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Registered number: 08195720

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2018

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

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THE WHITE HILLS PARK FEDERATION TRUST
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Reference and Administrative Details
For the Year Ended 31 August 2018

Members

R Brittle
C Day (resigned 10 October 2017)
A Bird
C Goodyear
S Limbachia (resigned 5 February 2018)
S Vasey
C Peebles (resigned 24 April 2018)
C Peacock

Directors

T Launchbury¹
P Heery, Chief Executive Officer¹
A Bird, Chair¹
R Brittle
S Cox (resigned 20 April 2018)¹
C Day (resigned 6 February 2018)
S Limbachia (resigned 5 February 2018)¹
J Macdonald¹
C Peebles (resigned 24 April 2018)
G Perry-Slack¹
M Wallace (resigned 2 October 2017)¹
C Welch (resigned 8 January 2018)
C Goodyear
S Vasey
C Peacock¹
N Caley (resigned 11 April 2018)¹
A Pugh (appointed 26 January 2018)
S Headland (appointed 16 February 2018)¹

¹ members of the Resources Committee

Company registered number

08195720

Company name

The White Hills Park Federation Trust

THE WHITE HILLS PARK FEDERATION TRUST
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Reference and Administrative Details of the Trust, its Directors and Advisers
For the Year Ended 31 August 2018

Advisers (continued)

Principal and registered office

Moor Lane, Bramcote, Nottingham, Nottinghamshire, NG9 3GA

Company secretary

K Sims

Senior management team

P Heery, Executive Principal
K Stephan, Director of Language College/Enrichment
J Macdonald, Operations Director
L Rockley, Deputy Headteacher
T Hyland, Deputy Headteacher
J Cooper, Deputy Headteacher
M Powell, Head of Educational Support (Resigned 31 August 2018)
N Caley, Head of School – The Alderman White School (Resigned 31 March 2018)
H Gale, Head of School – The Bramcote School
F Parker, Assistant Headteacher
J Read, Assistant Headteacher
S Morton, Assistant Headteacher
L Floate, Assistant Headteacher
A Holling, Assistant Headteacher

Independent auditors

Smith Cooper Audit Limited, 2 Lace Market Square, Nottingham, NG1 1PB

Bankers

Lloyds Banking Group Plc, Manchester, M15 4PU

Solicitors

Flint Bishop LLP, St. Michael's Court, St. Michael's Lane, Derby, DE1 3HQ

THE WHITE HILLS PARK FEDERATION TRUST
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Directors' Report
For the Year Ended 31 August 2018

The Directors 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 two secondary academies in Bramcote, Nottinghamshire. Its academies have a combined pupil capacity of 2,200 (including 300 Post 16 places). One academy provides education to students in the age range 11 – 16, serving the catchment areas of Bramcote, Stapleford and Trowell. The other academy serves the Bramcote and Beeston area of Nottinghamshire and provides education for the 11 – 18 age range on a split site. The Academy Trust's sixth form provision is available for students throughout Nottingham.

Structure, governance and management

a. 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 document of the Academy Trust.

The Directors act as the Trustees for the charitable activities of The White Hills Park Federation Trust and are also the Directors of the charitable company for the purposes of company law.

The charitable company is known as The White Hills Park Federation Trust.

The Academy Trust was incorporated on 30 August 2012 and commenced activities on 1 October 2012. The Academy Trust comprises the following academies:

Alderman White School
The Bramcote School (known as Bramcote College)

Details of the Directors who served during the year are included in the Reference and administrative details on page 1.

b. 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.

c. DIRECTORS' INDEMNITIES

Directors and Trustees are covered by the Education Funding Agency's Risk Protection Arrangements. As part of this scheme the Directors, Trustees and Governors receive unlimited indemnity.

THE WHITE HILLS PARK FEDERATION TRUST
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Directors' Report (continued)
For the Year Ended 31 August 2018

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF DIRECTORS

The Members are Directors of the company for the purposes of the Companies Act 2006 and Trustees for the purpose of charity legislation.

The Company shall have the following Directors:

- The Members may appoint up to 30 Directors.
- The Members may appoint staff Directors that may not exceed one third of the total number of Directors
- The Chief Executive Officer
- A minimum of 4 Parent Directors

Staff Directors are appointed through seeking volunteers and if appropriate undertaking an election process. Parent Directors are sought through an election process. The Directors may appoint Parent Directors if the number of parents standing for election is less than the number of vacancies.

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF DIRECTORS

The Trust provides an induction booklet for all new Directors. The Directors have appointed a training Director who manages the training needs of the board.

f. ORGANISATIONAL STRUCTURE

The Directors of the Trust are responsible for setting general policy, making decisions about the strategic direction of the Trust, capital expenditure and the appointment of the Executive Headteacher. The Directors have agreed a scheme of delegation of responsibilities to the committees of the Trust. The Committees are:

- Achievement and Standards Committee
- Pay Committee
- Resources Committee
- Student Committee

All committees report back to the Board of Directors. All Directors are provided with copies of policies, procedures, minutes, budgets, audited accounts and other documents as appropriate that they need to effectively undertake their role as a Director.

g. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Directors consider that the Senior Leadership Team ("SLT") and the Board of Directors comprise the Key Management Personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. The SLT for 2017/18 was made up of 1 Executive Principal, 1 Operations Director, 2 Heads of School, 3 Deputy Headteachers, 5 Assistant Headteachers and 1 Head of Educational Support Staff. This structure was developed following the closure of The Bramcote School building on 31 August 2017 and is considered to be an appropriate structure going forward for the size and nature of the Trust. No Director receives any form of remuneration, unless they are appointed as a staff director.

The Board of Directors of the Trust have in place a pay policy which was adopted on 9th November 2015 and which is reviewed annually with the Executive Headteacher. The pay policy states that the Board is committed to taking pay decisions in accordance with the principles of public life as listed in DfE guidance; objectivity, openness and accountability. The policy also notes that the Board recognises the legal requirements placed upon them by the Education Act 2002 and subsequent legislation together with the current School Teacher's Pay and Conditions document (STPCD) and the National and Local Conditions of Service for National Joint Council staff and the Education (School Teacher Appraisal) (England) Regulations 2012. The policy also reflects the Trust's responsibilities to staff under the Equality Act 2010, the Employment Relations Act 1999 and all other relevant legislation of which the Trust is aware.

THE WHITE HILLS PARK FEDERATION TRUST
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Directors' Report (continued)
For the Year Ended 31 August 2018

The Board of Directors delegates to the Pay Committee the responsibility for approving decisions relating to performance pay progression in line with the pay policy.

The policy is based on a "whole school" approach to pay issues with pay decisions taken in the full consideration of the resources available within the overall school budget. This means that pay decisions relating to particular groups of staff are not taken in isolation.

All employees are paid in accordance with the statutory provisions of the STPCD and the "Burgundy Book" (teaching staff) or the National Joint Council "Green Book" conditions of service and NJC pay scales (support staff); and the pay ranges determined by the school.

For new Headteacher/Executive Headteacher appointments, or for existing posts where responsibilities have changed significantly, the Board determines a consecutive seven point range (IPR) on the leadership pay range within the School's group size. The School group calculation is based on pupil numbers at each Key Stage and is considered by the Trust to be an appropriate way to assess the complexity and challenge of the head teacher role.

For new appointments to deputy headship and Assistant Headteachers, or for existing posts where responsibilities have changed significantly, the Board will determine a 5 point range on the leadership pay range, in line with the STPCD and the guidance provided by Nottinghamshire County Council. There is no overlap between this 5 point pay range and the headteacher pay range.

The IPR ranges of the Headteacher or other senior leaders are not altered if they have reached the top of their individual pay range or to provide the equivalent of a pay award.

Pay progression of the executive Headteacher, head of schools, deputy and assistant Headteachers is reviewed annually in line with the pay policy. From 1 September 2016 any pay uplift for key management personnel is not automatic, but is based on individual performance assessed through the school's Appraisal Policy. In accordance with the STPCD the head teacher and other leaders paid on the LPR must demonstrate a sustained high quality of performance with particular regard to the quality of leadership and management; pupil progress; the quality of teaching and the behaviour and safety of pupils at the school.

In reviewing the Executive Headteacher's performance, the Board employs the services of an external advisor.

Support staff leadership payments are made in accordance with the National Joint Council for Local Government Services payscales and allowances that are reviewed annually. Individual pay for posts within the Trust are assessed utilising the Job evaluation process that is detailed within the National Joint Council national pay and conditions of service, known as the green book.

h. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

In line with FRS 102 the Trust must declare all relevant connections and related party interests in the period.

Related parties of the Trust include:

- Trustees and close members of their family
- Key management of the Trust and close members of their family
- Other entities over which such individuals have control, joint control or significant influence

Declarations of related party interests were made by staff members in the period. It was deemed by the Trustees and the management team that there were sufficient appropriate safeguards in place within the Trust to ensure that these relationships did not prejudice decision making.

THE WHITE HILLS PARK FEDERATION TRUST
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Directors' Report (continued)
For the Year Ended 31 August 2018

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum.

In addition, to promote for the benefit of individuals living in Nottingham and the surrounding area who have need, the provision of facilities for recreation or other leisure time occupation who have need of such facilities due to their youth, age, affinity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said individuals.

In accordance with the Articles of Association the Trust has entered into relevant funding agreements for each Academy with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the Trust, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Trust during the period ended 31 August 2018 are summarised below:

- To ensure all students within the Trust receive a highly effective education which will ensure they reach their potential.
- To continue to raise the standard of education by improving the quality of teaching and learning.
- To provide a curriculum which matches the needs and the ambitions of all students.
- To ensure compliance with all statutory and curriculum requirements.
- To provide value for money for the funds expended.
- To teach pupils the values of self-discipline, resilience, tolerance and respect to become life-long learners in our modern world.
- To prepare students for their next stage in education, training or the workplace.

The Trust's main objective is to provide a high quality of education for all of its students. This is achieved by:

- A rigorous system of quality assuring all aspects of our provision.
- Providing well targeted and customised training for all staff within the Trust.
- Creating a culture of continual improvement amongst all staff within the Trust.
- Creating a supportive environment for our students in which they can thrive and achieve.
- Ensuring a range of activities and experiences for all of our students, both in and outside of the classroom.

c. PUBLIC BENEFIT

In setting our objectives and planning our activities, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit. The main public benefit delivered by The White Hills Park Federation Trust is the ongoing development and consistent provision of high quality education by its member schools.

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Directors' Report (continued)
For the Year Ended 31 August 2018

Achievements and performance

a. REVIEW OF ACTIVITIES

Key performance indicators

- Both schools in the Trust achieved their best ever GCSE results in summer 2018. At Alderman White School, 67% of those sitting the GCSE exams achieved grade 4 or above in both English and Maths, which is well above National Averages. At Bramcote College, 63% of students achieved at least the expected standard in both English and Maths, reflecting a substantial upward trend from 2017. The achievement gap between Bramcote College's most vulnerable disadvantaged students and their peers also closed significantly.
- At A level the Trust achieved a pass rate of 96%. Over 85% of those applying for university were successful and all students from both academic and vocational routes secured appropriate high quality destinations including apprenticeships at Rolls Royce and the Police Service.
- Although we have made significant steps in both attainment and progress across the Trust, this is not evident in our 'Progress 8' score, the measure that the government uses to indicate progress in a range of subjects. This is due to the impact of early entry in English Literature in Year 10, the fact that almost all students studied the more higher-rated option of single sciences rather than the combined science choice, the fact that we are still awaiting results for one subject due to confirmation delays from the exam board, and the fact that we took the principled decision to make sure that we did not enter students for a large number of qualifications that would have benefitted the school score, but would have done little for the individual student. When these factors are taken into account, our progress scores show the same scale of improvement as our attainment scores.

The White Hills Park Federation Trust has raised the achievement of its students over several years. Validated data for 2018 is not yet available, but indications are that results overall are improving.

Examination Results

% students achieving grade 4+ in English and Maths:	66.05%
% students achieving grade 5+ in English and Maths:	42.79%
Average Attainment 8:	4.58
No. GCSEs at grade 7+:	273 (including grade A+: 299)
A level APS per student:	68.28
A level APS per entry:	23.94

Finance/Resources

- The external audit team anticipate a clean audit opinion for the year ended 31 August 2018, consistent with all years since conversion to Academy in 2012. Internal audit reports for the year found no significant issues.
- Following budget approvals in the summer term, financial re-forecasts are made termly and management accounts including 5 year budgets, cash flows are produced and reviewed monthly. This monitoring and review has allowed the Trust to identify areas of ongoing cost saving, whilst maintaining a high quality of education provision, breadth of curriculum and pastoral support for our students.
- The Board and Senior Leadership team continue to take actions to ensure that the Trust remains in a positive financial position despite continuing external pressures on school budgets.

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Directors' Report (continued)
For the Year Ended 31 August 2018

Staffing

- Curriculum led financial planning has allowed the Trust to make well-informed decisions about whether or not to replace leaving staff members, and what mix of staff is required in each department. Therefore we have not replaced a PE Teacher as we had internal capacity in this department.
- Staff costs as a percentage of GAG income were 85% for 2017 - 18, consistent with 2016 - 17.
- The results of the annual Staff Survey were very positive – in every one of the 31 questions, the average response has moved in the right direction, and the Trust is very pleased with many of the outcomes. For example, the average score for the final question 'I enjoy my job' is almost exactly 4 (3.98), where strongly agree is 5, agree is 4, and neutral is 3. This has risen from 3.37 in 2015.

Students

- Admissions into Y7 in September 2017 were in line with expectations, continuing at recent levels for the Alderman White School and increasing slightly from 2016 levels at Bramcote College.
- Admissions into the 6th form in September 2017 were lower than had been anticipated. Following the closure of The Bramcote School site in August 2017, temporary accommodation has been required for KS5 until the new school build project progresses further. Delays in getting that temporary accommodation in place contributed to this decline in numbers. Slower than anticipated build project progress during 17/18 has also impacted on numbers joining the 6th form in September 2018, but the trend is upwards and the situation is considered to be a temporary one.
- For the academic year 2017 - 2018 the attendance of students was 95.5% for the Alderman White School including 6th form, and 95.4% for Bramcote College; both schools are above the National Average.
- There were no permanent exclusions during 17/18, compared to 1 for the previous year. The Trust has had notable successes with some students who may have been at risk of a permanent exclusion through the establishment of the 'Individual Mentoring Programme' across both schools. In particular this has allowed the Trust to maintain clear communication lines between school and home through building of positive relationships. Regular attendance leads to improved progress and results and sets students up for their future working life. The IMP is shown to have a significant impact on attendance of pupils, especially our disadvantaged.

Premises

- CIF funded roof works were completed at the start of 17/18 in both schools, and works to bring the fire alarm system up to current standards were completed at Alderman White during the summer break.
- Taking into account the age of the building stock and the anticipation of a new school build for Bramcote College, repairs and maintenance spend is focussed on those works necessary to meet Health and Safety requirements.
- The Trust expects to enter into an agreement with the ultimate freeholder of the surplus land to the north of Bramcote College by the end of 2018. This will allow the parties to work together to fund a new build on the Bramcote College site.

Review of activities

The Trust's main source of funding is the General Annual grant (GAG) received monthly from the Education and Skills Funding Agency (ESFA). The Trust also generates additional income from letting of its facilities. Funding was also secured during the year to carry out specific capital works.

The Trust had total funds at 31 August 2018 of £19,066,000. £22,955,000 of this balance can only be realised by the disposal of tangible fixed assets. The remaining balance is primarily the LGPS deficit of (£3,971,000). However, the LGPS liability will not crystallise in the near future and the actual reserve funding available to the Trust excluding the LGPS liability is £37,000 of unrestricted funds and £45,000 of restricted funds.

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Directors' Report (continued)
For the Year Ended 31 August 2018

b. GOING CONCERN

As detailed in the Directors' report "Annual Review" section, the Trust's SOFA for the year ended 31 August 2018 shows a net movement in funds for the year of £288,000 and the Total of Unrestricted Funds and Restricted Funds (less Pension Fund) carried forward was a surplus of £82,000.

The Trust has been able to return to a positive restricted and unrestricted reserves position, reversing the deficit of £33,000 recorded at 31 August 2017. Short term financial support obtained from the ESFA in January 2017 was fully repaid during 17/18 in line with the agreed timetable.

Termly re-forecasts are reviewed by the Board of Directors and the Senior Leadership Team, and monthly cash flow forecasting allows the Trust to confirm that it will remain cash positive over its 5 year forecast period based on current predictions.

The Trust continues to focus on cost reduction and efficiencies, whilst at the same time acknowledging the need to deliver high quality education to secure progress and achievement for its students. Significant external cost pressures remain, primarily relating to staff salaries and to the ongoing upkeep of an ageing premises estate. However, proactive forecasting and cash modelling has allowed us to anticipate these challenges, build in measures to mitigate risk and forecast positive closing reserves and cash for 18/19.

Financial review

a. RESERVES POLICY

The Directors' policy is to review the reserve levels of the Academies annually. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves. The policy of the Trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects, subject to the constraint that the level of resources does not exceed the level permitted by the ESFA.

A deficit of £3,926,000 has arisen on Restricted Funds. This is due to the deficit of £3,971,000 on the Local Government Pension Scheme ("LGPS"). However, this does not mean that an immediate liability for this amount has crystallised. Following the triennial pension scheme valuation that was completed in 2016 the Academy Trust is required to pay 18.3% of payroll costs per annum to the pension fund for deficit recovery. Going forward, from April 2019, this contribution rate will increase to 23.6%.

b. INVESTMENT POLICY AND PERFORMANCE

Due to the nature of the funding cycle, the Trust may at times hold large cash balances which may not be required for immediate use. The Directors may authorise the opening of an additional short term bank investment account to take advantage of higher interest rates. Any other form of investment must have prior written Director approval.

c. PRINCIPAL RISKS AND UNCERTAINTIES

Student numbers

The principal risk for the Trust during the next few years is any potential reduction in student numbers. As previously noted, student numbers have remained static and current indicators, including detailed analysis of student numbers in our feeder schools, suggest that these will start to increase. The Directors continue to closely monitor local demographic information and maintain strong ties with the Trust's feeder schools.

Staff costs and key pay related factors

The National Living Wage, whilst a significant development for those on lower wages, will have limited impact due to the Trust's current staffing structure.

THE WHITE HILLS PARK FEDERATION TRUST
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Directors' Report (continued)
For the Year Ended 31 August 2018

Funding

The Trust has considerable reliance on continued Government funding through the ESFA. The Trust closely monitors transition numbers and models the financial implications of any trends or anticipated changes to funding methodology. The continued impact of the introduction of the National Funding Formula on the Trust is being reviewed.

Reputational

The continuing success of the Trust is dependent on it continuing to attract students in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Directors ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding

The Directors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing

The success of the Trust is dependent on the quality of its staff and therefore the Directors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Trust has engaged the external auditors to fulfil the internal audit checking and reviewing function, as required by the Academies Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and to develop their skills in this area.

Fundraising

The main focus of fundraising activities for the Trust is through the Parent Teacher Associations of the 2 individual schools.

Other ad hoc fundraising such as cake sales or non-uniform days also generate funds for the Trust, and the Trust finance team are involved in confirming and banking the cash amounts raised.

The Trust also applies for grant funding where relevant, to fund specific purchases, typically of such items as sports, music or outdoor equipment.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Trust will continue its key objective to improve the levels of performance of all students, maintaining and improving Ofsted judgments. The Trust's development plan details how each objective will be achieved over a period of time.

The longer term school re-build project is progressing in accordance with projected timescales. It is anticipated that this will lead to significant improvements in recruitment, reduction in costs and quality of provision.

THE WHITE HILLS PARK FEDERATION TRUST
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Directors' Report (continued)
For the Year Ended 31 August 2018

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Directors are aware:

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

The Directors' Report was approved by order of the Board of Directors, as the company directors, on 6/12/18 and signed on its behalf by:

.....
A Bird

Chair of the Board of Directors

THE WHITE HILLS PARK FEDERATION TRUST
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Governance Statement

SCOPE OF RESPONSIBILITY

As Directors, we acknowledge we have overall responsibility for ensuring that The White Hills Park Federation 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 Directors has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The White Hills Park Federation Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

The Directors have approved the following Committees to focus on specific areas of governance;

- Achievement and Standards Committee – where members have oversight of the curriculum and all matters associated with teaching and learning, review the Federation's schools comparative academic performance and advise and guide the Board in these areas;
- Pay Committee – to authorise, manage and implement pay decisions in line with the Academy Trust's pay and appraisal policies;
- Resources Committee – where the Directors review and challenge the ongoing financial results of the Academy Trust, and decide on issues arising in such areas as Health and Safety; tasked with reviewing the overall risk profile of the Academy Trust, monitoring risk management techniques and providing financial oversight;
- Student Committee – established to oversee and monitor delivery of the Academy Trust's five year vision as it relates to students and the wider community.

The terms of reference for each of these Committees are regularly reviewed and amended where necessary as the needs and objectives of the Academy Trust evolve.

GOVERNANCE

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 3 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
P Heery, Chief Executive Officer	3	3
T Launchbury	3	3
A Bird, Chair	2	3
R Brittle	3	3
C Day	0	1
S Headland	1	1
C Peacock	3	3
S Limbachia	0	1
J Macdonald	2	3
C Peebles	1	3
M Wallace	1	1
C Welch	1	1
C Goodyear	3	3
S Vasey	3	3
S Cox	1	1
G Perry-Slack	3	3
N Caley	1	1
A Pugh	2	2

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Governance Statement (continued)

Governance reviews

The governing body were incredibly gratified to see the improvements in KS4 results this year, especially at Bramcote College. This is testament to the work done by the leadership team and the support the governing body gave. This was recognised by Ofsted inspections in the previous year but now evidenced by outcomes of the young people in our charge.

The governing body supported the hiring of a new Head of School at Alderman White after the resignation of the previous Head. We were able to provide several experienced Directors to support the process and are confident that we were able to assist the school effectively. We also oversaw the closure of the old Bramcote School site and the move to the Bramcote College making provision for KS3, KS4 and KS5.

The Trust took the decision this year to prepare itself for expansion beyond the current federated structure of two secondary schools. This expansion would entail the formation and operation of a Multi Academy Trust (MAT) structure. Before the formal restructure, we have decided to operate governance in the intended approach during a transition phase.

We now operate a Trust board and Local Governing Bodies (LGB) for the two schools. This structure replaces the sub-committee arrangement we have operated previously. Frequency of meetings and decisions about sub-committees are under review for this transition phase.

Some long-serving Directors left the body this year and we have been actively working to replace them, albeit with a mind to the new structure. We were able to secure the commitment of a mental health professional to join the governing body and this covers this identified skillset gap. We've been especially pleased to secure involvement from Staff Governors on both LGBs. A skills audit in the autumn will guide our recruitment efforts in 2019.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Executive Headteacher 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 Directors 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:

- Moving the focus of the schools away from communication with Parents by post and making use instead of electronic notifications and messages where possible.
- Better forward planning for the exam seasons, to allow the Trust to make use of internal staff for invigilation where possible, significantly reducing costs.
- Re-negotiation with supply staff agencies such that the Trust's use of external supply cover is limited where possible to specific timetable periods rather than full or half days.

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 The White Hills Park Federation 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.

THE WHITE HILLS PARK FEDERATION TRUST
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Governance Statement (continued)

CAPACITY TO HANDLE RISK

The Board of Directors 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 Directors 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 Directors.

Where it is considered appropriate in order to effectively manage potential risk to the Academy Trust, external support and advice is sought from external providers of audit and legal service, occupational and governor/director support, and insurance.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Resources 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 Directors has considered the need for a specific internal audit function and has decided to appoint Smith Cooper Limited, the external auditor, as internal auditor. An annual testing plan is agreed between Smith Cooper Limited and the Academy Trust and detailed reports are provided to the Directors on work performed and any recommendations for improvement. Members of the Smith Cooper Audit Limited internal audit team do not work on the external audit to ensure that the independence and objectivity between the two services provided is maintained.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the internal auditor provides detailed reports to the board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities. In particular the checks carried out in the current period included:

- testing of purchase systems
- testing of payroll systems
- testing of control account/bank reconciliations
- testing of expense claims
- testing of petty cash transactions
- testing of income transactions
- testing of school fund expenditure allocation
- testing of related party transactions
- testing of fixed assets
- testing of financial reporting and compliance

Twice a year, the auditor reports to the board of trustees, through the Resources Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

Smith Cooper Audit Limited has been able to deliver their schedule of work as planned and no material control issues were identified.

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

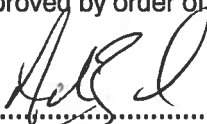
REVIEW OF EFFECTIVENESS

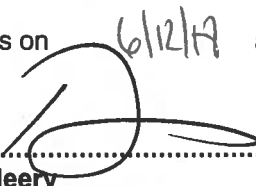
As Accounting Officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- 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 Academy 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 Audit 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 Directors on 6/12/17 and signed on their behalf, by:


.....
A Bird, Chair
Chair of the Board of Directors


.....
P Heery
Accounting Officer

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting Officer of The White Hills Park Federation 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.



.....
P Heery
Accounting Officer

Date: - 6/12/18

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Statement of Directors' Responsibilities
For the Year Ended 31 August 2018

The Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors 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 Directors 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 Directors 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 Directors 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 Directors on 6/12/18 and signed on its behalf by:



.....
A Bird, Chair
Chair of the Board of Directors

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the Financial Statements to the Members of The White Hills Park Federation Trust

OPINION

We have audited the financial statements of The White Hills Park Federation Trust (the 'Trust') 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', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust'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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Directors 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.

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the Financial Statements to the Members of The White Hills Park Federation Trust

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in 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 DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities, the Directors (who are also the directors of the 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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the Financial Statements to the Members of The White Hills Park Federation Trust

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.

USE OF OUR REPORT

This report is made solely to the 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 Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Smith Cooper Audit Limited

Sarah Flear (Senior Statutory Auditor)

for and on behalf of

Smith Cooper Audit Limited

Chartered Accountants and Statutory Auditors

2 Lace Market Square

Nottingham

NG1 1PB

Date:

13/12/18

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to The White Hills Park Federation Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 8 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 The White Hills Park Federation 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 The White Hills Park Federation 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 White Hills Park Federation 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 White Hills Park Federation Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE WHITE HILLS PARK FEDERATION TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of The White Hills Park Federation Trust's funding agreement with the Secretary of State for Education dated 25 May 2012, 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 Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- a review of the outcome of the 2017 regularity audit
- a review of the evidence used to support the Accounting Officer's conclusions on the Regularity Statement
- a review of the adequacy of the work of the internal auditors and the adequacy of the program of work
- a review of the reports prepared by the internal auditors during the year ended 31 August 2018
- a review of the internal control environment and whether the environment has regard to regularity of transactions. Consideration to significant changes in the control environment and whether this has led to potential weaknesses
- confirmation through enquiry and sample testing that gifts and hospitality are given and received in line with the Academy Trust's policies

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to The White Hills Park Federation Trust and the Education & Skills Funding Agency (continued)

- confirmation through enquiry and sample testing that the use of expense claims or credit cards and petty cash adheres to internal control principles and that items are not for personal benefit
- confirmation through enquiry and sample testing that expenditure does not contravene the funding agreement
- confirmation through enquiry and sample testing that the lines of delegation and limits set both internally and by the ESFA have been adhered to
- consideration to procurement and tendering procedures ensuring these have been correctly adhered to and administered
- consideration to the compliance of the Academy's delegated authorities over financial transactions and evidence of prior approval from the Secretary of State where applicable
- a review of declarations of business interests for all governors/directors and key staff
- a review of transactions with connected parties ensuring these have been completed following correct procurement and tendering procedures
- a review of meeting minutes of the various committees particularly in relation to procedures surrounding executive pay and sharing of ESFA letters
- consideration as to the appropriateness of any alcohol or excessive gift purchases
- consideration as to whether there has been an appropriate, reasonable and timely response into any recommendations by auditors.

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.

Smith Cooper Audit Limited

Smith Cooper Audit Limited
Chartered Accountants
2 Lace Market Square
Nottingham
NG1 1PB

Date: *13/12/18*

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Statement of Financial Activities incorporating Income and Expenditure Account
For the Year Ended 31 August 2018

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME FROM:						
Donations and capital grants	2	-	6	134	140	234
Funding for academy's educational operations	3	-	8,270	-	8,270	8,642
Other trading activities	4	37	-	-	37	69
TOTAL INCOME		37	8,276	134	8,447	8,945
EXPENDITURE ON:						
Academy educational operations	5	-	8,575	735	9,310	10,088
Impairment of tangible fixed assets	12	-	-	-	-	8
TOTAL EXPENDITURE		-	8,575	735	9,310	10,096
NET BEFORE TRANSFERS		37	(299)	(601)	(863)	(1,151)
Transfers between Funds	15	-	(42)	42	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		37	(341)	(559)	(863)	(1,151)
Actuarial gains on defined benefit pension schemes	21	-	1,151	-	1,151	952
NET MOVEMENT IN FUNDS		37	810	(559)	288	(199)
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(4,736)	23,514	18,778	18,977
TOTAL FUNDS CARRIED FORWARD		37	(3,926)	22,955	19,066	18,778

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)
Registered number: 08195720

Balance Sheet
As at 31 August 2018

	Note	£000	2018 £000	2017 £000
FIXED ASSETS				
Tangible assets	12		22,935	23,514
CURRENT ASSETS				
Debtors	13	319		178
Cash at bank and in hand		139		319
		<u>458</u>		<u>497</u>
CREDITORS: amounts falling due within one year	14	(356)		(530)
NET CURRENT ASSETS/(LIABILITIES)			102	(33)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>23,037</u>	<u>23,481</u>
Defined benefit pension scheme liability	21		(3,971)	(4,703)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>19,066</u>	<u>18,778</u>
FUNDS OF THE ACADEMY				
Restricted income funds:				
Restricted income funds	15	45		(33)
Restricted fixed asset funds	15	22,955		23,514
		<u></u>		<u></u>
Restricted income funds excluding pension liability		23,000		23,481
Pension reserve		(3,971)		(4,703)
		<u></u>		<u></u>
Total restricted income funds			19,029	18,778
Unrestricted income funds	15		37	-
TOTAL FUNDS			<u>19,066</u>	<u>18,778</u>

The financial statements on pages 23 to 48 were approved by the Directors, and authorised for issue, on 06/12/18 and are signed on their behalf, by:



A Bird, Chair
 Chair of Trustees

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	<u>(24)</u>	<u>110</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(156)</u>	<u>(510)</u>
Net cash used in investing activities		<u>(156)</u>	<u>(510)</u>
Change in cash and cash equivalents in the year		(180)	(400)
Cash and cash equivalents brought forward		<u>319</u>	<u>719</u>
Cash and cash equivalents carried forward		<u><u>139</u></u>	<u><u>319</u></u>

THE WHITE HILLS PARK FEDERATION 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.

The White Hills Park Federation Trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in Sterling which is the functional currency of the company and rounded to the nearest £1,000.

1.2 Going concern

The Directors 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 Trust to continue as a going concern. The Directors 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All income is recognised once the Trust 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.

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.

THE WHITE HILLS PARK FEDERATION 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 charitable activities are costs incurred on the Trust's educational operations, including support costs and those costs relating to the governance of the Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. 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:

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. ACCOUNTING POLICIES (continued)

L/Term Leasehold Land	-	Over the term of the lease (125 years)
L/Term Leasehold Property	-	Straight line over the shorter of useful economic life or lease term
S/Term Leasehold Property	-	Straight line over the shorter of useful economic life or lease term
Fixtures and fittings	-	Straight line at 20%
Leasehold improvements	-	Straight line over the shorter of useful economic life or lease term
Motor vehicles	-	Straight line at 25%
Computer equipment	-	Straight line at 33%

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.

1.6 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.

1.7 Taxation

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

1.8 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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions 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.

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. ACCOUNTING POLICIES (continued)

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the Trust'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 14. 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 instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.10 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2018

1. ACCOUNTING POLICIES (continued)

1.11 Fund accounting

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

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.

Investment income, gains and losses are allocated to the appropriate fund.

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 24.

1.13 Critical accounting estimates and areas of judgment

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.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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.

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Donations	-	6	-	6	3
Capital grants	-	-	134	134	231
	-	6	134	140	234
<i>Total 2017</i>	-	3	231	234	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	6,480	6,480	6,722
Other DfE Group grants	-	1,191	1,191	1,261
	-	7,671	7,671	7,983
Other government grants				
Special educational projects	-	221	221	257
Local authority grants	-	-	-	26
	-	221	221	282
Other income from the academy trust's educational operations				
School trip income	-	165	165	183
Other incoming resources	-	213	213	193
	-	378	378	376
	-	8,270	8,270	8,642

In 2017, of the total income from funding for academy's educational operations, £Nil was to unrestricted funds and £8,642,000 was to restricted funds.

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Hire of facilities	37	-	37	69
	<u>37</u>	<u>-</u>	<u>37</u>	<u>69</u>
<i>Total 2017</i>	<u>69</u>	<u>-</u>	<u>69</u>	

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total 2018 £000	Total 2017 £000
Academy trust educational operations	5,784	3,526	9,310	10,088
	<u>5,784</u>	<u>3,526</u>	<u>9,310</u>	<u>10,088</u>
<i>Total 2017</i>	<u>6,125</u>	<u>3,963</u>	<u>10,088</u>	

In 2018, of the total expenditure, £nil (2017 - £69,000) related to unrestricted funds and £9,310,000 (2017 - £10,019,000) related to restricted funds.

6. EXPENDITURE

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Academy's educational operations:					
Direct costs	5,246	-	538	5,784	6,125
Support costs	1,529	1,305	692	3,526	3,963
	<u>6,775</u>	<u>1,305</u>	<u>1,230</u>	<u>9,310</u>	<u>10,088</u>
<i>Total 2017</i>	<u>7,033</u>	<u>1,311</u>	<u>1,744</u>	<u>10,088</u>	

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

7. NET INCOME/EXPENDITURE

Net income/(expenditure) for the period includes:

	2018	<i>2017</i>
	£000	<i>£000</i>
Operating lease rentals	11	<i>12</i>
Depreciation	735	<i>1,078</i>
Fees payable to auditor for:		
- audit	12	<i>11</i>
- other services	4	<i>4</i>

During the year there were no individual transactions exceeding £5,000 falling under the following headings:

- Ex-gratia/compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

8. ACADEMY EDUCATIONAL OPERATIONS

	Total funds 2018 £000	<i>Total funds 2017 £000</i>
DIRECT COSTS		
Teaching and educational support staff costs	4,169	4,372
National insurance	423	440
Pension cost	654	686
Depreciation	21	28
Educational supplies	286	364
Examination fees	114	122
Other direct costs	105	109
Recruitment and support	12	4
	<hr/> 5,784 <hr/>	<hr/> 6,125 <hr/>
ANALYSIS OF SUPPORT COSTS		
Wages and salaries	900	955
National insurance	63	66
Pension cost	566	515
Depreciation	714	1,050
Technology costs	81	90
Maintenance of premises and equipment	324	305
Cleaning	219	263
Rent and rates	75	73
Energy costs	146	176
Insurance	86	89
Catering	70	72
Other support costs	264	293
Governance costs	18	17
	<hr/> 3,526 <hr/>	<hr/> 3,964 <hr/>
	<hr/> 9,310 <hr/>	<hr/> 10,089 <hr/>

THE WHITE HILLS PARK FEDERATION TRUST
(A Company Limited by Guarantee)

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
	£000	£000
Wages and salaries	4,895	5,146
Social security costs	486	506
Operating costs of defined benefit pension schemes	1,220	1,201
	<hr/>	<hr/>
	6,601	6,853
Agency staff costs	134	154
Staff restructuring costs	40	26
	<hr/>	<hr/>
	6,775	7,033
	<hr/> <hr/>	<hr/> <hr/>

Within operating costs of defined benefit pension are net finance costs of £119,000 (2017 - £114,000).

Staff restructuring costs comprise:

	2018	2017
	£000	£000
Redundancy payments	40	15
Severance payments	-	11
	<hr/>	<hr/>
	40	26
	<hr/> <hr/>	<hr/> <hr/>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments of £Nil (2017 - £10,725).

c. Staff numbers

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

	2018	2017
	No.	No.
Teachers	84	85
Admin	105	132
Management	13	13
	<hr/>	<hr/>
	202	230
	<hr/> <hr/>	<hr/> <hr/>

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

9. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	<i>2017</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	0	<i>4</i>
In the band £70,001 - £80,000	1	<i>1</i>
In the band £100,001 - £110,000	1	<i>1</i>

All of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme.

e. Key management personnel

The key management personnel of the academy trust comprise the directors and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,011,681 (2017 - £1,248,520).

10. DIRECTORS' REMUNERATION AND EXPENSES

One or more Directors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows:

		2018	<i>2017</i>
		£000	<i>£000</i>
P F Heery (Principal and director)	Remuneration	100-105	<i>100-105</i>
	Pension contributions paid	15-20	<i>15-20</i>
J Macdonald (staff director)	Remuneration	70-75	<i>65-70</i>
	Pension contributions paid	10-15	<i>10-15</i>
C Welch (staff director) - resigned 08/01/2018	Remuneration	10-15	<i>30-35</i>
	Pension contributions paid	0-5	<i>5-10</i>

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

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

11. DIRECTORS' AND OFFICERS' INSURANCE

The academy trust 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 Directors and officers indemnity element from the overall cost of the RPA scheme.

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

12. TANGIBLE FIXED ASSETS

	Leasehold improve- ments £000	L/Term Leasehold Land & Buildings £000	S/Term Leasehold Land & Buildings £000	Fixtures and fittings £000	Motor vehicles £000	Computer equipment £000	Total £000
Cost							
At 1 September 2017	1,581	37,913	191	253	16	263	40,217
Additions	114	-	-	13	-	29	156
At 31 August 2018	1,695	37,913	191	266	16	292	40,373
Depreciation							
At 1 September 2017	321	15,792	94	242	16	238	16,703
Charge for the year	71	612	19	12	-	21	735
At 31 August 2018	392	16,404	113	254	16	259	17,438
Net book value							
At 31 August 2018	1,303	21,509	78	12	-	33	22,935
At 31 August 2017	1,260	22,121	97	11	-	25	23,514

13. DEBTORS

	2018 £000	2017 £000
Trade debtors	17	13
Other debtors	97	23
Prepayments and accrued income	205	142
	319	178

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

14. CREDITORS: Amounts falling due within one year

	2018	2017
	£000	£000
Trade creditors	110	34
Other taxation and social security	-	119
Other creditors	-	178
Accruals and deferred income	246	199
	<hr/> 356	<hr/> 530
	<hr/> <hr/>	<hr/> <hr/>
	2018	2017
	£000	£000
Deferred income		
Deferred income at 1 September 2017	148	125
Resources deferred during the year	225	148
Amounts released from previous years	(148)	(125)
	<hr/> 225	<hr/> 148
	<hr/> <hr/>	<hr/> <hr/>
Deferred income at 31 August 2018		

At the balance sheet date the Academy Trust was holding funds received in advance for school trips, Special Educational Needs funding, rates and active health funding.

Included within other creditors falling due within one year is an unsecured Salix loan of £Nil (2017 - £3,745).

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

15. STATEMENT OF FUNDS

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
Unrestricted funds	-	37	-	-	-	37
Restricted funds						
General Annual Grant (GAG)	(75)	6,480	(6,782)	377	-	-
Other DFE Group grants	-	1,191	(1,191)	-	-	-
Other government grants	-	221	(221)	-	-	-
Other restricted	42	384	(381)	-	-	45
Pension reserve	(4,703)	-	-	(419)	1,151	(3,971)
	<u>(4,736)</u>	<u>8,276</u>	<u>(8,575)</u>	<u>(42)</u>	<u>1,151</u>	<u>(3,926)</u>
Restricted fixed asset funds						
Transferred on conversion	22,249	-	(630)	-	-	21,619
Capital expenditure from GAG	50	-	(35)	42	-	57
Academies Capital Maintenance Fund (ACMF)	9	-	(1)	-	-	8
Software funding	1	-	(1)	-	-	-
LA Capital Project Funding	613	-	(35)	-	-	578
Condition Improvement Fund (CIF)	591	134	(32)	-	-	693
Music stands	1	-	(1)	-	-	-
	<u>23,514</u>	<u>134</u>	<u>(735)</u>	<u>42</u>	<u>-</u>	<u>22,955</u>
Total restricted funds	<u>18,778</u>	<u>8,410</u>	<u>(9,310)</u>	<u>-</u>	<u>1,151</u>	<u>19,029</u>
Total of funds	<u>18,778</u>	<u>8,447</u>	<u>(9,310)</u>	<u>-</u>	<u>1,151</u>	<u>19,066</u>

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

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

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

Restricted general funds comprise of all other restricted funds received and include grants from the Department for Education and will only be used for the purpose that the grants were intended. The main grant received within these funds is the GAG.

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

15. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	Total 2017 £000
Alderman White School	46	888
The Bramcote School	36	(921)
Total before fixed asset fund and pension reserve	<u>82</u>	<u>(33)</u>
Restricted fixed asset fund	22,955	23,514
Pension reserve	(3,971)	(4,703)
Total	<u><u>19,066</u></u>	<u><u>18,778</u></u>

At previous accounting period ends, Bramcote College ("BC" - formerly known as The Bramcote School) has reported a net deficit on its portion of the overall Trust funds. As previously reported, this deficit had built up in part due to the fact that Post 16 teaching and premises costs may have been borne to a greater degree by BC than was supported by its allocation of Post 16 funding. Also impacting on the position in BC is the fact that on a per pupil basis, it has received consistently less funding than The Alderman White School ("AWS") since conversion to academy. This appears to be due in the main to a tranche of funding that came into AWS to protect it from fluctuations in student numbers caused by movement of students into AWS for a short term period following the closure of another school within the Trust. An imbalance in funding between the schools has therefore built up over time, but the wider environment for the schools in terms of geographical location, staff pay and conditions, and the terms of significant contracts such as cleaning, catering and utilities are consistent.

As the Trust continues to develop, and greater budget autonomy is devolved to its schools, it is considered appropriate to even out the imbalance in brought forward reserves and develop a mechanism whereby funding will be distributed more evenly on a per pupil basis going forward. For the 2017 – 18 financial year end, this means that an internal adjustment has been made to align closing reserves more equally between the schools.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciat- ion £000	Total 2018 £000	Total 2017 £000
Alderman White School	3,094	1,170	165	849	5,278	5,904
The Bramcote School	2,152	359	122	664	3,297	3,105
	<u><u>5,246</u></u>	<u><u>1,529</u></u>	<u><u>287</u></u>	<u><u>1,513</u></u>	<u><u>8,575</u></u>	<u><u>9,009</u></u>

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/(out) £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2017 £000</i>
Unrestricted funds	-	69	(69)	-	-	-
Restricted funds						
General Annual Grant (GAG)	(107)	6,722	(7,032)	342	-	(75)
Other DFE Group grants	-	1,261	(1,261)	-	-	-
Other government grants	-	257	(257)	-	-	-
Local authority grants	-	26	(26)	-	-	-
Other restricted	28	379	(365)	-	-	42
Pension reserve	(5,286)	-	-	(369)	952	(4,703)
	<u>(5,365)</u>	<u>8,645</u>	<u>(8,941)</u>	<u>(27)</u>	<u>952</u>	<u>(4,736)</u>
Restricted fixed asset funds						
Transferred on conversion	23,203	-	(957)	3	-	22,249
Capital expenditure from GAG	98	-	(66)	18	-	50
Academies Capital Maintenance Fund (ACMF)	18	-	(9)	-	-	9
Software funding	1	-	-	-	-	1
LA Capital Project Funding	649	-	(36)	-	-	613
Condition Improvement Fund (CIF)	372	231	(18)	6	-	591
Music stands	1	-	-	-	-	1
	<u>24,342</u>	<u>231</u>	<u>(1,086)</u>	<u>27</u>	<u>-</u>	<u>23,514</u>
Total restricted funds	<u>18,977</u>	<u>8,876</u>	<u>(10,027)</u>	<u>-</u>	<u>952</u>	<u>18,778</u>
Total of funds	<u>18,977</u>	<u>8,945</u>	<u>(10,096)</u>	<u>-</u>	<u>952</u>	<u>18,778</u>

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
Unrestricted funds	-	69	(69)	-	-	-
	-	37	-	-	-	37
Restricted funds						
General Annual Grant (GAG)	(107)	13,202	(13,814)	719	-	-
Other DFE Group grants	-	2,452	(2,452)	-	-	-
Other government grants	-	478	(478)	-	-	-
Local authority grants	-	26	(26)	-	-	-
Other restricted	28	763	(746)	-	-	45
Pension reserve	(5,286)	-	-	(788)	2,103	(3,971)
	<u>(5,365)</u>	<u>16,921</u>	<u>(17,516)</u>	<u>(69)</u>	<u>2,103</u>	<u>(3,926)</u>
Restricted fixed asset funds						
Transferred on conversion	23,203	-	(1,587)	3	-	21,619
Capital expenditure from GAG	98	-	(101)	60	-	57
Academies Capital Maintenance Fund (ACMF)	18	-	(10)	-	-	8
Software funding	1	-	(1)	-	-	-
LA Capital Project Funding	649	-	(71)	-	-	578
Condition Improvement Fund (CIF)	372	365	(50)	6	-	693
Music stands	1	-	(1)	-	-	-
	<u>24,342</u>	<u>365</u>	<u>(1,821)</u>	<u>69</u>	<u>-</u>	<u>22,955</u>
	<u>18,977</u>	<u>17,286</u>	<u>(19,337)</u>	<u>-</u>	<u>2,103</u>	<u>19,029</u>
Total of funds	<u><u>18,977</u></u>	<u><u>17,392</u></u>	<u><u>(19,406)</u></u>	<u><u>-</u></u>	<u><u>2,103</u></u>	<u><u>19,066</u></u>

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
For the Year Ended 31 August 2018

16. CENTRAL SERVICES

No central services were provided by the Trust to its academies during the year and no central charges arose. The two academies in the Trust are federated and because of the way in which costs are allocated to each Trust, there are no further central recharges required.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	22,935	22,935
Current assets	37	401	20	458
Creditors due within one year	-	(356)	-	(356)
Provisions for liabilities and charges	-	(3,971)	-	(3,971)
	<u>37</u>	<u>(3,926)</u>	<u>22,955</u>	<u>19,066</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	-	-	23,514	23,514
Current assets	-	497	-	497
Creditors due within one year	-	(530)	-	(530)
Provisions for liabilities and charges	-	(4,703)	-	(4,703)
	<u>-</u>	<u>(4,736)</u>	<u>23,514</u>	<u>18,778</u>

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

	2018 £000	2017 £000
Net expenditure for the year (as per Statement of Financial Activities)	(863)	(1,151)
Adjustment for:		
Depreciation charges	735	1,078
Impairment of tangible fixed assets	-	8
(Increase)/decrease in debtors	(140)	67
Decrease in creditors	(175)	(261)
Defined benefit pension scheme cost less contributions payable	298	253
Defined benefit pension scheme finance cost	121	116
Net cash (used in)/provided by operating activities	<u>(24)</u>	<u>110</u>

THE WHITE HILLS PARK FEDERATION TRUST
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Notes to the Financial Statements
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19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£000	£000
Cash in hand	139	319
Total	139	319

20. CAPITAL COMMITMENTS

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

	2018	2017
	£000	£000
Contracted for but not provided in these financial statements	14	-

21. PENSION COMMITMENTS

The Trust'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 Nottinghamshire 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 £Nil were payable to the schemes at 31 August 2018 (2017 - £104,302) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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For the Year Ended 31 August 2018

21. PENSION COMMITMENTS (continued)

- 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 £586,034 (2017 - £621,423).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £292,000 (2017 - £284,000), of which employer's contributions totalled £219,000 (2017 - £213,000) and employees' contributions totalled £73,000 (2017 - £71,000). The agreed contribution rates for future years are 18.3% for employers and 5.5% 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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
Inflation assumption (RPI)	3.30 %	3.60 %

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

	2018	2017
Retiring today		
Males	22.7	22.6
Females	25.6	25.5
Retiring in 20 years		
Males	24.9	24.8
Females	28.0	27.9

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Notes to the Financial Statements
For the Year Ended 31 August 2018

21. PENSION COMMITMENTS (continued)

	At 31 August 2018 £000	At 31 August 2017 £000
Sensitivity analysis		
Discount rate +0.1%	8,520	8,692
Discount rate -0.1%	8,938	9,117
Mortality assumption - 1 year increase	9,011	9,193
Mortality assumption - 1 year decrease	8,450	8,621
CPI rate +0.1%	8,900	9,078
CPI rate -0.1%	8,556	8,731

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	3,061	2,778
Gilts	133	134
Property	657	490
Cash and other liquid assets	87	87
Derivatives	498	506
Other	319	204
Total market value of assets	4,755	4,199

The actual return on scheme assets was £280,000 (2017 - £547,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £000	2017 £000
Current service cost	(517)	(466)
Net interest costs	(119)	(114)
Administration expenses	(2)	(2)
Total	(638)	(582)

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

	2018 £000	2017 £000
Opening defined benefit obligation	8,902	9,018
Current service cost	517	466
Contributions by Scheme participants and employees	73	71
Change in financial assumptions	(984)	(830)
Estimated benefits paid net of transfers in	(14)	(22)
Interest cost	232	199
Closing defined benefit obligation	8,726	8,902

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21. PENSION COMMITMENTS (continued)

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

	2018 £000	2017 £000
Opening fair value of scheme assets	4,199	3,732
Interest income	113	85
Return on assets less interest	167	122
Contributions by employer	219	213
Contributions by employees	73	71
Estimated benefits paid net of transfers in	(14)	(22)
Administration expenses	(2)	(2)
	<hr/>	<hr/>
Closing fair value of scheme assets	4,755	4,199
	<hr/>	<hr/>

22. 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 £000	2016 £000
Amounts payable:		
Within 1 year	11	11
Between 1 and 5 years	11	22
	<hr/>	<hr/>
Total	22	33
	<hr/>	<hr/>

23. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration already disclosed in note 10.

Owing to the nature of the Trust's operations and the composition of the board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which a Director has an interest. In the accounting period ending 31 August 2018, no related party transactions took place.

24. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2018 the trust received £21,190 (2017 - £23,893) and disbursed £21,190 (2017 - £23,966) from the fund.

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Notes to the Financial Statements
For the Year Ended 31 August 2018

25. 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.