



SUCCESS ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	A Gelsthorpe J Hemes S Lamprell B Perrett D Vernon (appointed 16 November 2017) R Coles (appointed 28 November 2018)
Trustees	M Booley, Chair ¹ P Wiles ¹ M Torbitt (resigned 4 December 2017) ¹ D Marcus (resigned 19 September 2017) S Lamprell (appointed 19 September 2017) ¹ A Christon (resigned 9 September 2018) ¹ R Jelly (resigned 10 October 2017) M Hall (appointed 30 October 2017, resigned 1 August 2018) ¹ A Collins, Trust Principal and Accounting Officer ¹ G Crofts (appointed 11 July 2018) J Horan (appointed 11 July 2018)
	¹ Finance, Audit and Risk Committee
Company registered number	08135389
Company name	Success Academy Trust
Principal and registered office	Thomas Estley Community College Station Road Broughton Astley Leicester Leicestershire LE9 6PT
Company secretary	AM Willett
Senior management team	A Collins, Trust Principal T Withers, Heads Advisory Group C Munton, Heads Advisory Group R Haltof, Heads Advisory Group AM Willett, Trust Operations and Finance Officer
Independent auditors	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicestershire LE7 4UZ
Bankers	NatWest Bank Plc Gateway House 4 Penman Way Grove Park, Enderby Leicester LE19 1SY

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Solicitors	Flint Bishop St. Michael's Court St. Michael's Lane Derby DE1 3HQ
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The trust operates 3 primary and 1 secondary academies, and a preschool, in Leicestershire. The Primary academies joined the Trust on 1 February 2017 - two as academising Local Authority schools and one as a transferring academy. The Trust's academies have a combined pupil capacity of 1,810 and had a combined number on roll of 1,851 in the schools on census on 5 October 2017. Richmond Primary school has changed its Funding Agreement to reflect the increased capacity due to 7 additional classrooms being built by the local authority due to basic need in the locality.

STRUCTURE, GOVERNANCE AND MANAGEMENT

- **Constitution**

The Trust is a charitable company limited by guarantee and an exempt charity.

The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of Success Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Success Academy Trust.

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

- **Members' liability**

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

- **Trustees' indemnities**

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omission occurring whilst on Trust business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2018 was £818.

Richmond Primary School has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

- **Method of recruitment and appointment or election of Trustees**

The formation of the original Board of Success Academy Trust was made by drawing Members and Trustees with appropriate experience and skills from the local governance boards of its four academies. The Trust is working to remove any local conflict of interest over this and next year. The Trust is working in partnership with Academy Ambassadors to help recruit additional Trustees with the appropriate skills and experience to align with the requirements of the Trust, and realignment is continuing over the next couple of years to provide clear lines

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

of accountability without conflicts of interest.

Members

- Bruce Perrett is also the Chair of the LGB of Thomas Estley Community College
- Sue Lamprell was appointed to also serve as a temporary Trustee from 19 September 2017 during the trust's formative phase and this will continue for 2018/19
- Tony Gelsthorpe
- Di Vernon
- John Hemes
- Rob Coles was appointed as a new member on 28 November 2018

Trustees

- Melvyn Booley is a Governor at Cosby Primary LGB
- Paul Wiles
- Sue Lamprell was appointed as interim Chair of Local Board of Trustees for Hallbrook Primary during 2017/18 as well as an interim Trustee appointed by the Members of the Trust from 19 September 2017 – the interim Trustee arrangement will continue for 2018/19. She also remains local governor of Richmond Primary School.
- Gemma Crofts and John Horan are recent appointments to the Trust Board joining in July 2018 from appointments via Academy Ambassadors
- Mandi Collins is designated Trust Principal but is also Principal of Thomas Estley Community College.

We carry out an annual audit of skills within the Trustee board and are working with Academy Ambassadors to supplement any areas of need.

All Academies within the Trust have a service level agreement with Leicestershire County Council's Governor Development Service which provides training and advice.

Information and guidance are also available through the National Governors' Association.

The Trust has undertaken joint workshops for Members, Trustees and LGB representatives in which the vision and work of the Trust has been shared and to support an understanding of the various layouts of delegation and responsibility across the Trust.

To support communication across the Trust to ensure objective communication, Trustees with no previous connection to a particular school within the Trust can be delegated as that school's link Trustee to ensure that information flow between the LGB and Trust Board remains effective, and there is one delegated Trustee per school.

Appointing Trustees is one of the roles of the Members and we work in collaboration with Academy Ambassadors in order to recruit against needs arising from our ongoing skills audits.

• **Policies and procedures adopted for the induction and training of Trustees**

The Chair of Trustees is currently inducted and initial training provided through the regional training provided by RSC and local experienced Trusts, as well as applicable national training.

New Trustees are inducted through a comprehensive programme of visits and discussions involving the Trust Principal, Chair of Trustees, existing Trustees and visits to and experience in our Trust schools. They also access national and local training programmes as appropriate.

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TRUSTEES' REPORT (continued)
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• **Organisational structure**

The governance of the Trust is defined in the Articles of Association. The Trust is governed by the Trustees who delegate responsibility for the leadership and management of education and operations for each of its Academies to the local governance boards (LGBs) and Principal/ Head teachers of them through an agreed scheme of delegation.

The senior management team as noted on page 1 consists of the Head Teachers and Principal of the four academies within the Trust plus the Trust Finance and Operations Officer.

The Principal of Thomas Estley Community College also acts as the Trust Principal and Accounting Officer for the Trust.

The Trust Principal works closely with the other Academy Head Teachers through the Trust's Heads Advisory Group. Membership of this is open to Heads of academies as they join the Trust. Heads will work within the support of the Trust Head's Advisory Group with the guidance of the Trust Principal/ other Heads from within the group as required based on the assumption of earned autonomy. The group increasingly work together to share best practice, CPD, staffing and skills and to develop Trust-wide approaches within the shared aims and values. Recommendations from the Heads Advisory Board are shared with the Board of Trustees for scrutiny, adoption and ratification, as appropriate.

Each academy develops its own annual improvement plan and ensures that the budget reflects priorities within the plan. The Trust Principal is involved at the formative stage of annual strategic planning to aid alignment of priorities and to inform the Trust Raising Achievement Plan. Academy improvement plans and Headteacher's / Principal's Reports to the Governors are also shared with Trustees and scrutinised alongside the Trust's own Strategic Plan and the KPIs, which are reviewed on a termly basis.

Trustees make decisions about strategic finance, strategic objectives, school improvement support required and deployed into Trust schools, core services deployment and funding the Trust's vision and values, and how these are lived out in the Trust's academies, and around other, similar issues. The Heads Advisory Board input extensively into the strategic planning and operational processes within the Trust, and the Members and LGBs also input into the planning and reviewing cycle. Trustees also take decisions around achieving sustainable growth for the Trust.

The makeup and powers of the LGB and its local committees are delegated by the Trust Board through its LGB Terms of Reference, which are reviewed annually, based on the principle of earned autonomy. Currently all LGBs within the Trust have fully delegated powers.

• **Pay policy for key management personnel**

Academy Trustees receive no remuneration for their role, other than the Trust Principal, part of whose salary is offset as part of the core services top slice from 2017/18. From 2017/18 the top slice also offsets some of the salary of the Chief Financial Officer (Trust Operations and Finance Officer) and Trust School Business Manager's time. Additional time from the strategic members of the Heads Advisory Board and other employees within the Trust will be identified and recharged where/when additional specific duties for the Trust are identified and top slice permits.

The salary of the Trust Principal is determined where the relevant body of the headteacher's original school or, under the Collaboration Regulations(4), the collaborating body, calculates the headteacher group by combining the unit score of all the schools for which the headteacher is responsible to arrive at a total unit score, which then determines the headteacher group.

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TRUSTEES' REPORT (continued)
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• **Trade union facility time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	%
Total cost of facility time	-	
Total pay bill	7,180,634	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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• **Connected organisations, including related party relationships**

All academies within the Trust are members of TELA teaching school alliance. The Trust Principal, Mandi Collins, is also Head of the Teaching School. As such, she networks with Teaching school alliances across the East Midlands. The TELA wider alliance membership consists of 10 Secondary and 33 Primary schools across Leicestershire. The Head of Teaching School brokers school improvement work across Leicestershire through the Leicestershire local authority brokering partnership, and through coordinated teaching school SSIF bids.

Thomas Estley, Hallbrook and Cosby Primary are part of the same local family of schools and work collaboratively with other schools within it. Richmond Primary works within the Hinckley Partnership of Schools.

The Trust Principal networks with Head teacher colleagues in the Learning South Leicestershire Partnership which is a collaboration of 15 secondary schools and 1 FE College around South Leicestershire, working together to provide learning opportunities to enhance the curricula of the schools and support effective inclusion and behaviour provision, funded most cost effectively through joint arrangements.

The Trust Finance and Operations Officer is also College Manager of Thomas Estley Community College and an Executive Committee member of Leicestershire Academies Group, she is member of a number of professional bodies and also works as a coach with Adfecto to support School Business Professional Apprenticeships.

The Chair of the Trustees Melvyn Booley carried out work in the capacity of National Leader in Governance within TELA Teaching School Alliance and the Leicestershire local authority brokering partnership.

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TRUSTEES' REPORT (continued)
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OBJECTIVES AND ACTIVITIES

• **Objects and aims**

Success Academy Trust (Success AT) aims to provide world-class education and care that allows every young person to reach their potential in an environment where there is a commitment to work collaboratively and share each other's successes; it recognises the importance of high quality teaching and learning and an embedded leadership and character development provision that is an entitlement for all students and staff. It operates a robust school improvement system with the aim of improving provision and outcomes for your people in the Trust, so that they are safe, supported and engaged learners, whatever their needs, who can achieve their full academic, social and leadership potential.

The Success AT vision is based on 'Building Leadership and Character Together'.

Secure high achievement for all
Understand, value and respect everyone
Collaborate and contribute within a supportive community of learning and partnerships
Challenge every barrier to success
Excel in building leadership and character.
Share and celebrate best practice, expertise and achievements
Strengthen opportunities for partnership, processes and people

• **Objectives, strategies and activities**

For the next three years, the Success AT will be focusing on a range of priorities; centrally there will be 3 main areas of focus:

CORE OFFER

The Success AT to be fully cognisant of the importance of communicating its core vision, using varied media, and to develop a strong brand which is used consistently around improving outcomes for learners and building leadership and character.

STRATEGY FOR GROWTH

The Success AT to have a defined strategy for growth, balancing givers and takers across its membership, understanding the need to build capacity in advance of new academies joining, and preparing for the challenges of different types of academies joining the MAT. The Success AT to have a clear understanding of the impact that different types of academy joining will have on its overall leadership and governance. The Success AT to have a plan for optimum geographical coverage and to be prepared to say 'no' where relevant.

COLLABORATION FOR IMPACT

The Success AT to value the importance of collaboration to the benefit of our pupils/students. The Success AT to enhance the effectiveness of learning in academies by ensuring that the impact of high quality teaching and common improvement foci are identified and shared across all teachers. To improve academic outcomes and build leadership and character in learners and staff. The Success AT to evaluate the impact of this collaboration on a regular basis.

For the next three years, we will concentrate as a group of academies, on 6 key areas:

VISION AND VALUES

The Success AT to have a clear and compelling vision for the future. All stakeholders to be clear about, and be able to articulate, the moral purpose of the Success AT, its mission and its values, and its agenda of 'Building Leadership and Character together'. All stakeholders to share an understanding of what it means to be part of the Success AT, including those elements that are non-negotiable.

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TRUSTEES' REPORT (continued)
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ACHIEVEMENT

Achievement in the Success AT academies will build on the previous personal best, with year on year improved progress and outcomes for pupils/students of all abilities and in all phases.

QUALITY ASSURANCE & DATA

The Success AT to have available a wide range of both qualitative and quantitative data to develop clear methods of assessment, both of individual academies and of the Success AT as a whole. The Success AT to have robust peer review systems, ensuring that risks are effectively and swiftly managed, and intervening where performance levels drop below expected standards. The Success AT schools/academies will build on the previous personal best, with year on year improved progress and outcomes for pupils/students of all abilities and in all phases.

FINANCIAL STRATEGY & CONTROL

The Success AT to have transparent and clear systems for ensuring financial probity, having access to accurate and timely management information to ensure effective budgeting. The Success AT to make efficient use of economies of scale, achieving best value for top-sliced funds, and to pursue alternative revenue systems to benefit the Success AT as a whole (eg. providing services beyond the Success AT itself). A sustainable educational and business plan will be in place that supports the academies to meet their core objective of delivering high quality education for every child.

GOVERNANCE

The Success AT to have a scheme of delegation which clearly defines responsibilities of the various levels of governance (Members, Trustees, Local Governing Body). All members of governances at all levels to be clear about their responsibilities, and to have access to relevant training and information to support their defined roles. Leadership and governance across the Trust will be high quality and succession planning effective in securing leaders of high caliber across Success AT.

WORKFORCE DEVELOPMENT

Recruitment, training and development of the workforce of leaders, support staff and administrators will result in an outstanding provision to all of our learners. The Success AT to have in place a workforce strategy that seeks to recruit, retain & develop all staff at all levels, promoting from within wherever possible and being able to deploy staff to where they are most needed. The Success AT to provide high-quality, appropriately accredited training and development opportunities, and career support, including personal career plans and leadership development pathways. Key roles throughout the Success AT to have succession plans in place.

● **Public benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

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

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TRUSTEES' REPORT (continued)
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STRATEGIC REPORT

• **Key performance indicators**

The Key Performance Indicators for the Trust are as follows:

Outcomes for pupils – Primary

- Children to achieve to their full potential i.e. 100% to achieve expected progress in reading, writing, and maths by end of KS2
- Phonics screening check 80% and above
- 80% of children to attain age related standards by end of KS1 within Reading, Writing and Maths
- 80% of children to attain age related standards by end of KS2 within Reading, Writing and Maths
- 70% of children to achieve combined KS2 related standards across trust.
- Gaps between pupil groups are small and narrowing including disadvantaged students

Outcomes for pupils – Secondary

- Children to achieve to their full potential i.e. 100% on track to achieve expected progress from Y7-11.
- On track to achieve positive Progress Eight.
- Attainment Eight benchmarks well against similar schools.
- Grade 4 or above in both English and Maths benchmarks well against similar schools.
- Grade 5 or above in both English and Maths benchmarks well against similar schools.
- Ebacc entry and APS benchmarks well against similar schools.
- Gaps between pupil groups are small and narrowing including disadvantaged students.
- Destination data is strong.

Leadership and management

- Recruitment and retention meet the needs of the school.
- Incisive performance management leads to CPD that encourages, challenge and supports teachers' improvement.
- Staff attendance maintained at high levels.
- The broad and balanced curriculum inspires children to learn.
- The overall effectiveness of the school is at least good.
- Safeguarding is effective.
- Health and Safety requirements are all met.

• **Going concern**

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

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TRUSTEES' REPORT (continued)
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● **Review of activities**

OFSTED ratings

Cosby Primary:	1st February 2017 - Good
Hallbrook Primary:	27th June 2014 - Good
Richmond Primary:	15th-16th June 2016 - Good
Thomas Estley Community College:	13th-14th October 2010 - Outstanding

Thomas Estley Community College

Context

Thomas Estley Community College joined Success Academy Trust on 1 September 2016. The school was inspected in October 2010 and judged outstanding. It has been a National Teaching School since 2013, the lead school in the Thomas Estley Learning Alliance, and has its own preschool and out of school primary provision. The school has now completed its age range change moving from KS3 to include KS4 with summer 2018 seeing the completion of the first Year 11 cohort in Summer 2018.

Key Focus Areas from School Improvement Plan 2017-18

All teaching is good or outstanding	90% teaching good or better, with much of it outstanding including Y10 lessons. T&L regularly monitored and personalised FDPs in place/reviewed.
All students make progress at or above national expectations	Progress tracking system and intervention monitoring system in place, accurate, effective. All student groups at least expected progress in every yeargroup and every subject area.
The gap for disadvantaged students is closing	Disadvantaged students groups and yeargroups all make better progress than national other. Tailored interventions impact on pupil groups and individuals.
Students have good or outstanding attitudes to learning and behaviour	Culture of celebrating achievement and excellence embedded consistently. % of students achieving 3 or more ATL 3 reduced by 20%. Overall fixed term exclusion days reduced by 20%
Leadership development is embedded at all levels	All teachers benefit from appropriate leadership training and talent management opportunities Leadership development built into support staff roles Student leadership project embedded and D of E/cadet provision in place
Governors are appropriately skilled to support the College Strategic Plan	Governors fulfil strategic roles effectively as Members and Trustees of Success AT and as LGB of TECC. All vacancies filled and all training needs audited and training in place.
The College builds on its outstanding local, national and international reputation	NQT appropriate body role effective, increase in Level 3/4 CPD provision in TECLA, 90% ITT trainees recruited, maintain 100% pass rate. SUCCESS AT grows capacity, at least 5 members, support shows impact.
Improve support models and facilities through work with other stakeholders for best value	Specialist indoor sports provision secured for Autumn 2018 Science/ADT facilities support high quality learning.

Key Activities and Developments:

Priority 1:

In spite of significant growth (over 60% of current teaching staff joined since Autumn 2016), 91% of teaching was good or better by the summer term 2018. Leadership of teaching and learning is very strong and commented on as a particular strength in our 2018 Peer Challenge Reviews.

Priority 2:

Most student groups make better than expected progress in the majority of subject areas and cohorts. Strongest progress and attainment is in Years 7-9, with progress matching national benchmarks in Year 10 and progress below national averages in Summer 2018 leavers cohort in English and Open buckets as a result of first year of age range change - although progress in Maths and most Ebacc areas is very strong and above national benchmarking across all cohorts including Summer 2018 leavers. Attainment 8 is at or above national averages across all cohorts.

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Priority 3:

Tailored interventions impact positively on disadvantaged students and gaps are closing but gaps still remain for some subject areas and ability groups, particularly in KS4. This remains a focus for improvement.

Priority 4:

Behaviour and Behaviour for learning were rated good in our 2018 Peer Challenge Review, with FTE and behaviour referrals reduced year on year. Safeguarding has consistently been rated as Outstanding in all external and internal reviews.

Priority 5:

Leadership and character entitlement is in place for all students and talent management embedded in practice. The majority of leaders are accessing or have accessed an NPQ course where appropriate, and support staff leadership training has begun to impact. The student leadership project is fully embedded and DofE/ sea cadet provision in place.

Priority 6:

Governors fulfilled strategic roles effectively, and training and recruitment were effective, with four new governors recruited to post to strengthen the local governing body, and training regularly and appropriately accessed.

Priority 7:

NQT appropriate body role was effective and TELA leadership provision increased at level 3 and 4 through its accredited NPQ delivery. ITT trainees had a 100% pass rate. 90% targeted ITT trainees were recruited, with 100% pass rate. Success AT support showed impact with two primaries significantly improving outcomes although membership remains at 4 not 5 schools. Considerable resources were deployed to support a coasting school within the Trust and to support age range change at Thomas Estley.

Priority 8:

Agreement in principle to access use of proposed Leisure Centre from 2019, although delayed from August 2018. Modified Science facilities are fit for purpose, and ADT facilities have received some improvement.

Summer 2018 outcomes (first year age range change):

Progress 8 – -0.23 (*below average*)

Attainment 8 – 44 (*at national*)

Grade 4+ in English and Maths – 70% (*11% above national*)

Grade 5+ in English and Maths – 36% (*4% below national*)

Current cohorts predicted outcomes:

Progress 8 – Years 7-10 above average, Year 11 average

Attainment 8 – Years 7-11 above national

Grade 4+ in English and Maths – Years 7-11 well above national

Grade 5+ in English and Maths – Years 7-11 above national

Thomas Estley PreSchool and Out of School Club

Thomas Estley PreSchool and Out of School Club joined Success Academy Trust on 1st September 2016. The setting was inspected in October 2013 and judged outstanding.

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Cosby Primary School

Context

Cosby Primary School joined Success Academy Trust on 1 February 2017. The school was last inspected on 1 February 2017 and maintained its "Good" judgement. September 2018 SIQA Review has amended its MAT category to targeted school for improvement/ receiving enhanced Trust support.

Key Focus Areas from School Improvement Plan 2017-18

Achievement and Standards

- Increase the number of pupils achieving at least expected in the core subjects.
- Increase the number of pupils exceeding the expected in the core subjects through a focus on borderline Greater Depth pupils.
- To increase the number of middle achievers who achieve at least expected at the end of KS2.

Quality of Teaching and Learning

- Ensure that children's books accurately reflect the high quality of teaching and learning observed in classrooms.
- Embed outdoor learning across the curriculum.
- Use local resources to enhance teaching and learning activities.

Behaviour and Safety

- Improve lunchtime experiences for all pupils.
- Enhance knowledge and understanding of a range of faiths and cultures.
- Develop children's awareness and understanding of their own and others' feelings.

Leadership and Management

- Improve parental communication
- Provide a range of opportunities and experiences for pupils.
- Ensure that pupils learn in a safe, secure environment.
- Ensure the school has the capacity to continue to function effectively in the event of absence or resignation.
- Maintain high quality governance within Success AT.

Key Activities and Developments:

- EYFS outcomes:

	GLD
	% achieving GLD
2018	77%
National	71.5%

- Year 1 phonics:

	Year 1 Phonics
	% Working At
2018	75%
National	82.7%

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TRUSTEES' REPORT (continued)
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- KS1 outcomes:

	Reading	Writing	Maths	RWM
	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above
2018	50%	50%	50%	44%
National	75.5%	69.9%	76.1%	65.3%

- KS2 outcomes:

	Reading	Writing	Maths	GPS	RWM
	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above
2018	61%	67%	65%	69%	53%
National	75%	78%	76%	78%	64%

- Embedding a successful Nursery 3+ class, enhancing school readiness.
- Focus on development of reasoning skills, impacting on pupil attitudes to Maths.
- Good progress through the Foundation Stage so that the proportion of pupils achieving the expected levels, or exceeding the expected levels, was above those achieved nationally by the end of the year.
- Implementation of Talk for Writing strategies with a focus on story mapping and storytelling skills has enhanced speaking and listening and improved writing outcomes.
- Improved quality of targets for higher achieving pupils has raised expectations of staff and pupils. Children know their targets and parental engagement for this group of pupils has improved.
- Potential academically more able pupils are identified early and improved provision is in place for these pupils as a result.
- Introduction of more effective assessment tools are enabling teachers to plan more targeted tasks to ensure that learning is moving on.
- A focus on sharing school successes and developments with parents has impacted on parental engagement and communication.
- Cross-school moderation enabling teachers to be more confident in their accuracy of assessment judgements.
- Successful enhancement of Healthy Schools Award.
- Participation in Peer Challenge providing external validation.
- Participation in SSIF Reading project.

Hallbrook Primary School – Coasting in 2017-18 (receiving enhanced Trust support)

Context

At its last Ofsted in June 2014 the school's overall effectiveness was graded as 'good'. In January 2017 the school was notified by the DfE that it had met the coasting definition based on its performance in 2014, 2015 and 2016. Results over the last two years have improved significantly, and the school is now in a good position being just above national in all areas in 2018 and having met the KS2 floor standard.

Improvement Priorities from School Development Plan 2018-19

Priority 1: Leadership and Management

- Implement more robust quality assurance processes
- Develop the skills of all leaders in checking and evaluating pupil outcomes and the quality of teaching
- Further improve the analysis of the impact and effectiveness of new school initiatives
- Adopt evidence-based interventions to support LSAs in their small group and one-to-one instruction

Priority 2: Teaching, Learning and Assessment

- Embed a mastery pedagogy that enables all pupils to develop greater depth
- Ensure high quality marking and feedback is constructive and impacts positively on pupil outcomes
- Ensure LSAs are fully prepared for their role in the classroom

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- Increase the amount of firmly good teaching

Priority 3: Personal Development, Behaviour and Welfare

- Establish the role of the Emotional Literacy Support Assistant (ELSA)
- Develop pupils' character strengths to help develop determination and a growth mind-set
- Develop and prioritise staff wellbeing

Priority 4: Pupil Outcomes

- Accelerate the progress of potentially higher achieving pupils so that increased numbers of pupils reach Greater Depth by the end of KS2
- Improve outcomes for prior lower attaining and middle attaining pupils
- Improve disadvantaged boys' attainment in writing

Priority 5: Early Years Provision

- Improve attainment in Literacy and Communication and Language by implementing Talk for Writing
- Improve attainment in Mathematics (Number) by implementing a mastery approach (Early Number Sense)
- Continue to improve the attainment of boys within the Foundation Stage, particularly in reading and writing
- Develop transition from EYFS in to Year 1

Priority 6: Partnerships with Others

- Further improve the use of social media and the school website as the primary means of communicating with parents
- Introduce termly curriculum open mornings
- Develop Family Learning programmes
- Introduce regular SEND parent drop-ins
- Widen engagement with the local community

Key Activities and Developments

(detailed outcomes impact data and year on year improvement data shared as targeted school for improvement for 2017-18 academic year)

- Improved EYFS outcomes:

	GLD	Reading	Writing	Number
	% achieving GLD	% EXS or Above	% EXS or Above	% EXS or Above
2016	61.3%	71%	65%	65%
2017	70.0%	70.0%	70.0%	70.0%
2018	71.1%	73.7%	71.1%	76.3%
National	71.5%	77.0%	73.7%	79.6%
2018 vs 2017	+1.1%	+3.7%	+1.1%	+6.3%
2018 vs 2016	+9.8%	+2.7%	+6.1%	+11.3%

- Year 1 phonics consistently above the national:

	Year 1 Phonics
	% Working At
2016	84.0%
2017	81.3%
2018	86.7%
National	82.7%
2018 vs 2017	+5.4%
2018 vs 2016	+2.7%

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- Significantly improved KS1 outcomes:

	Reading	Writing	Maths	RWM
	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above
2016	75.7%	54.1%	59.5%	48.6%
2017	77.8%	63.0%	77.8%	59.3%
2018	78.1%	75.0%	78.1%	75.0%
National	75.5%	69.9%	76.1%	65.3%
2018 vs 2017	+0.3%	+12.0%	+0.3%	+15.7%
2018 vs 2016	+2.4%	+20.9%	+18.6%	+26.4%

- Significantly improved KS2 outcomes:

	Reading	Writing	Maths	GPS	RWM
	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above
2016	55.2%	51.7%	58.6%	65.5%	37.9%
2017	65.8%	76.3%	71.1%	84.2%	53.0%
2018	74.4%	76.9%	76.9%	76.9%	66.7%
National	75%	78%	76%	78%	64%
2018 vs 2017	+8.6%	+0.6%	+5.8%	-7.3%	+13.7%
2018 vs 2016	+19.2%	+25.2%	+18.3%	+11.4%	+28.8%

- Benefited from school-to-school support from the Trust.
- Successfully developed approaches to teaching for mastery in mathematics as part of the East Midlands South Maths Hub.
- Involved in a SSIF Project to improve disadvantaged boys' attainment in writing.
- Benefitted from school-to-school support from the Trust.
- Awarded Music Mark Bronze.
- Quality of teaching has improved.
- Leadership of SEND is much improved; SEND Outcomes Plans support pupils with SEND to make accelerated progress.
- Write Away Together intervention programme is enabling identified pupils to make accelerated progress in writing.
- Individual Recovery Plans are used to identify underachieving pupils and to plan interventions.
- Participation in Peer Review provided external validation of the improvements being made, particularly around the quality of teaching and learning.
- Positive outcomes following EYFS and KS2 external moderation - a number of strengths identified and the quality of evidence was recognised.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Richmond Primary School

Context

Richmond Primary School joined Success Academy Trust on 1 February 2017. The school was last inspected in June 2016 and was judged to be Good.

Key Focus Areas from School Improvement Plan 2017-18

Achievement and Standards

- Raise standards in Maths to at least match national average throughout the school – from EYFS to Year 6
- Increase the numbers of children reaching the national average in Reading, Writing and Maths combined throughout the school
- Reduce the gap in attainment and progress between all children and Pupil Premium children

Quality of Teaching and Learning

- Continue to improve the quality of teaching and learning in EYFS
- Continue to develop the quality of teaching and learning linked to Mastery in Maths
- Develop a clear and consistent pedagogical approach, throughout the school focussed on high expectations and good quality teaching for all children
- Build independence and develop a growth mindset
- Ensure that the Most Able children are provided with additional challenge in subjects other than English and Maths
- Further develop consistency in the teaching of Philosophy For Children so that school achieves SAPERE P4C Silver Award and is ready to apply for Gold

Behaviour and Safety

- Ensure that an Action Plan is developed and fully operational to meet the demands of the new build
- Ensure that all aspects of the new building comply with Health and Safety Policy and expectations
- Develop further initiatives and different provision to meet the needs of High Needs children

Leadership and Management

- Develop a successful system leadership approach within the school and across the schools within the MAT with a particular focus on financial sustainability alongside raising standards to above national average
- Phase Leadership is established and becomes an embedded feature of monitoring and evaluation
- Develop the roles and responsibilities of Foundation Subject Leaders with a particular focus on challenge for the more able and connecting curriculum areas
- Streamline systems and structures across the school and Trust to ensure efficient use of time in leading and managing

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Key Activities and Developments:

- EYFS outcomes:

	GLD	Reading	Writing	Number
	% achieving GLD	% EXS or Above	% EXS or Above	% EXS or Above
2018	66.3%	76.4%	69.7%	76.4%
National	71.5%	76.4%	73.7%	79.6%

- Year 1 phonics:

	Year 1 Phonics
	% Working At
2018	81%
National	82.7%

- KS1 outcomes:

	Reading	Writing	Maths	RWM
	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above
2018	63.1%	56.9%	61.5%	47.7%
National	75.5%	69.9%	76.1%	65.3%

- Significantly improved KS2 outcomes:

	Reading	Writing	Maths	GPS	RWM
	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above	% EXS or Above
2018	83%	80%	78%	83%	66%
National	75%	78%	76%	78%	64%

- New EYFS/Year 1 building has been completed providing enhanced provision particularly outdoors provision.
- Children's attainment in Reading and Maths in EYFS is close to National. Children made good progress from their Baseline assessments. The vast majority of children in EYFS were socially and emotionally equipped to manage a successful transition into Year 1.
- Nurture Group provision saw good progress socially and emotionally as measured by Boxall Profiles.
- Phonics Check results showed significant improvement compared to the previous year. The gap between Pupil Premium and All was less than 1%.
- Attainment at the end of Key Stage 1 was low however the behaviour for learning improved significantly over the course of the year. More able Mathematicians have achieved above National.
- Attainment and progress at the end of Key Stage 2 was at least in line with National data and above in some areas.
- Maths Mastery has developed and teachers have embraced the approach. The Maths Powers are consistently taught and children are encouraged to think creatively in Maths to solve problems. Children's attitude to Maths is positive.
- Key Stage 1 and Key Stage 2 have been involved in the Maths Hub Teacher Research Group and this has impacted on the above statement.
- The school achieved its Silver Award through SAPERE Philosophy For Children accreditation and has achieved many of the Gold criteria. Children's thinking skills are progressing well – caring, collaborative, critical and creative thinking are understood and taught effectively.
- Phase Leadership has developed and regular meetings taken place to track progress and refine provision for the vulnerable children on a regular basis.

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- Foundation subject leaders have a better understanding of challenge for the more able in their subject areas and children are being increasingly challenged across a broad range of subjects. Assessment processes have been refined to record and track their progress.
- Implementation of Talk for Writing strategies with a focus on story mapping and storytelling skills has enhanced speaking and listening and improved writing outcomes.
- Cross-school moderation enabling teachers to be more confident in their accuracy of assessment judgements.
- Successful enhancement of Healthy Schools Award.
- Participation in Peer Challenge providing external validation.
- The school has been actively involved in the work of the Teaching Alliance, leading training and networks as well as attending events which has supported professional development of a range of staff at Richmond and supported retention.
- Strong working relationships established with the Trust Principal and other Head Teachers within Success Academy Trust as well as Finance/HR staff links and joint working.
- Governors and Trustees have a growing and trusting relationship that is impact positively on the work of the school.

FINANCIAL REVIEW

• Financial review

The Academy Trust had a net increase in funds for the year ended 31 August 2018 of £2,305,535 including fixed assets movements but excluding pension reserve movements. As at 31 August 2018 the Academy Trust held £407,093 of unrestricted reserves plus £842,590 of unspent (non-fixed asset) restricted funds. The Academy Trust therefore held combined unrestricted and non-fixed asset restricted funds, being its available reserves of £1,249,683.

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £2,864,000 at 31 August 2018 and a fixed asset reserve of £24,521,982 being the book value of past purchases plus unspent capital income of £8,532.

There are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy Trust. The principal financial management policies adopted in the period are included in the Academy Trust's internal financial policies as laid down by the Academies Financial Handbook published by the ESFA, and are monitored by regular reviews of budget to actual at the Resources and Environment Committee meetings. There were no unusual significant events worthy of comment during the year.

The principal financial management policies adopted in year are as laid down by the Academies Financial Handbook published by ESFA and are monitored by regular reviews of income and expenditure versus planned budgets at Resources and Environment Committee meetings.

The principal sources of funding for the Academy Trust are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

• Reserves policy

The Trustees have determined that the appropriate level of free cash reserves from a combination of restricted or unrestricted funds (excluding pension deficit restricted fund) should be equivalent to four weeks' worth of expenditure, both in terms of salaries and other payments, this equates to approximately £725,000.

The Trustees consider that a reserves target of four weeks' worth of expenditure provides sufficient working capital to enable the Trust to manage its cash flow efficiently; to cover any delays between spending and receipt of grants; to manage annual variations in pupil numbers; to provide a cushion to deal with any unexpected emergencies; and build sufficient funding to support longer term capital spending plans for the Trust's buildings.

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FOR THE YEAR ENDED 31 AUGUST 2018

Actual free reserves plus unspent GAG as at 31 August 2018 were £1,038,492, being higher than the target level set by the Trustees. The excess reserves above target will contribute towards the future in-year deficits forecast for the next 3 financial years. The Academy Trust also held other available restricted funds at the year end of £211,191 mainly in relation to Pupil Premium, School 2 School Support, PE Sports Grant and Parental Contributions. Total available reserves, being both the above figures at 31 August 2018 were £1,249,683. Cash at bank at 31 August 2018 was £437,454 higher than total available reserves which is due principally to PAYE/NI and pension costs for August 2018 being paid over in September 2018 and Universal Infant Free School Meals income received in advance of 2018/19.

At 31 August 2018 the Academy's fixed asset reserve of £24,521,982 represented £24,513,450 of funds which could only be realised if the assets were sold, plus £8,532 of unspent devolved capital formula.

The only reserve in deficit at the year end was the pension reserve (deficit of £2,864,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. The deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

● **Principal risks and uncertainties**

The Trust has risk management procedures and the Trustees have assessed the principal risks to which the Trust is exposed to. The most significant principal risks split between reputational; financial viability and performance are:

- (a) MAT Trustees having the appropriate skills
- (b) Core central service team having capacity to support existing and future schools
- (c) Unable to grow the MAT to sufficient size and at a suitable pace
- (d) Academies within the Trust unable to set balanced budgets
- (e) Falling standards in one or more of the academies
- (f) LGPS pension deficit; the academies' pension deficits are now combined which may lead to difficulties if any one academy's deficits needed to be unpicked from the rest in the Trust.

Summary of plans and strategies for managing these risks:

- (a) The Trust is working with Academy Ambassadors to help recruit additional Trustees with appropriate skills.
- (b) For 2017/18 the Trust has in place a Core service level agreement with the schools which includes time for the Trust Principal; a Trust Finance and Operations Officer; and a Trust School Business Manager.
- (c) Working with teaching school and local partners, prospective academies and the Regional Schools Commissioner Team to manage sustainable and realistic growth in line with the balance of improvement capacity and needs within the MAT.
- (d) All academies have been able to show through their local budget plans that they are able to set budgets in 2017/18 that do not put them into a deficit position. A key driver in the funding of schools is pupil numbers so the Trust recognise the need to support schools where parental choice is driving increases. The SBMs across the Trust work together to share best practice and share group procurement.
- (e) All of the academies within the Trust work in close partnership to support and act as a critical friend in the pursuit of school improvement. The close ties within the wider Thomas Estley Learning Alliance TSA provides capacity to the Trust to support improvement according to identified need and improvement partners are brokered and deployed as needed, including NLEs and SLEs.
- (f) The Academy Trust and the Trustees are aware of the significant pension fund deficit of £2,864,000 as at 31 August 2018 for the Local Government Pension Scheme (LGPS). This however does not mean that this is an immediate liability as employer contributions have been set at a level which responds to the deficit level and will be reviewed every 3 years to ensure that this continues to be the case. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of

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academy closure, outstanding Local Government Pensions Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. The Academy Trust has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

• **Financial risk management objectives and policies**

The Trust has developed risk management procedures as outlined above. The Trustees have assessed the major risks to which the Trust is exposed and a formal review of the Trust's risk management process is undertaken on an annual basis.

• **Investments policy**

The Academy Trust's investment strategy is to:

- ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- ensure there is no risk of loss in the capital value of any cash fund invested
- protect the capital value of any invested funds against inflation
- optimise returns on investor funds

Regular cash flow forecasts are prepared and monitored as required by legislation to ensure the viability and sustainability of the activities of the Trust.

From time to time, operational and strategic decisions related to the education of pupils at individual Academies will result in substantial cash balances at the bank over a sustained period. These periods are identified by the local Business Manager/Finance lead in consultation with the Trust Operations and Finance Officer as part of the normal forecasting activity and when identified, will result in the Academy making an investment in accordance with guidance provided by the Academies Financial Handbook and local financial procedures.

In making decisions regarding where and how any surplus funds should be invested, due regard will be given to the 'Risk that the return on investments is not being maximised' and 'Risk that trustees are not acting in accordance with their investment Policy' (eg. investing in high risk investments which are not in the best interests of the academy).

Where the cash flow identifies a base level of cash funds that will be surplus to requirements, these may be invested only in the following way, as adopted by the Governing body;

- Nominated bank – NatWest Bank Plc
- Current Account 0.05% (for balances less than £1 million)
- Reserve or Special interest-bearing accounts 0.05% balances < £1million or 0.15% for balances above £1 million

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

● **Fundraising**

Success Academy Trust has developed a fundraising strategy to help to increase the income streams of the charity and to help build the Trust's financial resilience. The Strategy sets out the Trust's Fundraising Goals which are:

- To establish a culture of fundraising that involves board, staff and volunteers
- To increase annual fundraising revenue to £50,000 per year by 2020/21
- To diversify the donor base, to find larger donors and obtain multi-year grant donors

The fundraising strategy is monitored through the Trust's Finance, Audit and Risk Committee. The Fundraising strategy provides a framework for setting priorities, creating accountability and monitoring process in realising the Trust's vision in relation to its funding.

The Trustees are mindful of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and understands that they have overall responsibility and accountability for the Trust under charity law including its fundraising. The Board plays a key role in setting their charity's approach to raising funds, making sure that it is followed in practice within its academies and by their volunteers and that fundraising activities reflects the Trust's values and protects the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate.

The Trust Board and LGBs are familiar with and follow the Charity Commission's guidance "Charity Fundraising: a guide to trustee duties (CC20)" (The Guidance) which helps to ensure that the Trust complies with its legal duties and understands how to respond to any fundraising complaints.

During the year the academies within the Trust have had a number of fundraising events organised either directly by the academies or through their associated Parent Teacher Association/ Friends of Association including events such as non uniform days; charity weeks; craft fairs. All monies raised via these fundraising activities have been for the stated purpose of the individual events.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

PLANS FOR FUTURE PERIODS

• **Future developments**

Following successful significant change approval for age range and becoming a Multi Academy Trust (MAT) sponsor, Trustees are looking to grow the MAT through thoughtful expansion which ensures appropriate capacity whilst remaining committed to our core purpose and values and balancing improvement capacity and needs within the MAT so that learner outcomes improve sustainably.

Funds held as custodian

No funds are held on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 28 November 2018 and signed on its behalf by:



M Booley
Chair of Trustees



A Collins
Headteacher / Accounting Officer

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GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Success 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 the 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 Success Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Booley, Chair	4	4
P Wiles	4	4
M Torbitt	0	0
S Lamprell	4	4
A Christon	2	4
R Jelly	0	0
M Hall	3	4
A Collins, Trust Principal and Accounting Officer	4	4
G Crofts	1	1
J Horan	1	1

During this accounting period the Trust Board has had some resignations although two additional appointments were made during the Summer of 2018 in conjunction with Academy Ambassadors to fill audited skills gaps on the Board. In addition, the Members agreed for one Member to continue to serve as an additional Trustee to support the initial set up and consolidation period for a further period of 1 year during 2018/19.

It was agreed on set up of the Trust that local conflicts of interest would be worked out of the Board of Trustees over the first two years in order to ensure clear delegation and tight accountability, and very few currently remain.

The Trustee Board, supported by the Heads Advisory Group (HAG) and Business Managers group has, during 2017/18, carried out work including:

- Consolidating the School Improvement Quality Assurance Model (SIQA) including four levels of support, challenge, delegation, review, depending on the capacity, outcomes, and OFSTED rating of each school.
- Deploying the Trust School Improvement team as needed into each school to quality assure/support/monitor as appropriate as a result of due diligence, SIQA rating and provision in order to support improvement in outcomes.
- Monitoring and quality assuring impact of school improvement and quality assurance through KPIs, outcome monitoring, Peer Challenge reviews and headteacher/ Trust Principal reports to the Trustee Board.
- Developing and pursuing models for Trust growth including marketing and future based planning
- Establishing and reviewing performance against appropriate KPIs (both primary and secondary outcome focussed as well as Trustwide KPIs).
- Self-evaluating the Trust against DfE recommended models of best practice.
- Devising a Strategic Plan for the Trust to meet its main priority outcomes.
- Scrutiny of Due Diligence around incoming schools.
- Continued to develop a central core service model.
- Establishing appropriate reporting arrangements, partly through two sub committees of the Board – the Curriculum, Standards and Performance Committee and the Finance, Audit and Risks Committee.

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GOVERNANCE STATEMENT (continued)

The Curriculum, Standards and Performance Committee is a sub-committee of the Board of Trustees. Its purpose is to evaluate the performance of the Academies against KPIs set by the Trust Board (in consultation with the relevant Local Governance Board). The Heads Advisory Group work collaboratively to supply appropriate data to the committee in an agreed format to aid comparison.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Booley, Chair	4	5
P Wiles	4	5
S Lamprell	5	5
A Christon	2	5
M Torbitt	0	1
M Hall	3	4
A Collins, Trust Principal	5	5

The Trustees agreed that during 2017/18 that all Trustees would attend all sub-committees so that experience across the Trust Board could be shared.

Challenges/Barriers	Effective Response
The necessity for swift and accurate due diligence, rapid school improvement in one of the Trust schools (with a coasting status and below floor targets in 2016) and concurrent planning for growth to ensure sustainability and build capacity for long term effectiveness.	Frontloaded large amounts of time allocated to the Trust Principal and CFO roles, supported by extra release time Heads Advisory Group and SBM group. All Trustees attend each meeting to maximise capacity for carrying out multiple roles and foci whilst the Trust develops and the Board grows.
Developing clear lines of accountability and working out conflicts of interest.	Planned and sequential movement away from duplicate roles towards unique roles within the Member/Trustee/LGB Boards with clear lines of reporting and accountability.
The necessity to rapidly improve results in one of the Trust schools due to coasting status and performance below floor targets.	Teaching School status and capacity in the Trust (at Head of Teaching School, two primary heads acting in LLE role, 11 SLEs) and access to NLE fund allowed swift and effective response resulting in vastly improved outcomes.
Movement required through from initial agreement re structures and central services agreement towards embedded and extended central services over first two years.	Movement from largely school focussed associated costs in first half of 16-17 with small central fund through to developing central service charge, regularly reviewed and adapted, supported by frontloading of Growth Fund.

Through the collaborative work of the Heads Advisory group, the Board of Trustees, the Trust Principal, and the SBMs, the Trust has created secure and quality assured systems and processes to ensure that the quality of the data presented to the Board against the agreed traffic lighted KPIs has been timely and presented in a format that allows easy benchmarking and monitoring of progress. This also mirrors best practice elsewhere and is supported by Peer Challenge and other reviews as well as termly Trust Principal Quality Assurance visits. The Board has found this acceptable in enabling it to administer the correct amount of support and in making effective judgements against targeted outcomes.

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GOVERNANCE STATEMENT (continued)

Governance review

Governance review has included self-evaluation against the Characteristics of Successful Multi-Academy Trusts where outcomes are as follows:

MAT Characteristic	Outcome
Overall Performance; Outcomes for Young People	The Trust outcomes are rapidly improving and in most cases above national averages.
Strategic Vision and Plan	Academies have improvement plan links to the Trust strategic plan and contribution to the Trust priorities is clear.
Accountability Framework	There is a collective responsibility for standards across the Trust. There is a clear path of accountability enabling discussions to take place from the Board Chair to the Trust Principal, Trustees to LGBs, and Trust Principals to headteachers and headteachers to teams, which improves standards.
Quality Assurance	The Trust has a common understanding of what outstanding performance is and is beginning to apply consistent practices which are improving efficiency and performance.
Delegated Framework for Governance	There is a MAT board with clear distinction between the roles of Members and Trustees. A skill audit has enabled the board to begin recruiting skilled professionals capable of fulfilling roles within any gaps. Delegated authority is clear and Boards are clear in their responsibilities.
Models of Financial Management Accountability	Internal systems of financial control are in place and there is clear management responsibility being enacted by the Trust Board. Schools are clear about the processes they must comply with. There is clear and qualified oversight of the Trust financial strategy. HR policies are commonly implemented across all schools.
School Improvement Strategy	The school improvement strategy is sustaining improved performance and standards are rising and improvement is rapid. Systems to track data, the collection of regular KPI and a stronger performance management system are sustaining improvement in the schools.
Focussed School to School Support	The Trust's school improvement strategy is supported by a pool of talented teachers and leaders who are deployed appropriately into areas of need
Trust Risk Indicators	The board risk register describes and monitors identified risks and assures appropriate mitigation.
Contribution to local, regional and national educational networking	Leaders at all areas of the Trust contribute effectively to wider networking and additional capacity of the School Improvement team is brokered into external areas of need. System leadership roles are held by Trust leaders and the Trust Principal is also Head of the Teaching School Alliance School TELA.

The Finance, Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to consider and recommend acceptance or non-acceptance of the Academies budgets to the Trust Board with consideration of future year's budget plans shared by the Academies. Its remit includes Risk management and the remit of the Audit committee as suggested in the Academies Financial Handbook. It reviews the income and expenditure on a regular basis to ensure all funds are used for the purposes of the Academies/Trust and in accordance with the terms of the funding agreement. It monitors academies finances in line with the approved budget forecast with scrutiny of significant variances to ensure appropriate in year adjustments made.

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GOVERNANCE STATEMENT (continued)

Specific work during the year included review of Principal Risk Register for the Trust; to consider the development of the core services offer; to organise internal audit services and shared financial controls; to review 3 year budget plans and consolidated budget forecast return; and to start to consolidate efficiencies of contracts and collaborative working.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Booley, Chair	5	5
M Torbitt	1	1
A Christon	3	5
S Lamprell	4	5
P Wiles	5	5
M Hall	1	4
A Collins, Trust Principal	5	5

Review of Value for Money

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

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

- Access to staff across its schools to achieve financial economies and support training and coaching.
- Using Trust staff expertise for School improvement visits ensuring costs are reduced.
- Organising value for money internal audit service and preparing and submitting pension returns for all Trust schools through negotiated fee.
- Central management, preparation and submitting of statutory consolidated returns and monthly VAT returns with organised training for local staff to understand requirements of VAT and nominal coding.
- Organising a school business management group with support of experienced academy personnel to help train joining academy personnel on academy finance, budgeting and other operational areas.
- Working collaboratively to support best value decisions around contracts, including working with TELA teaching school to identify cost effective training and development and support retention of staff.

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 ongoing process designed to identify and prioritise the risks to the achievement of 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 Success Academy Trust for the year 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 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 Risk and Control Framework

The 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:

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GOVERNANCE STATEMENT (continued)

- 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, Audit and Risk 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 appoint Leicestershire County Council as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On an annual basis, the auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The latest internal audit visit was in July 2018. No material control issues were identified as a result of the internal auditor's review work.

Review of Effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 28 November 2018 and signed on their behalf, by:



M Booley
Chair of Trustees



A Collins
Accounting Officer

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Success 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 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.



A Collins
Accounting Officer

Date: 28 November 2018

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the 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 of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 28 November 2018 and signed on its behalf by:



M Booley
Chair of Trustees

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SUCCESS ACADEMY TRUST**

Opinion

We have audited the financial statements of Success Academy Trust (the 'Academy') for the year ended 31 August 2018 which comprise the statement of financial activities incorporating income and expenditure account, the balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', 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 Academy'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

SUCCESS ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SUCCESS ACADEMY TRUST**

required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the 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 our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SUCCESS ACADEMY TRUST**

Use of our report

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



Luke Turner ACA FCCA (Senior statutory auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants
Statutory Auditors

Unit 2, Charnwood Edge Business Park
Syston Road
Cossington
Leicestershire
LE7 4UZ

Date: 29/11/18

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SUCCESS
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 22 August 2018 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 Success Academy Trust during the year 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 Success Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Success Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Success Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Success Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Success Academy Trust's funding agreement with the Secretary of State for Education dated 31 August 2016, 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 year 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw out conclusion includes:

- On a sample basis testing transactions and balances.
- Making enquiries of the Academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SUCCESS
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

Conclusion

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

Magma Audit LLP

Reporting Accountant

Magma Audit LLP

Unit 2, Charnwood Edge Business Park
Syston Road
Cossington
Leicestershire
LE7 4UZ

Date:

29/01/18

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Note					
INCOME FROM:					
Donations & capital grants:					
Transfer from the local authority on conversion	2	-	-	-	9,579,784
Transfer of existing academies into the Trust	2	-	-	-	3,902,457
Parental contributions	2	253,937	-	253,937	119,505
Other donations and capital grants	2	-	2,551,762	2,551,762	412,565
Charitable activities:					
Funding for the Academy Trust's educational operations		15,467	8,356,028	8,371,495	6,436,352
Teaching School		97,508	40,000	137,508	160,256
Other trading activities	4	278,156	-	278,156	193,382
Investments	5	1,729	-	1,729	1,201
TOTAL INCOME		392,860	8,649,965	2,551,762	11,594,587
EXPENDITURE ON:					
Raising funds		248,143	-	248,143	220,963
Charitable activities:					
Academy Trust educational operations		15,467	8,753,271	573,171	9,341,909
Teaching School		83,000	40,000	-	123,000
TOTAL EXPENDITURE	6	346,610	8,793,271	573,171	9,713,052
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfers between funds	17	46,250 (26,421)	(143,306) (109,293)	1,978,591 135,714	1,881,535 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		19,829	(252,599)	2,114,305	1,881,535
Actuarial gains on defined benefit pension schemes	22	-	800,000	-	800,000
NET MOVEMENT IN FUNDS		19,829	547,401	2,114,305	2,681,535
RECONCILIATION OF FUNDS:					
Total funds brought forward		387,264	(2,568,811)	22,407,677	20,226,130
TOTAL FUNDS CARRIED FORWARD		407,093	(2,021,410)	24,521,982	22,907,665


The notes on pages 39 to 66 form part of these financial statements.

SUCCESS ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08135389

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		24,513,450		22,388,809
CURRENT ASSETS					
Stocks	14	5,070		7,053	
Debtors	15	260,487		301,676	
Cash at bank and in hand		1,687,137		1,312,776	
		<u>1,952,694</u>		<u>1,621,505</u>	
CREDITORS: amounts falling due within one year	16		<u>(694,479)</u>	<u>(544,184)</u>	
NET CURRENT ASSETS			<u>1,258,215</u>		<u>1,077,321</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>25,771,665</u>		<u>23,466,130</u>
Defined benefit pension scheme liability	22		<u>(2,864,000)</u>		<u>(3,240,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>22,907,665</u>		<u>20,226,130</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted income fund	17	842,590		671,189	
Fixed asset fund	17	24,521,982		22,407,677	
Restricted funds excluding pension liability		<u>25,364,572</u>		<u>23,078,866</u>	
Pension reserve		<u>(2,864,000)</u>		<u>(3,240,000)</u>	
Total restricted funds			<u>22,500,572</u>		<u>19,838,866</u>
Unrestricted income funds	17		<u>407,093</u>		<u>387,264</u>
TOTAL FUNDS			<u>22,907,665</u>		<u>20,226,130</u>

The financial statements on pages 36 to 66 were approved by the Trustees, and authorised for issue, on 28 November 2018 and are signed on their behalf, by:


M Booley
Chair of Trustees

The notes on pages 39 to 66 form part of these financial statements.

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	19	574,368	15,408,377
Cash flows from investing activities:			
Interest received		1,729	1,201
Transfer of tangible fixed assets into the Trust		-	(15,094,098)
Purchase of tangible fixed assets		(336,285)	(115,462)
Capital grants from DfE and other capital income		134,549	37,932
Cash transferred on conversion/acquired from existing academy trust		-	413,233
Net cash used in investing activities		(200,007)	(14,757,194)
Change in cash and cash equivalents in the year		374,361	651,183
Cash and cash equivalents at 1 September 2017		1,312,776	661,593
Cash and cash equivalents at 31 August 2018	20	1,687,137	1,312,776

The notes on pages 39 to 66 form part of these financial statements.

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Success Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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 should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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

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

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within income from donations and capital grants. The land and buildings are held on a 125 year lease with the Local Authority. The cost of the land and buildings was arrived at using the ESFA standard valuation on a depreciated replacement cost basis provided by the academy. This provided a value for the land and buildings as at the date of conversion.

SUCCESS ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

Expenditure on charitable activities are costs incurred on the Academy's educational operations, including support costs and those costs relating to the governance of the Academy appointed to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities incorporating income and expenditure account and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities incorporating income and expenditure account.

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

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold buildings	-	2% straight line
Leasehold land (125 year lease)	-	over 125 years
Furniture and fittings	-	25% straight line
Computer equipment	-	33% straight line
Assets under construction	-	not depreciated

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 incorporating income and expenditure account.

1.7 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 STOCKS

Classroom consumables, unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 LIABILITIES AND PROVISIONS

Liabilities and provisions 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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

1. ACCOUNTING POLICIES (continued)

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. 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 costs as detailed in note 16. 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.

1.12 TAXATION

The Academy 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 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.

1.13 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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

1. ACCOUNTING POLICIES (continued)

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

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

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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.

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer from the local authority on conversion	-	-	-	-	9,579,784
Transfer of existing academies into the Trust	-	-	-	-	3,902,457
Parental contributions	-	253,937	-	253,937	119,505
Total donations	-	253,937	-	253,937	13,601,746
Capital grants	-	-	190,235	190,235	37,932
Donated fixed assets	-	-	2,361,527	2,361,527	374,633
Subtotal	-	-	2,551,762	2,551,762	412,565
	-	253,937	2,551,762	2,805,699	14,014,311
<i>Total 2017</i>	-	13,601,746	412,565	14,014,311	

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,224,746	7,224,746	5,632,083
Other DfE Group Grants	-	470,713	470,713	335,854
Nursery income	-	144,122	144,122	90,205
Teaching School income	97,508	40,000	137,508	160,256
National Leader of Education income	-	-	-	5,000
	<u>97,508</u>	<u>7,879,581</u>	<u>7,977,089</u>	<u>6,223,398</u>
Other government grants				
Local Authority Grants	-	257,415	257,415	169,167
Apprenticeship funding	2,500	3,844	6,344	-
	<u>2,500</u>	<u>261,259</u>	<u>263,759</u>	<u>169,167</u>
Other funding				
Catering income	-	217,016	217,016	202,284
Other income	12,967	38,172	51,139	1,759
	<u>12,967</u>	<u>255,188</u>	<u>268,155</u>	<u>204,043</u>
	<u>112,975</u>	<u>8,396,028</u>	<u>8,509,003</u>	<u>6,596,608</u>
<i>Total 2017</i>	<u>120,256</u>	<u>6,476,352</u>	<u>6,596,608</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Nursery and extended services	121,381	-	121,381	90,440
Lettings income	50,675	-	50,675	32,639
Other trading income	106,100	-	106,100	70,303
	<u>278,156</u>	<u>-</u>	<u>278,156</u>	<u>193,382</u>
<i>Total 2017</i>	<u>193,382</u>	<u>-</u>	<u>193,382</u>	

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

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Bank interest	1,729	-	1,729	1,201
<i>Total 2017</i>	1,201	-	1,201	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	<i>Total 2017 £</i>
Expenditure on raising funds					
Direct costs	30,086	-	32,134	62,220	-
Support costs	104,928	24,312	56,683	185,923	384,092
Educational Operations:					
Direct costs	5,655,694	395,944	940,426	6,992,064	5,147,146
Support costs	1,389,926	576,270	506,649	2,472,845	1,584,110
	<u>7,180,634</u>	<u>996,526</u>	<u>1,535,892</u>	<u>9,713,052</u>	<u>7,115,348</u>
<i>Total 2017</i>	<u>5,354,172</u>	<u>690,780</u>	<u>1,070,396</u>	<u>7,115,348</u>	

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

7. CHARITABLE ACTIVITIES

	Total funds 2018 £	<i>Total funds 2017 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs - salaries	4,200,404	3,174,004
Teaching and educational support staff costs - NI	406,575	300,445
Teaching and educational support staff costs - pensions	1,048,715	727,068
Depreciation	395,944	290,505
LGPS pension interest cost (£174,000) less return on assets (£89,000)	85,000	61,000
Supply staff costs	75,045	108,155
Technology costs	81,514	93,674
Educational supplies	207,291	104,581
Staff development	104,211	64,348
Educational consultancy	113,755	43,458
Other direct costs	273,610	162,423
	6,992,064	<i>5,129,661</i>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs - salaries	1,086,399	821,652
Support staff costs - NI	72,282	51,814
Support staff costs - pensions	231,245	164,635
Depreciation	131,981	96,835
Recruitment and support	4,534	4,090
Maintenance of premises and equipment	133,805	88,619
Cleaning	25,977	15,525
Rates	93,272	66,350
Energy costs	95,124	65,937
Insurance	96,111	67,008
Security and transport	8,846	5,554
Catering	310,135	192,676
Bank charges	8,794	8,581
Other support costs	94,388	42,541
Governance costs	20,000	24,754
Legal and professional fees	59,952	48,153
	2,472,845	<i>1,764,724</i>
	9,464,909	<i>6,894,385</i>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	<i>2017</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:		
- owned by the charity	573,171	<i>387,340</i>
Auditors' remuneration - audit	16,450	<i>18,500</i>
Auditors' remuneration - other services	4,850	<i>5,950</i>
Operating lease rentals	9,004	<i>7,068</i>
	=====	<i>=====</i>

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	5,403,439	4,087,746
Social security costs	482,650	356,487
Pension costs	1,294,545	899,716
	7,180,634	5,343,949
Staff restructuring costs	-	10,223
	7,180,634	5,354,172

Staff restructuring costs comprise:

	2018 £	2017 £
Severance payments	-	10,223
	-	10,223

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £NIL (2017 - £10,223).

c. Staff numbers

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

	2018 No.	2017 No.
Management	4	12
Teachers	112	68
Administration and support	167	124
	283	204
	283	204

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	4	3
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0

Five of the above employees participated in the Teachers' Pension Scheme and the remaining employee participated in the Local Government Pension Scheme. During the year ended 31 August 2018, teachers pension and local government pension contributions for these staff amounted to £59,013 (2017 - £35,477) and £14,535 (2017 - £13,226) respectively.

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

9. STAFF COSTS (continued)

e. Key management personnel

The key management personnel of the Academy Trust comprise of 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 £453,752 (2017 - £457,577). These figures include salary costs of all Trustees employed by the Academy Trust, even where they have no management role within their employment.

10. CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services
- others as arising

The Academy charges for these services on the following basis:

2% of GAG funding.

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Thomas Estley Community College	82,416	-
Cosby Primary School	15,828	-
Richmond Primary School	28,824	-
Hallbrook Primary School	17,052	-
	144,120	-
Total	144,120	-

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees have been paid remuneration from an employment with the Academy Trust. The Principal only receives remuneration in respect of services they provide undertaking the role of Principal under their contract of employment, and not in respect of their role as Trustee.

The value of Trustee's remuneration was as follows:

		2018	2017
		£	£
A Collins	Remuneration	90,000-95,000	85,000-90,000
	Pension contributions paid	15,000-20,000	10,000-15,000

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL).

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

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2018 was £818 (2017 - £1,149).

Richmond Primary School has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

13. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Total £
COST OR VALUATION				
At 1 September 2017	22,588,116	528,716	166,299	23,283,131
Additions	2,456,618	166,562	74,632	2,697,812
At 31 August 2018	<u>25,044,734</u>	<u>695,278</u>	<u>240,931</u>	<u>25,980,943</u>
DEPRECIATION				
At 1 September 2017	623,709	183,817	86,796	894,322
Charge for the year	393,225	131,968	47,978	573,171
At 31 August 2018	<u>1,016,934</u>	<u>315,785</u>	<u>134,774</u>	<u>1,467,493</u>
NET BOOK VALUE				
At 31 August 2018	<u>24,027,800</u>	<u>379,493</u>	<u>106,157</u>	<u>24,513,450</u>
At 31 August 2017	<u>21,964,407</u>	<u>344,899</u>	<u>79,503</u>	<u>22,388,809</u>

The Trust's transactions relating to land and buildings in the year included:

- the acquisition of the leasehold buildings relates to a 6 classroom and studio standalone extension which was donated to the Trust by the Local Authority at a value of £2,361,527.

See note 1.3 regarding assets transferred on conversion.

14. STOCKS

	2018 £	2017 £
Classroom and other materials	<u>5,070</u>	<u>7,053</u>

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

15. DEBTORS

	2018	2017
	£	£
Trade debtors	34,499	17,164
VAT recoverable	71,996	66,982
Prepayments and accrued income	153,992	217,530
	260,487	301,676

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Other taxation and social security	120,900	109,874
Other creditors	120,688	137,272
Accruals and deferred income	452,891	297,038
	694,479	544,184

	2018	2017
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2017	188,479	20,334
Resources deferred during the year	266,136	188,479
Amounts released from previous years	(188,479)	(20,334)
Deferred income at 31 August 2018	266,136	188,479

17. STATEMENT OF FUNDS

	Balance at 1 September 2017	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2018
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
General Funds	387,264	392,860	(346,610)	(26,421)	-	407,093
	387,264	392,860	(346,610)	(26,421)	-	407,093

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

17. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General Annual Grant (GAG)	439,166	7,224,746	(6,923,220)	(109,293)	-	631,399
Pupil Premium	35,330	272,846	(272,728)	-	-	35,448
Other DfE Group grants	74,388	197,867	(251,543)	-	-	20,712
Nursery	3,776	144,122	(125,255)	-	-	22,643
Teaching School income	-	40,000	(40,000)	-	-	-
National Leader of Education income	16,500	-	(6,650)	-	-	9,850
Other government grants	31,420	261,259	(222,990)	-	-	69,689
Catering income	35,413	217,016	(250,918)	-	-	1,511
Other income	27,807	38,172	(38,010)	-	-	27,969
Parental contributions	7,389	253,937	(237,957)	-	-	23,369
Pension reserve	(3,240,000)	-	(424,000)	-	800,000	(2,864,000)
	<u>(2,568,811)</u>	<u>8,649,965</u>	<u>(8,793,271)</u>	<u>(109,293)</u>	<u>800,000</u>	<u>(2,021,410)</u>

RESTRICTED FIXED ASSET FUNDS

DfE Group capital grants	18,868	40,076	(6,757)	-	-	52,187
Transfer from ESFA	3,767,788	-	(62,890)	-	-	3,704,898
Transfer from Local Authority	16,882,662	-	(279,885)	-	-	16,602,777
Local Authority donation	374,633	2,361,527	(31,108)	-	-	2,705,052
Condition Improvement Funding	17,690	94,473	(17,868)	-	-	94,295
Capital expenditure from GAG	1,346,036	-	(171,237)	135,714	-	1,310,513
Other government grants	-	55,686	(3,426)	-	-	52,260
	<u>22,407,677</u>	<u>2,551,762</u>	<u>(573,171)</u>	<u>135,714</u>	<u>-</u>	<u>24,521,982</u>
Total restricted funds	<u>19,838,866</u>	<u>11,201,727</u>	<u>(9,366,442)</u>	<u>26,421</u>	<u>800,000</u>	<u>22,500,572</u>
Total of funds	<u>20,226,130</u>	<u>11,594,587</u>	<u>(9,713,052)</u>	<u>-</u>	<u>800,000</u>	<u>22,907,665</u>

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

Restricted funds

The General Annual Grant (GAG) relates to the school's development and operational activities. The transfer from GAG relates to funding towards fixed asset additions in the year.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers.

The DfE Group grants consist of Universal Infant Free School Meals (UIFSM) and PE Sports Grant. The balance relates to unspent PE Sports Grant at the year end.

Nursery income consists of funds received for the provision of a nursery facility in the community.

Teaching School income relates to the Teaching School Core Grant which enables the school to build the leadership and administrative capacity to lead the teaching school alliance.

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Other government grants consist of Special Educational Needs (SEN) funding, Pupil Premium Plus funding, School 2 School Support income and Apprenticeship funding.

Catering income is income associated with the statutory obligation within the Academy's funding agreement.

Other income consists of SSIF £9,700, Affinity Teaching School Alliance income of £9,025, Leicestershire Educational Psychology Services (LEPS) of £13,500 and various other grants totalling £5,947.

Parental Contributions includes funds generated from parents of students for use towards specific educational expenditure such as trips.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed asset funds

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned.

The transfer from the ESFA relates to the value of leasehold land and buildings plus moveable assets transferred from the ESFA to the Academy on conversion to a Multi-Academy Trust. The closing balance relates to the net book value of the assets concerned.

The transfer from Local Authority relates to leasehold land and buildings transferred from the Local Authority into the Academy Trust on conversion. The closing balance relates to the net book value of the assets concerned.

The donation from the Local Authority consists of leasehold buildings donated to the Trust at a value of £2,736,160.

The Condition Improvement Fund (CIF) relates to funding received in relation to roofing and safeguarding projects. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The income element is shown as a transfer from restricted funds, where the GAG is received, to the restricted fixed assets fund where it has been spent.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	<i>Total 2017 £</i>
Thomas Estley Community College	927,052	738,953
Cosby Primary School	235,968	160,221
Richmond Primary School	(10,737)	55,386
Hallbrook Primary School	97,521	103,176
Central Services	(121)	717
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	1,249,683	1,058,453
Restricted fixed asset fund	24,521,982	22,407,677
Pension reserve	(2,864,000)	(3,240,000)
	<hr/>	<hr/>
Total	<u>22,907,665</u>	<u>20,226,130</u>

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
Richmond Primary School	(31,029)
Central Services	(121)

The deficit in Richmond Primary School has arisen during a time of accelerated growth in student numbers. During this transitional period, the school is underfunded based on actual numbers on roll. This position has now stabilised with the school setting in-year surplus budgets for 2018/19 onwards.

A deficit has arisen within Central Services of £121, mainly due to timing differences around the year end. Central Services aims to break even each year.

The Academy Trust is taking the following action to return the academies to surplus:

The Trust continues to monitor the position on a monthly basis, working with the primary school to ensure a swift return to a surplus position whilst looking for additional funding wherever opportunities arise.

To address the deficit within Central Services, the Trust have made the decision to increase the charge for their services to 3.5% of GAG funding for 2018/19.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Thomas Estley Community College	2,915,644	981,348	155,092	699,191	4,751,275	4,441,746
Cosby Primary School	531,417	233,770	17,631	175,246	958,064	592,871
Richmond Primary School	1,271,624	221,647	30,263	352,204	1,875,738	1,054,395
Hallbrook Primary School	628,095	144,148	22,022	191,581	985,846	574,102
Central Services	-	-	-	144,958	144,958	-
	<u>5,346,780</u>	<u>1,580,913</u>	<u>225,008</u>	<u>1,563,180</u>	<u>8,715,881</u>	<u>6,663,114</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Funds	213,233	393,325	(217,221)	(2,073)	-	387,264
RESTRICTED FUNDS						
General Annual Grant (GAG)	315	5,701,019	(5,181,307)	(80,861)	-	439,166
Pupil Premium	46,941	226,777	(238,388)	-	-	35,330
Other DfE Group grants	40,702	184,065	(150,379)	-	-	74,388
Nursery	-	95,078	(91,302)	-	-	3,776
Teaching School income	-	98,753	(98,753)	-	-	-
National Leader of Education income	7,300	11,000	(1,800)	-	-	16,500
Other government grants	30,229	185,001	(183,810)	-	-	31,420
Catering income	-	202,284	(166,871)	-	-	35,413
Other income	23,251	20,643	(16,087)	-	-	27,807
Parental contributions	6,747	125,732	(125,090)	-	-	7,389
Pension reserve	(1,867,000)	(1,603,000)	(257,000)	-	487,000	(3,240,000)
	<u>(1,711,515)</u>	<u>5,247,352</u>	<u>(6,510,787)</u>	<u>(80,861)</u>	<u>487,000</u>	<u>(2,568,811)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

Restricted Fixed Asset funds	7,547,258	15,113,432	(387,340)	115,459	-	22,388,809
Capital fund	-	51,393	-	(32,525)	-	18,868
Total restricted funds	<u>5,835,743</u>	<u>20,412,177</u>	<u>(6,898,127)</u>	<u>2,073</u>	<u>487,000</u>	<u>19,838,866</u>
Total of funds	<u>6,048,976</u>	<u>20,805,502</u>	<u>(7,115,348)</u>	<u>-</u>	<u>487,000</u>	<u>20,226,130</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	24,513,450	24,513,450
Current assets	407,093	1,537,069	8,532	1,952,694
Current liabilities	-	(694,479)	-	(694,479)
Pension scheme liability	-	(2,864,000)	-	(2,864,000)
	<u>407,093</u>	<u>(2,021,410)</u>	<u>24,521,982</u>	<u>22,907,665</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	22,388,809	22,388,809
Current assets	422,677	1,215,373	18,868	1,621,505
Current liabilities	-	(544,184)	-	(544,184)
Pension scheme liability	-	(3,240,000)	-	(3,240,000)
	<u>422,677</u>	<u>(2,568,811)</u>	<u>22,407,677</u>	<u>20,226,130</u>

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19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	1,881,535	13,690,154
Adjustment for:		
Depreciation charges	573,171	387,340
Dividends, interest and rents from investments	(1,729)	(1,201)
Decrease in stocks	1,983	2,194
Decrease/(increase) in debtors	41,189	(49,320)
Increase/(decrease) in creditors	150,295	(68,225)
Capital grants from DfE and other capital income	(134,549)	(37,932)
Defined benefit pension scheme obligation inherited	-	1,603,000
Defined benefit pension scheme cost less contributions payable	339,000	196,000
Defined benefit pension scheme finance cost	85,000	61,000
Tangible fixed assets donated from the local authority	(2,361,527)	(374,633)
Net cash provided by operating activities	574,368	15,408,377

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	1,687,137	1,312,776
Total	1,687,137	1,312,776

21. CAPITAL COMMITMENTS

At 31 August 2018 the Academy had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	161,826	-
	161,826	-

22. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire County Council. Both are Multi-employer defined benefit pension schemes.

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

Contributions amounting to £117,362 were payable to the schemes at 31 August 2018 (2017 - £108,981) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by

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22. PENSION COMMITMENTS (continued)

the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £564,948 (2017 - £430,033).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £483,000 (2017 - £340,000), of which employer's contributions totalled £384,000 (2017 - £268,000) and employees' contributions totalled £99,000 (2017 - £72,000). The agreed contribution rates for future years are 23.4 - 24.4% for employers and 5.5 - 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.

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22. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2018	<i>2017</i>
Discount rate for scheme liabilities	2.80 %	<i>2.50 %</i>
Rate of increase in salaries	3.30 %	<i>3.40 %</i>
Rate of increase for pensions in payment / inflation	2.30 %	<i>2.40 %</i>
Inflation assumption (CPI)	2.30 %	<i>2.40 %</i>
Commutation of pensions to lump sums	50.00 %	<i>50.00 %</i>

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

	2018	<i>2017</i>
Retiring today		
Males	22.1	<i>22.1</i>
Females	24.3	<i>23.8</i>
Retiring in 20 years		
Males	23.8	<i>24.3</i>
Females	26.2	<i>26.2</i>

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Changes in assumptions as at 31 August 2018	At 31 August 2018	<i>At 31 August 2017</i>
	£	<i>£</i>
0.5% decrease in Real Discount Rate	894,000	<i>848,000</i>
0.5% increase in Salary Increase Rate	190,000	<i>204,000</i>
0.5% increase in the Pension Increase Rate	688,000	<i>625,000</i>

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2018	<i>Fair value at 31 August 2017</i>
	£	<i>£</i>
Equities	2,468,000	<i>2,240,000</i>
Bonds	1,075,000	<i>669,000</i>
Property	358,000	<i>268,000</i>
Cash	79,000	<i>167,000</i>
Total market value of assets	3,980,000	<i>3,344,000</i>

The actual return on scheme assets was £169,000 (2017 - £259,000).

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**NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

Expected returns on assets are calculated as follows:-

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2017 for the year to 31 August 2018, or date of joining the fund if later).

The amounts recognised in the statement of financial activities incorporating income and expenditure account are as follows:

	2018	2017
	£	£
Current service cost	(723,000)	(464,000)
Past service cost	(14,585)	(8,013)
Interest income	89,000	49,000
Interest cost	(174,000)	(110,000)
	(822,585)	(533,013)
Total	(822,585)	(533,013)

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	6,584,000	3,277,000
Upon conversion	-	1,937,000
Transferred in on existing academies joining the trust	-	1,015,000
Current service cost	723,000	464,000
Interest cost	174,000	110,000
Employee contributions	99,000	72,000
Actuarial gains	(720,000)	(277,000)
Benefits paid	(16,000)	(14,000)
	<u>6,844,000</u>	<u>6,584,000</u>

Movements in the fair value of the Academy's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	3,344,000	1,410,000
Upon conversion	-	839,000
Transferred in on existing academies joining the trust	-	510,000
Interest income	89,000	49,000
Actuarial gains	80,000	210,000
Employer contributions	384,000	268,000
Employee contributions	99,000	72,000
Benefits paid	(16,000)	(14,000)
	<u>3,980,000</u>	<u>3,344,000</u>

23. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	9,004	9,004
Between 1 and 5 years	6,557	15,561
Total	<u>15,561</u>	<u>24,565</u>

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

25. 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure Related Party Transaction

Ace Cleaning Company (Leicester) Ltd - a company in which Mr M Booley (The Chair of Trustees of the Academy Trust) is a director and shareholder:

- The Academy Trust purchased cleaning services from Ace Cleaning Company (Leicester) Ltd totalling £635 during the period. There were no amounts outstanding at 31 August 2018.
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Mr Booley neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2017.

No other related party transactions took place in the period of account, other than certain Trustee's remuneration and expenses already disclosed in note 11.

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**NOTES TO THE FINANCIAL STATEMENTS
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26. TEACHING SCHOOL TRADING ACCOUNT

	2018 £	2018 £	2017 £	2017 £
INCOME				
DIRECT INCOME				
Government grants	40,000		40,000	
OTHER INCOME				
Other incoming resources	97,508		120,256	
TOTAL INCOME		137,508		160,256
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	49,302		66,918	
Staff development costs	38,811		57,327	
TOTAL DIRECT EXPENDITURE	88,113		124,245	
OTHER EXPENDITURE				
Other staff costs	18,600		21,565	
Other support costs	16,287		13,129	
TOTAL OTHER EXPENDITURE	34,887		34,694	
TOTAL EXPENDITURE		123,000		158,939
SURPLUS FROM ALL SOURCES		14,508		1,317
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		1,317		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		15,825		1,317

27. COMPARATIVES

During the current year and prior year the financial statements include 4 schools and Thomas Estley Learning Alliance (TELA) teaching school. Within the prior year, Cosby Primary School transferred into the Trust on 1 February 2017, Richmond Primary School and Hallbrook Primary School converted to Academy Trust status and transferred into Success Academy Trust on 1 February 2017, with the remaining 1 school consisting of 4 year groups (year 7 through to year 10). In the current year, Thomas Estley Community College extended their age range to include a further year group, being year 11. These 4 schools, together with central services are disclosed within the statement of funds note.

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28. CONNECTED CHARITIES

The Friends of Cosby School (charity number 1042888) raises money for the Academy Trust and then, in line with its own board decisions, donates funds for particular projects, or assets for the benefit of the Academy Trust. The charity's net assets at 31 August 2018 were £358. The charity's annual gross income was £5,583, its expenditure was £12,475 and its deficit for the year was £6,892.

The Friends of Richmond School (charity number 1151562) raises money for the Academy Trust and then, in line with its own board decisions, donates funds for particular projects, or assets for the benefit of the Academy Trust. The charity's net assets at 31 August 2018 were £6,061. The charity's annual gross income was £2,411, its expenditure was £1,172 and its surplus for the year was £1,239.