

Company registration number 07343156

**Seaton Academy**  
(A Company Limited by Guarantee)

**Financial statements**

**31 August 2017**

# Seaton Academy

## Financial statements for the year ended 31 August 2017

<b>Contents</b>	<b>Pages</b>
Reference and Administrative details	1
Governors' Report	2 to 5
Governance Statement	6 to 7
Statement of Regularity, Propriety and Compliance	8
Statement of Governors' Responsibilities	9
Independent Auditor's Report on the Financial Statements	10 to 12
Independent Reporting Accountant's Report on Regularity	13 to 14
Statement of Financial Activities incorporating Income and Expenditure Account	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements incorporating:	18 to 34
Statement of Accounting Policies	
Other Notes to the Financial Statements	

# Seaton Academy

## Reference and Administrative Details

Governors (Trustees)	C L Banks C Mounsey M Coulthard (resigned 11 <sup>th</sup> June 2017) Mrs D Midwood Mrs V Henderson
Company Secretary	H McCarthy
Principal and Registered Office	Seaton Academy High Seaton Workington Cumbria CA14 1NP
Company Registration Number	07343156 (England and Wales)
Independent Auditor	Paul Clegg & Company Riverside Offices, Second Floor 26 St Georges Quay Lancaster LA1 3LD
Bankers	HSBC 3 Pow Street Workington Cumbria CA14 3AH
Solicitors	Burnetts 6 Victoria Place Carlisle Cumbria CA1 2RW
Website	<a href="http://www.seatonacademy.co.uk">www.seatonacademy.co.uk</a>

# Seaton Academy

## Governors' Report

The governors present their annual report together with the financial statements and auditors' reports on the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 3 – 7 serving a catchment area in Seaton, Cumbria. It has a pupil capacity of 270 in the main school and 120 in the nursery. In 2016-17 the Academy had an intake of 195 and 60 respectively.

### Structure, Governance and Management

#### Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The governors act as the trustees for the charitable activities of Seaton Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Seaton Academy.

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

#### Members' Liability

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

#### Governors' Indemnities

The Academy provides indemnity insurance to cover the liability of Governors which by virtue of any rule of law would otherwise attach to them in negligence, default, breach of trust or breach of duty which they may be guilty of in relation to the Academy; provided that any such insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or breach of duty, or which was committed by the Governors in reckless disregard of such breaches and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as Governors.

#### Principal Activities

Seaton Academy is a state funded independent school serving the local community of Seaton, Cumbria.

#### Method of Recruitment and Appointment or Election of Governors

The members may appoint up to two Governors save that there shall be no more than three employees of the Academy (including the Principal) appointed as Governors.

The Local Authority may appoint the Local Authority Governor.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

Under certain circumstances, Governors may be appointed by The Secretary of State.

#### Policies and Procedures Adopted for the Induction and Training of Governors

Governors are appointed in accordance with the Memorandum and Articles of Association and Governors may be appointed in recognition of specific skills and guidance they can lend for the benefit of the Academy. Each new Governor is given a specific mandate to follow and supplied with appropriate training information.

#### Organisational Structure

The Governors determine the general policy of the Academy. The day to day running of the Academy is delegated to the Headmistress, supported by the Senior Management Team. The Headmistress undertakes the key leadership role overseeing educational, pastoral and administrative functions. The day to day administration is undertaken within the policies and procedures approved by the Governors.

# Seaton Academy

## Governors' Report (continued)

The Headmistress oversees the recruitment of all staff.

### Arrangements for Setting Pay and Remuneration of Key Management Personnel

Pay and remuneration for staff is set by the senior management team and must be approved by the Chair. All teacher and teaching assistants' remuneration is performance managed.

The Head is also performance managed and this is overseen by another Head Teacher.

### Risk Management

The Governors are responsible for the overseeing of the risks faced by the Academy. Detailed considerations of risk are delegated to the Senior Management of the Academy. Risks are identified, assessed and controls established throughout the period.

Through the risk management processes established for the Academy, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

### Related Parties and Other Connected Charities and Organisations

There are no connected organisations.

## Objectives and Activities

### Objects and Aims

Seaton Academy, a company limited by guarantee, operates under a Funding Agreement signed by the Secretary of State for Children Schools and Families, dated 8 August 2010.

Seaton Academy's primary objective is to maintain a non fee paying infant school with a broad curriculum, providing education for students of different abilities at the heart of the community in Seaton.

The aim of the Academy is to provide an outstanding education to boys and girls from the ages of 3 to 7.

### Objectives, Strategies and Activities

The Academy promotes the social, moral, spiritual, cultural and academic development of its students in a fully inclusive organisation which further promotes fundamental British values, diversity and equality of opportunity. The core values are Respect, Responsibility and Co-operation which, in conjunction with the Academy, student and parent partnership, facilitates the drive for everyone to achieve their Personal Best.

### Public Benefit

The Academy has referred to the Public Benefit guidance provided by the Charity Commission when reviewing its aims, objectives and activities.

## Strategic Report

### Achievements and Performance

Seaton Academy promotes high achievement and learning for life by working with children to:

- Develop enquiring minds and a spirit of curiosity,
- Become highly motivated life-long learners,
- Be flexible and adaptable for the modern world,
- Have high self esteem – respecting themselves, others, other cultures and the environment,
- Be able to work independently and collaboratively,
- Achieve high standards in all areas of the curriculum,
- Seek to extend themselves in mind, body and spirit,
- Liaise with incoming and outgoing education providers and the wider community.

### Going Concern

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

# Seaton Academy

## Governors' Report (continued)

### Key Financial Performance Indicators

The academy monitors progress of pupil's in many ways including attendance, academic and sporting achievements. Attendance has generally been maintained at more than 96.05% (2016: 96.3% throughout the year).

The SAT results of Year 2 students showed the following: expected+ in reading 87%, writing 80% and maths 83% which was the target for the academy maintaining its high standards. Greater depth reading was 63%, writing 46% and maths 51%.

Phonics screening achieved 92% compared to a national average of 81%.

### **Financial Review**

The principal source of funding for the Academy continued to be Education Skills and Funding Agency General Annual Grants, which amounted to £769,764 (2016 : £880,175) of the total income received of £1,061,523 (2016 : £1,057,514).

The Academy achieved a net operating loss of £93,422 (2016 : loss £19,754).

The Academy recognises that in order for it to continue to meet its objectives and commitment to the local area, the principal support function is the personnel and of the total expenditure of £1,154,945 (2016 : £1,077,760), £910,765 (2016 : £854,526) related to staffing and associated costs.

### Financial and Risk Management Objectives and Policies

The Academy is funded by the Education Skills and Funding Agency and budgets for its income and expenditure each year, therefore there are no foreseen risks that could be reasonably expected to impact on its ongoing ability to perform its activities, There are however a number of employees enrolled in a defined benefit pension scheme and at the balance sheet date there was a deficit in the fund's ability to pay out all of the benefits due to the members. Given the nature of such schemes and the staggered retirement dates of the members, no immediate liability for the Academy is anticipated.

### Principal Risks and Uncertainties

The principal risks and uncertainties are centred upon continued funding of the Academy's activities by the Education Skills and Funding Agency and there have been no indications that this will not continue.

The balance sheet includes a pension deficit of £377,000 (2016 - £427,000). This has been professionally calculated using an Actuary.

### Reserves Policy

At 31 August 2017 the Academy had reserves of £1,502,000 (2016: £1,536,000) excluding the pension deficit. The amount which related to restricted funds was £967,000 (2016 - £951,000). The Governors determined at the outset that the Academy should retain at least £100,000 in reserves to provide working capital to cover any unforeseen cashflow problems arising as a result of timing of expenditure and receipt of grants from the Education Skills and Funding Agency.

### Investment Policy

Cash balances are held only in short term bank deposits due to the Academy requiring cash to be immediately available to meet irregular cashflow demands.

### **Plans for Future Periods**

The Academy is keen to continue to improve its public profile and serve the Seaton community and has implemented numerous initiatives as part of its ongoing improvement plans. These include Theme weeks; Book Week events; Christmas Light switch on and Fun/Sports Day. There is continual investment in training for staff and IT Support.

# Seaton Academy

## Governors' Report (continued)

Our Development Plan outlines our objectives for 2017/18 these include: Further enhancement of provision/qualifications/expertise for SEN children within school; Incorporate learning for science on the VLE; Enhance Greater Depth provision for maths throughout the school; Refinement of whole school assessment.

### Funds Held as Custodian Trustee on behalf of Others

The Academy does not hold any funds as Custodian Trustee on behalf of others.

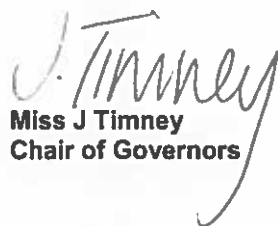
### Auditor

Insofar as the Governors are aware:

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

The Governors propose that Paul Clegg & Company be re-appointed as auditors of the Charitable company.

Trustees' report, incorporating a strategic report, approved by order of the members of the Governing body on 19 December 2017 and signed on its behalf by:

  
**Miss J Timney**  
**Chair of Governors**

# Seaton Academy

## Governance Statement

### Scope of Responsibility

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

The governing body has delegated the day to day responsibility to the Principal and 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 Seaton Academy and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the governors' Report and in the Statement of governors' responsibilities. The governing body has formally met 5 times during the year. Attendance during the year at meetings of the governing body was as follows:

<i>Governor</i>	<i>Meetings attended</i>	<i>Out of a possible</i>
C L Banks (principal and accounting officer)	5	5
C Mounsey (staff trustee)	5	5
M Coulthard (Chair)	5	5
D Midwood (staff trustee)	5	5
V Henderson (staff trustee)	5	5
J Timney	4	5

The Academy does not have a Finance and General Purposes Committee. All major business and financial decisions are dealt with at Whole Board Meetings.

### Review of Value For Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Regular scrutiny of financial and other performance monitoring data
- Regular reports from the Head Teacher and Finance Director to the Board of Trustees
- Contracts are reviewed as required – we have utilised the services of a purchasing consortium for our photocopier lease, our insurance and rental of a modular building to ensure best value.
- We have installed solar panels to reduce our carbon footprint.
- We employ staff directly so that we can cover cleaning and catering in house which enables us to manage these services more effectively.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 control has been in place in Seaton Academy for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.



# Seaton Academy

## Governance Statement (continued)

### Capacity to Handle Risk

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

### The Risk and Control Framework

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

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

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors are to appoint a serving Governor, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. During the year under review, the Academy has taken advice from their external accountants as an independent responsible organisation.

### Review of Effectiveness

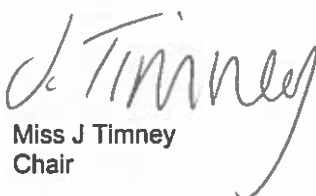
As accounting officer, Mrs C Banks, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the governing body on 19 December 2017 and signed on its behalf by:

Signed



Miss J Timney  
Chair

Signed



Mrs C Banks  
Accounting Officer

# Seaton Academy

## Statement on Regularity, Propriety and Compliance

As accounting officer of Seaton Academy, I have considered my responsibility to notify the Academy governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy governing body are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2016.

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



Mrs C Banks  
Accounting Officer

19 December 2017

# Seaton Academy

## Statement of Governors' Responsibilities

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

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

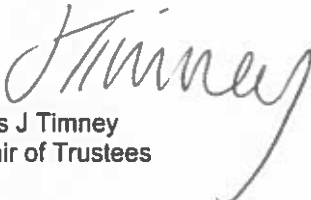
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the governing body on 19 December 2017 and signed on its behalf by:



Miss J Timney  
Chair of Trustees

# Seaton Academy

## Independent Auditor's Report on the Financial Statements to the Board of Trustees of Seaton Academy

### Independent Auditor's Report to the members of Seaton Academy

#### Opinion

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

This report is made solely to the academy trust'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 trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

# **Seaton Academy Independent Auditor's Report on the Financial Statements to the Board of Trustees of Seaton Academy (continued)**

## **Other information**

The governors are responsible for the other information. The other information comprises the information included in the governors' report, other than the financial statements and our auditor's 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 required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the governors' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' 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 trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the academy trust 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 trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

# Seaton Academy

## Independent Auditor's Report on the Financial Statements to the Board of Trustees of Seaton Academy (continued)

### Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



*Paul Clegg FCA (Senior Statutory Auditor)  
For and on behalf of Paul Clegg & Company, Statutory Auditor*

*Second Floor, Riverside Offices  
26 St Georges Quay  
Lancaster  
Lancashire  
LA1 1RD*

19 December 2017

# **Seaton Academy Independent Reporting Accountant's Assurance Report on Regularity to Seaton Academy and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 15 October 2014 and further to the requirements of the Education Funding Agency (ESFA) as included in the Academies: Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Seaton Academy Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Seaton 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 the Seaton 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 the Seaton Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Seaton Academy Trust's funding agreement with the Secretary of State for Education dated 8 August 2010 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

## **Approach**

We conducted our engagement in accordance with the Academies: Accounts Direction 2016 to 2017 issued by 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 trust's income and expenditure.

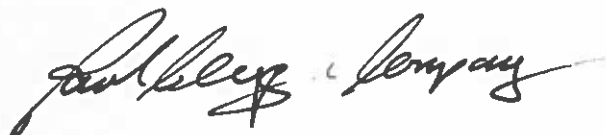
The work undertaken to draw our conclusions includes:

- Review of a sample of expenditure in conjunction with the terms of the funding agreement
- Review of trustees minutes and discussion with the Accounting Officer of activities during the year
- Testing of the Academies accounting system and internal controls
- Analytical review procedures alongside the above

# Seaton Academy Independent Auditor's Assurance Report on Regularity to Seaton Academy and the Education Funding Agency (continued)

## Conclusion

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



Paul Clegg & Company (Chartered Accountants)  
Reporting Accountant

Second Floor, Riverside Offices  
26 St Georges Quay  
Lancaster  
LA1 1RD

19 December 2017



# Seaton Academy

## Statement of Financial Activities for the year ended 31 August 2017 (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 31 August 2017 £000	Total 31 August 2016 £000
<b>Income and endowments from:</b>						
<i>Incoming resources from generated funds:</i>						
Income from other trading activities	2	-	-	-	-	-
Donations (including capital grants)	3	-	-	-	-	-
Income from Investments		-	-	-	-	-
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	4	-	1,055	7	1,062	1,057
<b>Total</b>		-	1,055	7	1,062	1,057
<b>Expenditure on:</b>						
Raising funds		-	-	-	-	-
<i>Charitable activities:</i>						
Academy trust educational operations	6	-	1,096	59	1,155	1,077
<b>Total</b>	5	-	1,096	59	1,155	1,077
<b>Net income / (expenditure)</b>		-	(41)	(52)	(93)	(20)
Gross transfers between funds	13	-	14	(14)	-	-
<b>Net income for the year</b>		-	(27)	(66)	(93)	(20)
<b>Other recognised gains and losses</b>						
Actuarial gains / (losses) on defined benefit pension schemes		-	109	-	109	(265)
<b>Net movement in funds</b>		-	82	(66)	16	(285)
<b>Reconciliation of funds</b>						
Funds brought forward to 1 September 2016	13	158	(201)	1,152	1,109	1,394
<b>Funds carried forward at 31 August 2017</b>		158	(119)	1,086	1,125	1,109

All of the Academy's activities derive from continuing operations during the above two financial periods.

# Seaton Academy

## Balance sheet as at 31 August 2017

Company Number  
07343156

	Notes	31 August 2017 £000	31 August 2017 £000	31 August 2016 £000	31 August 2016 £000
<b>Fixed assets</b>					
Tangible assets	10		1,125		1,195
<b>Current assets</b>					
Debtors	11	21		28	
Cash at bank and in hand		413		366	
		<u>434</u>		<u>394</u>	
<b>Creditors: Amounts falling due within one year</b>	12	57		53	
<b>Net current assets</b>			<u>377</u>		<u>341</u>
<b>Total assets less current liabilities</b>			1,502		1,536
<b>Net assets excluding pension liability</b>			1,502		1,536
Pension scheme liability	23		<u>(377)</u>		<u>(427)</u>
<b>Net assets including pension liability</b>			<u>1,125</u>		<u>1,109</u>
<b>Funds of the academy:</b>					
<b>Restricted funds</b>					
Fixed asset fund(s)	13		1,086		1,152
General fund(s)	13		258		226
Pension reserve	13		<u>(377)</u>		<u>(427)</u>
<b>Total restricted funds</b>			967		951
<b>Unrestricted funds</b>	13		<u>158</u>		<u>158</u>
<b>Total funds</b>			<u>1,125</u>		<u>1,109</u>

The financial statements were approved by the Governors and authorised for issue on 19 December 2017 and are signed on their behalf by:

  
.....  
**Miss J Timney**  
**Chair of Governors**

Company Limited by Guarantee  
Registration Number 07343156

# Seaton Academy

## Statement of Cash Flows for the year ended 31 August 2017

	Notes	31 August 2017 £000	31 August 2016 £000
Cash flows from operating activities	17	59	76
Cash flows from financing activities	18	-	-
Cash flows from investing activities	19	(12)	(44)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>47</u>	<u>32</u>
Cash and cash equivalents at 1 September 2016		366	334
<b>Cash and cash equivalents at 31 August 2017</b>	20	<u>413</u>	<u>366</u>

The notes on pages 18 to 34 form part of these financial statements.