 August 2018)	3/7

The Board of Trustees are responsible for overseeing the management of the schools' budgets, accounting records and systems of control. It establishes, maintains and develops the Trust's financial policies and accounting and budgetary systems in accordance with the Academies' Financial Handbook. It monitors the overall performance of the Trust against the objectives of the Schools' Improvement Plans and ensures the Members are kept apprised of national developments in relation to finance.

### Review of Value for Money

As the Trust's Accounting Officer, the Executive Principal has responsibility for ensuring that the Trust delivers best 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. This role is undertaken seriously with due diligence applied to all matters including related parties and any conflicts which may arise.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of

# THE WOODLAND ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Accounting Officer considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data from the Education Skills and Funding Agency where available. The Accounting Officer has delivered improved value for money during the year by

- **Raising Pupil Attainment**

The Trust regularly reviews its staffing structure in order to deploy staff efficiently to support an improved curriculum and target areas of the curriculum in need for development.

Pupil progress is assessed and tracked rigorously throughout their primary education with appropriate and timely interventions to raise attainment including one-to-one support. Free school meals children are supported through interventions funded from the Pupil Premium Grant (PPG) aimed at narrowing the attainment gap.

The Trust collaborates with other educational providers and experts to share delivery or good practice including the New Horizons Teaching School Alliance.

### **Financial governance and oversight**

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. This includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees,
- Regular reviews by the Board in terms of financial reports which indicate fiscal 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 guidelines and best value procurement,
- Delegation of authority and segregation of duties,
- Identification and management of risks,
- Income generation through lettings and bid applications

### **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 Woodland Academy Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 01 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

# THE WOODLAND ACADEMY TRUST

## GOVERNANCE STATEMENT

*FOR THE YEAR ENDED 31 AUGUST 2018*

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### The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees,
- Regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- Setting targets to measure financial and other performance,
- Clearly defined purchasing (asset purchase or capital investment) guidelines,
- Delegation of authority and segregation of duties,
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to outsource a programme of supplementary checks to independent external auditors. This role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a regular basis, the auditor's report to the Board of Directors' financial responsibilities

The auditors visited once in this capacity during the year and also conducted external audit visits at mid-point and year end. Checks carried out included

- Testing of purchase systems
- Testing of payroll systems
- Testing of control account/bank reconciliations
- Testing of income systems

In addition, the Trust central service team oversee the financial controls in the individual schools. The role of the central team will be extended to an internal audit function for the next academic year supported by Baxter & Co. The Chief Operating Officer and the Business and Finance Associate received audit training in the summer term.

The Board of Trustees is satisfied that additional assurance function has been fully delivered in line as planned. No material control issues have been notified to Directors as a result of this checking work.



# THE WOODLAND ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Review of effectiveness

During the 2017-18 year, the Accounting Officer, Mr Daniel Morrow, had responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by

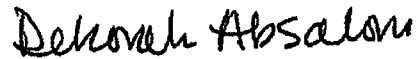
- The supplementary programme of internal control checks conducted by the External Auditor
- The audit work of the External Auditor
- The financial management and governance self-assessment process
- The work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- The maintenance of the Accounting Officer's Log and the ongoing external QA of this documentation by the Auditor and Chair of the Board

The Accounting Officer has advised the Board of Trustees of the implications of the result of their review of the system of internal control.

Approved by order of the Board of Trustees on 5 December 2018 and signed on its behalf by



Mr Daniel Morrow  
Executive Principal and Accounting Officer



Dr D Absalom  
Chair of the Board of Trustees

# THE WOODLAND ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2018**

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

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



Mr D Morrow  
Accounting Officer

05 December 2018

**THE WOODLAND ACADEMY TRUST**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The trustees (who are also the directors of The Woodland Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the 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 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 Trustees are required to

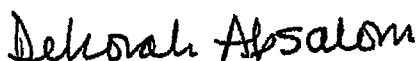
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 05 December 2018 and signed on its behalf by



Dr D Absalom  
Chair of the Board of Trustees

# THE WOODLAND ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOODLAND ACADEMY TRUST

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Opinion

We have audited the Financial Statements of The Woodland Academy Trust for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 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 2017 to 2018 issued by the Education & Skills Funding Agency.

### In our opinion the Financial Statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
  
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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 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 'Auditor's responsibilities for the audit of the Financial Statements' section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the 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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue

### Other information

The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The Trustees are responsible for the other information. 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.

# THE WOODLAND ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOODLAND ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Opinions 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 including the incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' 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 Trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements 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 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE WOODLAND ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOODLAND ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Use of our 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 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**David John Walsh FCCA (Senior Statutory Auditor)**

**For and on behalf of Baxter & Co**

**Statutory Auditor**

**Chartered Certified Accountants**

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 20 December 2018

# THE WOODLAND ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WOODLAND ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

**FOR THE YEAR ENDED 31 AUGUST 2018**

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In accordance with the terms of our engagement letter dated 2 November 2012 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Woodland Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Woodland Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Woodland Academy Trust 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 Woodland Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Woodland Academy Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Woodland Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2011 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
  - Review of payments to suppliers and other third parties;
  - Review of grant and other income streams;
  - Review of some key financial control procedures;
  - Discussions with finance staff;
  - Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
  - Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.9 of the Academies Financial Handbook 2017, issued by the ESFA.
-

# THE WOODLAND ACADEMY TRUST

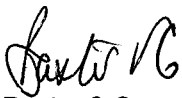
## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WOODLAND ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Baxter & Co**

**Independent Reporting Accountants**

**Chartered Certified Accountants**

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 20 December 2018



# THE WOODLAND ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

		Unrestricted Funds	Restricted funds:		Total 2018	Total 2017
	Notes	£'000	General	Fixed asset	£'000	£'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	72	6	1,132	1,210	169
Donations - transfer of existing academy into the trust		-	-	-	-	1,462
Charitable activities						
- Funding for educational operations	4	164	10,007	-	10,171	9,168
Other trading activities	5	51	-	-	51	109
Investments	6	5	-	-	5	9
<b>Total</b>		<u>292</u>	<u>10,013</u>	<u>1,132</u>	<u>11,437</u>	<u>10,917</u>
<b>Expenditure on:</b>						
Raising funds	7	-	6	-	6	6
Charitable activities						
- Educational operations	9	435	10,508	587	11,530	10,040
<b>Total</b>	7	<u>435</u>	<u>10,514</u>	<u>587</u>	<u>11,536</u>	<u>10,046</u>
<b>Net income/(expenditure)</b>		(143)	(501)	545	(99)	871
Transfers between funds	17	-	(62)	62	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	19	-	905	-	905	577
<b>Net movement in funds</b>		(143)	342	607	806	1,448
<b>Reconciliation of funds</b>						
Total funds brought forward		712	(2,362)	20,689	19,039	17,591
Total funds carried forward		<u>569</u>	<u>(2,020)</u>	<u>21,296</u>	<u>19,845</u>	<u>19,039</u>

# THE WOODLAND ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2018

### SUPPLEMENTARY NOTE: COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted funds:		Total 2017
	Notes	£'000	General	Fixed asset	£'000
		£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	58	6	105	169
Donations - transfer of existing academy into the trust		-	(733)	2,195	1,462
<b>Charitable activities</b>					
- Funding for educational operations	4	152	9,016	-	9,168
Other trading activities	5	43	66	-	109
Investments	6	9	-	-	9
<b>Total</b>		<u>262</u>	<u>8,355</u>	<u>2,300</u>	<u>10,917</u>
<b>Expenditure on:</b>					
Raising funds	7	-	6	-	6
Charitable activities					
- Educational operations	9	170	9,468	402	10,040
<b>Total</b>	7	<u>170</u>	<u>9,474</u>	<u>402</u>	<u>10,046</u>
<b>Net Income/(expenditure)</b>		92	(1,119)	1,898	871
Transfers between funds	17	(72)	-	72	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	577	-	577
<b>Net movement in funds</b>		20	(542)	1,970	1,448
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>692</u>	<u>(1,820)</u>	<u>18,719</u>	<u>17,591</u>
Total funds carried forward		<u>712</u>	<u>(2,362)</u>	<u>20,689</u>	<u>19,039</u>

# THE WOODLAND ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	13		20,311		20,597
<b>Current assets</b>					
Debtors	14	862		346	
Cash at bank and in hand		1,766		1,695	
		<u>2,628</u>		<u>2,041</u>	
<b>Current liabilities</b>					
Creditors amounts falling due within one year	15	(652)		(679)	
<b>Net current assets</b>			<u>1,976</u>		<u>1,362</u>
<b>Net assets excluding pension liability</b>			22,287		21,959
Defined benefit pension scheme liability	19		(2,442)		(2,920)
<b>Total net assets</b>			<u>19,845</u>		<u>19,039</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			21,296		20,689
- Restricted income funds			422		558
- Pension reserve			(2,442)		(2,920)
<b>Total restricted funds</b>			<u>19,276</u>		<u>18,327</u>
<b>Unrestricted income funds</b>	17		<u>569</u>		<u>712</u>
<b>Total funds</b>			<u>19,845</u>		<u>19,039</u>

The Financial Statements on pages 23 to 49 were approved by the Trustees and authorised for issue on 05 December 2018 and are signed on their behalf by

*Deborah Absalom*

Dr D Absalom  
Chair of the Board of Trustees

Company Number 07694050

# THE WOODLAND ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

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		2018		2017	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	20		(958)		58
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		5		9	
Capital grants from DfE Group		1,132		105	
Purchase of tangible fixed assets		(108)		(167)	
<b>Net cash provided by/(used in) investing activities</b>			<u>1,029</u>		<u>(53)</u>
<b>Net increase in cash and cash equivalents in the reporting period</b>			71		5
Cash and cash equivalents at beginning of the year			<u>1,695</u>		<u>1,690</u>
<b>Cash and cash equivalents at end of the year</b>			<u>1,766</u>		<u>1,695</u>

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**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**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 Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006

The Woodland Academy Trust meets the definition of a public benefit entity under FRS 102

**1.2 Going concern**

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

**1.3 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

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

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

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

Sponsorship income

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

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

#### Other income

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

#### Donated goods, facilities and services

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

#### Donated fixed assets

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

#### Interest Receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### Governance costs

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

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

#### 1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) 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 that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Leasehold land & buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	3 years straight line

#### Fixed Asset Transfer from Predecessor School / Existing Academy Trust

Where fixed assets were transferred to the charitable company, these have been included at a value determined in accordance with the policy described below

#### Land

Where land is owned (or occupied under the terms of long term lease), subject to a legally binding restriction as to its use, it is included at a valuation that assumes continuation of existing use. Leasehold land is not depreciated until the unexpired period of the lease is 50 years or less, at which time it is depreciated over the remaining term of the lease.

#### Buildings

In accordance with the requirements of FRS 102, specialist buildings transferred are recognised at their fair value at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings.

#### Other Fixed Assets

Other fixed assets transferred are also included at fair value (subject to the capitalisation limit set)

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

#### 1.6 Liabilities

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

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# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

#### 1.7 Leased assets

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

#### 1.8 Financial Instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 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.

#### 1.10 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. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.



# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

The LGPS is a funded multi-employer 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.

#### 1.11 Fund accounting

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

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

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

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

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

#### Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**3 Donations and capital grants**

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Capital grants	-	1,132	1,132	105
Other donations	72	6	78	64
	<u>72</u>	<u>1,138</u>	<u>1,210</u>	<u>169</u>

**4 Funding for the Academy Trust's educational operations**

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	7,895	7,895	7,004
Start up grants	-	-	-	88
Other DfE group grants	-	1,405	1,405	1,283
	<u>-</u>	<u>9,300</u>	<u>9,300</u>	<u>8,375</u>
<b>Other government grants</b>				
Local authority grants	-	707	707	641
	<u>-</u>	<u>707</u>	<u>707</u>	<u>641</u>
<b>Other funding</b>				
Catering income	124	-	124	66
Other incoming resources	40	-	40	152
	<u>164</u>	<u>-</u>	<u>164</u>	<u>218</u>
<b>Total funding</b>	<u>164</u>	<u>10,007</u>	<u>10,171</u>	<u>9,234</u>

**5 Other trading activities**

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Hire of facilities	51	-	51	43
	<u>51</u>	<u>-</u>	<u>51</u>	<u>43</u>

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

6 Investment income	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Short term deposits	5	-	5	9

7 Expenditure	Staff costs £'000	Non Pay Expenditure		Total 2018 £'000	Total 2017 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	6	6	6
Academy's educational operations					
- Direct costs	6,867	315	1,193	8,375	7,347
- Allocated support costs	1,355	904	896	3,155	2,693
	<u>8,222</u>	<u>1,219</u>	<u>2,095</u>	<u>11,536</u>	<u>10,046</u>

**Net income/(expenditure) for the year includes:**

	2018 £'000	2017 £'000
Fees payable to auditor for		
- Audit	10	12
- Other services	24	26
Operating lease rentals	6	5
Depreciation of tangible fixed assets	394	397
Net interest on defined benefit pension liability	68	60
	<u>          </u>	<u>          </u>

Included within expenditure are the following transactions

	2018 £
Gifts made by the Academy Trust - total	<u>305</u>

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts made is not. The value of gifts for the year is £305 (and not £305k)

### 8 Central services

The Academy Trust has provided the following central services to its academies during the year

- human resources,
- financial services,
- business services,
- leadership - Executive Principal
- IT services

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 8 Central services

The Academy Trust Charges for these services on the basis of a percentage of GAG, calculated by reference to pupil numbers

The amounts charged during the year were as follows	2018 £'000	2017 £'000
Northumberland Heath Primary School	170	202
Peareswood Primary School	119	164
Willow Bank Primary School	123	149
Knockhall Primary School	7	57
	<u>419</u>	<u>572</u>

### 9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
<b>Direct costs</b>				
Educational operations	431	7,944	8,375	7,347
<b>Support costs</b>				
Educational operations	4	3,151	3,155	2,693
	<u>435</u>	<u>11,095</u>	<u>11,530</u>	<u>10,040</u>

Analysis of costs	2018 £'000	2017 £'000
<b>Direct costs</b>		
Teaching and educational support staff costs	6,867	5,917
Staff development	160	107
Depreciation	315	318
Technology costs	168	200
Educational supplies and services	345	399
Educational consultancy	363	286
Other direct costs	157	120
	<u>8,375</u>	<u>7,347</u>

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**9 Charitable activities**

<b>Support costs</b>		
Support staff costs	996	931
Defined benefit pension scheme - staff costs (FRS102 adjustment)	359	286
Depreciation	79	79
Maintenance of premises and equipment	463	199
Cleaning	153	124
Energy costs	102	87
Rent, rates and other occupancy costs	60	47
Insurance	47	46
Catering	466	412
Defined benefit pension scheme - finance costs (FRS102 adjustment)	68	60
Other support costs	214	241
Governance costs	148	181
	<u>3,155</u>	<u>2,693</u>

**10 Staff**

**Staff costs**

Staff costs during the year were

	2018	2017
	£'000	£'000
Wages and salaries	5,507	4,484
Social security costs	476	383
Pension costs	823	701
Defined benefit pension scheme - staff costs (FRS102 adjustment)	359	286
Staff costs	<u>7,165</u>	<u>5,854</u>
Agency staff costs	1,057	1,241
Staff restructuring costs	-	39
Total staff expenditure	<u>8,222</u>	<u>7,134</u>

Staff restructuring costs comprise

Redundancy payments	<u>-</u>	<u>39</u>
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**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**10 Staff**

**Staff numbers**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Teachers	71	57
Administration and support	126	128
Management	25	21
	<u>222</u>	<u>206</u>

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Teachers	69	56
Administration and support	106	84
Management	25	21
	<u>200</u>	<u>161</u>

**Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	6	3
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£110,001 - £120,000	1	-
£140,001 - £150,000	-	1
	<u>-</u>	<u>1</u>

**Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £817,397

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows

#### D Morrow (Executive Principal)

- Remuneration £110,000 - £115,000 (2017 not appointed in year)
- Employer's pension contributions £15,000 - £20,000 (2017 not appointed in year)

#### A Barry (Executive Principal - resigned 31/08/2017)

- Remuneration not appointed in year (2017 £145,000 - £150,000)
- Employer's pension contributions not appointed in year (2017 £20,000 - £25,000)

#### P Powell (Staff Director - resigned 31/08/2017)

- Remuneration not appointed in year (2017 £80,000 - £85,000)
- Employer's pension contributions not appointed in year (2017 £10,000 - £15,000)

During the year, expenses payments totalling £286 (2017 £2,023) were reimbursed or paid directly to 1 Trustee (2017 4 Trustees)

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

### 12 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim. The costs were not separately identifiable.

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

13 Tangible fixed assets	Leasehold land & buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
<b>Cost</b>				
At 1 September 2017	21,617	207	119	21,943
Additions	8	13	87	108
At 31 August 2018	<u>21,625</u>	<u>220</u>	<u>206</u>	<u>22,051</u>
<b>Depreciation</b>				
At 1 September 2017	1,159	103	84	1,346
Charge for the year	315	58	21	394
At 31 August 2018	<u>1,474</u>	<u>161</u>	<u>105</u>	<u>1,740</u>
<b>Net book value</b>				
At 31 August 2018	<u>20,151</u>	<u>59</u>	<u>101</u>	<u>20,311</u>
At 31 August 2017	<u>20,458</u>	<u>104</u>	<u>35</u>	<u>20,597</u>

Leasehold land is included above at a net book value of £5,139k

14 Debtors	2018 £'000	2017 £'000
Trade debtors	8	-
VAT recoverable	108	42
Prepayments and accrued income	746	304
	<u>862</u>	<u>346</u>
15 Creditors: amounts falling due within one year	2018 £'000	2017 £'000
Other taxation and social security	128	101
ESFA creditors - abatement of GAG	62	70
Other creditors	100	83
Accruals and deferred income	362	425
	<u>652</u>	<u>679</u>



# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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16 Deferred income	2018 £'000	2017 £'000
Deferred income is included within		
Creditors due within one year	160	170
	<u>160</u>	<u>170</u>
Deferred income at 1 September 2017	170	127
Released from previous years	(170)	(127)
Resources deferred in the year	160	170
	<u>160</u>	<u>170</u>
<b>Deferred income at 31 August 2018</b>	<b>160</b>	<b>170</b>

Deferred income includes Universal Free School Meals for Infants Grants of £135k (2017 £128k) received in 2017/2018 which relates to 2018/2019, £nil (2017 £19k) of ESFA CIF Grant received in advance, and £24k (2017 £23k) of rates income in advance. Other grants and income of £1k (2017 £nil) has also been received in advance and was deferred at 31 August 2018.

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

17 Funds

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	177	7,895	(7,775)	(62)	235
Start up grants	187	-	-	-	187
Other DfE / ESFA grants	94	394	(488)	-	-
Pupil premium	76	1,011	(1,087)	-	-
Other government grants	24	707	(731)	-	-
Other restricted funds	-	6	(6)	-	-
Pension reserve	(2,920)	-	(427)	905	(2,442)
	<u>(2,362)</u>	<u>10,013</u>	<u>(10,514)</u>	<u>843</u>	<u>(2,020)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	13,824	-	(174)	-	13,650
DfE group capital grants	1,441	1,132	(246)	-	2,327
Capital expenditure from GAG and other funds	5,424	-	(167)	62	5,319
	<u>20,689</u>	<u>1,132</u>	<u>(587)</u>	<u>62</u>	<u>21,296</u>
<b>Total restricted funds</b>	<u>18,327</u>	<u>11,145</u>	<u>(11,101)</u>	<u>905</u>	<u>19,276</u>
<b>Unrestricted funds</b>					
General funds	712	292	(435)	-	569
	<u>712</u>	<u>292</u>	<u>(435)</u>	<u>-</u>	<u>569</u>
<b>Total funds</b>	<u>19,039</u>	<u>11,437</u>	<u>(11,536)</u>	<u>905</u>	<u>19,845</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018

The Restricted LGPS Fund represents the Academy Trust's share of the LGPS Pension Fund deficit

The Restricted Fixed Asset Fund represents the net book value of fixed assets £20,311k (2017 £20,597k) plus the unspent element of capital grants £985k (2017 £92k) When fixed assets are purchased the fund is increased and depreciation charges reduce the fund

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**17 Funds**

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	489	7,004	(7,316)	-	177
Start up grants	109	88	(10)	-	187
Other DfE / ESFA grants	-	367	(273)	-	94
Pupil premium	-	916	(840)	-	76
Other government grants	-	641	(617)	-	24
Other restricted funds	-	72	(72)	-	-
Pension reserve	(2,418)	(733)	(346)	577	(2,920)
	<u>(1,820)</u>	<u>8,355</u>	<u>(9,474)</u>	<u>577</u>	<u>(2,362)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	11,790	2,195	(161)	-	13,824
DfE group capital grants	1,380	105	(44)	-	1,441
Capital expenditure from GAG and other funds	5,549	-	(197)	72	5,424
	<u>18,719</u>	<u>2,300</u>	<u>(402)</u>	<u>72</u>	<u>20,689</u>
<b>Total restricted funds</b>	<u>16,899</u>	<u>10,655</u>	<u>(9,876)</u>	<u>649</u>	<u>18,327</u>
<b>Unrestricted funds</b>					
General funds	692	262	(170)	(72)	712
	<u>692</u>	<u>262</u>	<u>(170)</u>	<u>(72)</u>	<u>712</u>
<b>Total funds</b>	<u>17,591</u>	<u>10,917</u>	<u>(10,046)</u>	<u>577</u>	<u>19,039</u>

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**17 Funds**

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

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	489	14,899	(15,091)	(62)	235
Start up grants	109	88	(10)	-	187
Other DfE / ESFA grants	-	761	(761)	-	-
Pupil premium	-	1,927	(1,927)	-	-
Other government grants	-	1,348	(1,348)	-	-
Other restricted funds	-	78	(78)	-	-
Pension reserve	(2,418)	(733)	(773)	1,482	(2,442)
	<u>(1,820)</u>	<u>18,368</u>	<u>(19,988)</u>	<u>1,420</u>	<u>(2,020)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	11,790	2,195	(335)	-	13,650
DfE group capital grants	1,380	1,237	(290)	-	2,327
Capital expenditure from GAG and other funds	5,549	-	(364)	134	5,319
	<u>18,719</u>	<u>3,432</u>	<u>(989)</u>	<u>134</u>	<u>21,296</u>
<b>Total restricted funds</b>	<u>16,899</u>	<u>21,800</u>	<u>(20,977)</u>	<u>1,554</u>	<u>19,276</u>
<b>Unrestricted funds</b>					
General funds	692	554	(605)	(72)	569
<b>Total funds</b>	<u>17,591</u>	<u>22,354</u>	<u>(21,582)</u>	<u>1,482</u>	<u>19,845</u>

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**17 Funds**

**Total funds analysis by academy**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 August 2018 were allocated as follows		
Northumberland Heath Primary School	529	708
Peareswood Primary School	222	245
Willow Bank Primary School	238	210
Knockhall Primary School	2	107
	<u>991</u>	<u>1,270</u>
Total before fixed assets fund and pension reserve		
Restricted fixed asset fund	21,296	20,689
Pension reserve	(2,442)	(2,920)
	<u>19,845</u>	<u>19,039</u>
Total funds		

**Total cost analysis by academy**

Expenditure incurred by each academy during the year was as follows

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£'000	£'000	£'000	£'000	£'000
Northumberland Heath Primary School	2,441	639	351	449	3,880
Peareswood Primary School	1,565	242	341	374	2,522
Willow Bank Primary School	1,232	228	235	510	2,205
Knockhall Primary School	1,629	246	266	394	2,535
	<u>6,867</u>	<u>1,355</u>	<u>1,193</u>	<u>1,727</u>	<u>11,142</u>

**18 Analysis of net assets between funds**

	Unrestricted Funds	Restricted funds:		Total Funds
	£'000	General £'000	Fixed asset £'000	£'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	20,311	20,311
Current assets	1,643	-	985	2,628
Creditors falling due within one year	(1,074)	422	-	(652)
Defined benefit pension liability	-	(2,442)	-	(2,442)
	<u>569</u>	<u>(2,020)</u>	<u>21,296</u>	<u>19,845</u>
Total net assets				

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18 Analysis of net assets between funds**

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£'000	£'000	£'000	£'000
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	20,597	20,597
Current assets	712	1,237	92	2,041
Creditors falling due within one year	-	(679)	-	(679)
Defined benefit pension liability	-	(2,920)	-	(2,920)
<b>Total net assets</b>	<b>712</b>	<b>(2,362)</b>	<b>20,689</b>	<b>19,039</b>

**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 London Borough of Bexley and Kent County 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.

Contributions amounting to £100k (2017 £83k) were payable to the schemes at 31 August 2018 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' 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.

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 19 Pension and similar obligations

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 £470k (2017: £383k).

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 contributions are as noted below. The agreed contribution rates for future years are 13.8% to 19.8% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2018 £'000	2017 £'000
Employer's contributions	353	353
Employees' contributions	117	108
Total contributions	<u>470</u>	<u>461</u>
Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	3.6 to 3.8	3.7 to 4.2
Rate of increase for pensions in payment/inflation	2.2 to 2.3	2.2 to 2.7
Discount rate for scheme liabilities	2.7 to 2.8	2.5 to 2.6
Inflation assumption (CPI)	2.1 to 2.3	2.2 to 2.7
CPI inflation	<u>2.1 to 2.3</u>	<u>2.2 to 2.7</u>

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**19 Pension and similar obligations**

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

	<b>2018</b>	<b>2017</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	23 1	23 0
- Females	25 2 to 26 1	25 1 to 26 0
Retiring in 20 years		
- Males	25 3	25 2
- Females	27 5 to 28 4	27 4 to 28 3

Scheme liabilities have been measured at £7,833k. In the event that assumptions changed as indicated, they would have been measured as follows

	<b>2018</b>
	<b>£'000</b>
Discount rate + 0.1%	7,639
Mortality assumption + 1 year	7,996
Salary Increase Rate + 0.1%	7,864
Pensions Increase Rate + 0.1%	8,025

**Defined benefit pension scheme net liability**

Scheme assets	5,391	4,786
Scheme obligations	(7,833)	(7,706)
Net liability	(2,442)	(2,920)

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

	<b>2018</b>	<b>2017</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£'000</b>	<b>£'000</b>
Equities	2,467	2,964
Gilts	8	6
Other Bonds	924	425
Cash/Liquidity	34	55
Property	616	521
Other assets	1,342	815
Total market value of assets	5,391	4,786

The actual return on scheme assets was £210,000 (2017: £392,000)



**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**19 Pension and similar obligations**

<b>Amount recognised in the Statement of Financial Activities</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Current service cost	712	639
Interest income	(126)	(86)
Interest cost	194	146
<b>Total operating charge</b>	<b>780</b>	<b>699</b>

<b>Changes in the present value of defined benefit obligations</b>	<b>2018 £'000</b>
At 1 September 2017	7,706
Current service cost	698
Interest cost	194
Employee contributions	117
Actuarial gain	(807)
Benefits paid	(75)
<b>At 31 August 2018</b>	<b>7,833</b>

<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>	<b>2018 £'000</b>
At 1 September 2017	4,786
Interest income	112
Actuarial gain	98
Employer contributions	353
Employee contributions	117
Benefits paid	(75)
<b>At 31 August 2018</b>	<b>5,391</b>

**THE WOODLAND ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

<b>20</b>	<b>Reconciliation of net (expenditure)/income to net cash flow from operating activities</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(99)	871
	Adjusted for		
	Net surplus on conversion to academy	-	(1,462)
	Capital grants from DfE/ESFA and other capital income	(1,132)	(105)
	Investment income receivable	(5)	(9)
	Defined benefit pension costs less contributions payable	359	286
	Defined benefit pension net finance cost	68	60
	Depreciation of tangible fixed assets	394	397
	(Increase) in debtors	(516)	(54)
	(Decrease)/increase in creditors	(27)	74
	<b>Net cash (used in)/provided by operating activities</b>	<b>(958)</b>	<b>58</b>

**21** **Commitments under operating leases**

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

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due within one year	6	6
Amounts due in two and five years	-	7
	<u>6</u>	<u>13</u>

**22** **Capital commitments**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Expenditure contracted for but not provided in the Financial Statements	<u>1,155</u>	<u>64</u>

At 31 August 2018 the Academy Trust was committed to the following capital projects

Willow Bank Primary School - 'Pillars' project with total expected costs of £64k, costs incurred as at 31 August 2018 were £60k, leaving anticipated costs to complete of £4k

Peareswood Primary School - Kitchen Refurbishment project with total expected costs of £169k, costs incurred as at 31 August 2018 were £76k, leaving anticipated costs to complete of £93k

Knockhall Primary School - EYFS replacement project with total expected costs of £1,066k, costs incurred as at 31 August 2018 were £8k, leaving anticipated costs to complete of £1,058k

# THE WOODLAND ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 23 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Safeguarding Now Consultancy is a related party by virtue of the fact the proprietor, E Aiyere is a Member. The Academy Trust purchased services to the value of £2,490 (2017: £nil) during the year, with £nil (2017: £nil) outstanding at 31 August 2018.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2017.

Mrs E Copsey, a close family member of Mr J Rouncefield, a Trustee, is employed by the Trust at Willow Bank Primary School. Her appointment was made in open competition and Mr J Rouncefield was not involved in the decision making process regarding the appointment. The amount paid is within the normal pay scale for their role and no special treatment is received as a result of her relationship to Mr J Rouncefield.

#### 24 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

