

Registration number: 07697027

West Hill School

(A company limited by guarantee)

Annual Report and Financial Statements
for the Year Ended 31 August 2018

West Hill School

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West Hill School

Reference and Administration Details

Members

Mr I Saxon
Mr J McElwee
Mr A Harrison (Headteacher)
Mrs C Wright

Governors and

Trustees (Directors)

Mr McElwee - Deputy Chair
Mrs Pickford
Mrs Wright
Mr O'Neill, staff
Mr Berry
Mr Saxon - Chair
Mr A Harrison, Headteacher
Mr Cookson, staff (appointed 12.02.2016)
Mrs Birch (appointed 01.01.2016)
Dr Davies (appointed 01.09.2016)
Mr Davy (appointed 01.03.2017)
Councillor Jackson (appointed 01.03.2017)
Mr Aspin (appointed 04.07.2017)
Miss Butler (appointed 03.10.2017)
Mr Lee (appointed 05.12.2017)
Mrs Drummond (appointed 05.12.2017)

Senior Management

Team

Mr A Harrison – Headteacher
Mr A Owens – Deputy Head
Mrs G Wood – Deputy Head
Mr P Butterworth – Assistant Head
Mr M O'Dowd – Assistant Head
Mr J Whiting – Assistant Head
Mrs L Harrison – Business Manager

Principal and Registered Office

Stamford Street
Stalybridge
Cheshire
SK15 1LX

Company Registration 07697027
Number

West Hill School

Reference and Administrative Details

Auditors Beever and Struthers
Chartered Accountants
St George's House
215 - 219 Chester Road
Manchester
M15 4JE
21 July 2015

Bankers Lloyds TSB
25 Gresham Street
London
EC2V 7HN

Solicitors Eversheds LLP
1 Wood Street
London
EC2V 7WS

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Academy Conversion

Following consultation with staff and parents and other stakeholders the governors approved the proposal for West Hill School to make a formal application for academy status on 29th March 2011. The academy order was issued on 3rd June 2011.

Incorporation was finalised on 7th July 2011 with the transfer agreement signed on 12th July 2011. The academy began operation from 1st August 2011.

Governors Report

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

The trust operated an academy for pupils aged 11 to 16 serving a catchment area in Tameside. It has a pupil capacity of 825 and had a roll of 843 in the school census on 4th October 2018.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity, registration number: 7697027. The charitable company's memorandum and articles of association are the primary documents of the academy trust. The governors act as the trustees for the activities of West Hill School and are also the directors for the purposes of company law.

The Governing Body has 16 members made up of;

4 Parent Governors
1 Local Authority Governor
7 Academy Governors
4 Staff Governors

All governors have a term of office of four years with the exception of the headteacher who is ex-officio for her/his term of employment.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Trustees' indemnities

Under The Companies Act 2006 s236 the directors confirm there are no third party indemnity provisions in operation.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Principal Activities

The trust principal activities are to provide education to 11-16 year olds, without prejudice, carrying on, managing and developing a broad and balanced curriculum.

Method of recruitment and appointment or election of Trustees

The trust ensures that it maintains appropriate numbers of governors on the governing body. At such times as it is required to appoint new governors the following recruitment process operates.

If the requirement is for a parent governor letters are circulated to all parents of pupils currently on roll. Nominations are returned to the school by the given closing date. Should more nominations be received than places available an election will be organised, voting is by secret ballot. Closing date and time is published and all votes are counted and the results announced at a public meeting.

Recruitment of staff governors follows the process as for parents, except letters are circulated to all current staff. Returns from interested parties are returned to the school by the given closing date. Elections take place if there are more nominees than vacancies.

Where a community governor is to be appointed nominations are received from the community and for an LA governor nominations come from the local authority.

The balance of governors are appointed by the members of the trust.

Parent Governors:

Dr Davies
Mr Aspin
Mr Lee
Mrs Drummond

Academy Governors:

Mr Berry – Chair of Personal Development, Behaviour & Welfare
Mr McElwee – Vice Chair
Mr Saxon – Chair of the Governing Body
Mrs Pickford
Mrs Birch
Mr Davy
Councillor Jackson

LA Governor:

Mrs Wright

Staff Governors:

Mr O'Neill
Mr Cookson
Miss Butler
Mr Harrison – Ex-Officio

Policies and procedures adopted for the induction and training of Trustees

All trustees receive a welcome pack, containing pertinent information relating to the trust, including financial information. Training is given with regards to safeguarding and child protection. A range of other courses are made available to all members and governors subscribe to those where appropriate.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Organisational structure

The Academy's organisational structure comprises of three tiers: members, trustees and senior leadership team. The objective of this structure is to delegate responsibility thereby encouraging participation from all levels in decision making.

The board of members provide governance for the Academy through a means of delegation to the trustees. The primary responsibilities of the trustees is to discuss and approve various operating policies, approving the school development plan and budget and making decisions about major items that affect the academy, for example future strategic and operational direction and staffing. The trustees have an approved structure, terms of reference and standing orders. Each sub-committee has its own agreed terms of reference.

The senior leadership team comprises of seven members: headteacher, two deputy head teachers, three assistant head teachers and the business manager. This team ensure that policy as directed by the governing body is implemented in the academy and carried out. Regular reports are made by the team back to the governing body. The headteacher is the accounting officer.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting pay for the senior leadership team is split between the Teachers' Pay and Conditions document and the APT&C scale. The Headteacher, Deputies and Assistant heads are all teachers and their pay is set in accordance with the leadership pay range applicable to the school (using the groups and pay ranges document). The business manager's salary is paid in accordance with the APT&C scale.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time

0%

Number of employees

2

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Objectives and activities

Objects and aims

The principle objective of the academy is to promote the advancement of education for all students and staff. Through the delivery of a well-developed, broad and balanced curriculum model and sound care, guidance and support for all at the academy we are able to sustain an environment that secures quality of education in a happy, safe environment.

The main aims of the Academy are:

- To continue to develop strategies that support and provide for continued education improvements
- To ensure best value is achieved in all areas of expenditure
- To ensure that we continue to comply with legislative and statutory requirements for all areas of the academy

These aims are underpinned by:

- Upholding the academy's reputation in the community by continuing to achieve excellent exam results
- Encouraging pupils to reach the highest standards in everything they do
- Developing pupils personal responsibility, respect for others and the environment
- Upholding a well-established and successful sporting tradition
- Offering a wide range of learning opportunities beyond the classroom
- Connections with outside agencies to ensure that a fully encompassing support network is in place for the student and staff
- Inspiring pupils and staff to foster positive attitudes towards every aspect of school life and the wider community encouraging them to mature and fulfil their own ambitions

Objectives, strategies and activities

Building on the successes from the previous academic year, the focus for the academy for the year ending August 2018 remained primarily around three key areas, with 3 foci:

Teaching, Learning and Assessment:

Ensuring that all pupils develop greater resilience in tackling the most challenging levels of work, especially in extended writing.

Securely implementing the new whole-school literacy policy across all subjects, so that pupils have more effective opportunities to improve their literacy skills, especially in extended writing

Ensuring that all teachers have the highest expectations of the quality and presentation of pupils' written work and their responses to teachers' feedback on it.

Leadership and Management

Intensify training for subject leaders in checking pupils' learning and support and the performance of staff, so that any inconsistencies in the application of whole-school policies and procedures are quickly eradicated

Providing further opportunities for teachers to learn from the good practice that exists within the school and in good and outstanding local schools, in order to increase the proportion of outstanding teaching

Personal development, behaviour and safety

Ensure that the curriculum equips pupils to reflect on and understand life in modern Britain more thoroughly and promotes an understanding of British values more effectively

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Public benefit

To ensure that purposes of public benefit are met through the aims and objectives of the academy the trustees have referred to the general guidance on public benefit as detailed by the Charity Commission. By clearly identifying the activities of the academy and how these service the students and public the trustees are satisfied that they are able to demonstrate how they are supportive of public benefit.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Strategic Report

Achievements and performance

Performance at KS4 across a wide range of subjects in 2015 led to a Progress 8 score of +0.25 (National average for all pupils will always be 0 for this measure). This puts the school in the 18% of schools nationally considered to be 'above average'.

In 2018, the proportion of students achieving standard passes (grade 4 which equates to C) in English and Mathematics was 69%. This is 5% above the 2017 national average for English state-funded schools.

The progress 8 of disadvantaged students was -0.71 which is below average. This is largely due to a cohort of pupils with poor attendance or who joined the school in Year 10 or Year 11. In 2017 disadvantaged pupils at West Hill performed better than pupils of similar starting points nationally.

Progress in the Ebacc and open elements were highly positive in 2017 but negative in 2018. One change which has affected the school is that an ICT qualification that the school was highly successful in no longer counts on school league tables

- 7-9 (A/A*) attainment was particularly strong in MFL and RE.
- 5 (B/C) attainment was particularly strong in Business courses, Computer Science, Electronics, Engineering, German, Music, PE and RE.

*It is important to note that due to changes made in the GCSE system mean that results from 2016-2017-2018 are not directly comparable.

Sporting Success

There is a well-established and successful sporting tradition at the school. Key sports being football, rugby, cricket, cross country and athletics. Individual as well school success is widely celebrated.

Our cross country achieved the 1st place overall again in the Tameside schools championships. This was our 21st successive year of achieving first place overall in this competition. From this fourteen pupils went on to qualify for the Greater Manchester Cross Country Championships.

Athletics enjoyed numerous successes with a number of students enjoying regional success in the Greater Manchester Schools Athletics Championships and representing Greater Manchester in the English Schools Championships in Birmingham.

Our cricketers enjoyed success at both the Lancashire and Cheshire Plates, reaching the semi finals of both competitions. Two pupils have been selected to play for the Lancashire Cricket Board.

3 Peaks Challenge

The 3 Peaks Challenge ran its 11th successful campaign with a team of pupils completing the challenge over a 3 day period. This year's nominated charity was the Believe & Achieve Trust (Supporting young people with mental and physical challenges through meningitis, disability or personal situation) with a staggering £4300.00 being raised.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Strategic Report

Achievements and performance (continued)

Duke of Edinburgh

The academy runs an extremely successful Duke of Edinburgh Award scheme with a growing number of students each year. The majority of the pupils go on to complete all three stages of the award (bronze, silver and gold) and are invited to a formal presentation at Buckingham Palace upon completion of the gold award.

Music

Music is part of the fabric of school life. All pupils are encouraged to take up a musical instrument and expert, individual tuition is provided. We are proud to support the members of our jazz orchestra who regularly put on performances both at the school and in the wider community. Regular music festivals showcasing other genres are also a regular feature of the school calendar.

Aside from our ever popular carol service a number of other concerts took place over the year including 2 separate remembrance services and representation at Tameside Music Concerts.

One pupil has passed grade 5 jazz saxophone and another grade 5. One pupil has passed grade 7 piano.

Information, Advice and Guidance (IAG)

This continues to be a particularly strong area of school life. All our pupils receive further and higher education and careers advice and support all the way through from Y7 to Y11. Several events are run across the academic year, appropriate to year groups, ranging from visits to Universities (near and far), colleges and 6th forms as well as employers and training providers. We also host events with speakers invited from all sectors of industry and education. We are especially proud of our zero NEETS figure, consistent since 2011.

Charity Work

The academy takes great pride supporting various charities. Recently we have supported, Macmillan Nurses, Tameside, Oldham and Glossop Mind, Willow Wood (local hospice), Poppy Appeal and Remembrance Coffee Morning.

Key performance indicators

Salary costs for the financial year were 79.38% of the delegated revenue income from the DfE compared to 80.91% in 2016/17.

Staff training – An average of £235.20 was spent on staff training (based on all FTE staff) over the financial year compared to £188.03 FTE in 2016/17. This figure has increased on the previous year due to training requirements for departmental requirements and improved knowledge around new initiatives to embed across the school.

Absence – Costs of externally sourced teaching supply staff in 2017/18 was £183K compared to £141K in 2016/17. This was an increase of 29.57% and is attributable to staffing two maternity leaves over the period, two extended absence covers and two unfilled vacancies.

Utilities – Costs of electricity increased by 10.80% in 2017/18 to £63,060 and and decrease in gas costs by 6.84% to £19203 for the period 2017/18.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Strategic Report

Going concern

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

Financial review

The trust held balances (excluding pension liability) as at 31 August 2018 of £879,000. This comprised of £403,000 of restricted funds and £476,000 unrestricted funds.

The trusts non-teaching staff are entitled to join the Local Government Pension Scheme (LGPS). The current position of scheme at 31 August 2018 showed a net liability of £231,000.

The trust will be using some of its reserves to lessen the impact of the challenging financial status in 2018/19. With the uncertainties around continuing stability of future funding the academy continues explore and implement additional costs saving plans for future implementation.

No risk investment opportunities are to be investigated with the trusts bankers, Lloyds TSB and other banks.

Reserves policy

The academy holds reserves to ensure that it can continue to operate effectively. The academy recognises its different category of reserves; unrestricted and restricted. Events such that would call on the unrestricted reserves include (but are not limited to) unforeseen emergency or unexpected expenditure (for example repairs), planned commitments that cannot be met through income alone (for example contribution to capital grants). The trustees are cautious around stability of funding for the academy in particular pupil numbers and funding formula. Although the academy is seeing an upward trend in pupil numbers the funding formula is undergoing a national review. Reserves are expected to be required to be able to absorb a predicted drop in direct funding that is not matched through an increase in pupils on roll. Intelligent use of reserves will provide time to implement an action plan.

The academy ensures that it will only employ the use of the restricted general funds for the purpose for which they were generated.

The trust's balances (excluding pension liability) as at 31 August of £879,000. This comprised of £403,000 of restricted funds and £476,000 unrestricted funds. The pension liability for period ending 31 August 2018 had decreased again to £231,000 from £449,000 in 2016/17.

Due consideration is paid to the DfE's limits on balances. It is the trusts policy to review these on a regular basis to ensure that the levels of balances continue to meet the needs of the trust and the DfE.

Investment policy

The trust currently does not have a specific investment policy as previously surplus funds were not available. However, moving forward the basis of such a policy will ensure that all investments are entered into at no risk to the trust, by securing principal amounts placed, maximising returns and have flexible access to funds held.

Currently all funds held by the trust are in a deposit account.

West Hill School

Trustees' Report for the Year Ended 31 August 2018

Strategic Report

Principal risks and uncertainties

The majority of the trusts funding is obtained from the DfE through recurrent grants. The new funding formula in effect from September 2018 will bring new financial challenges as income has reduced in real terms per pupil. This is in the main due to changes in the way KS3 and KS4 pupils are funded. Despite a rising intake and being oversubscribed we will feel the effects of this change to funding into the future. When coupled with predicted rising employer pension costs and rises to teacher pay we will continue to strive for efficiency savings where possible the financial picture moving forward becomes more challenging than ever. Work continues to strive for efficiency savings where ever possible whilst still maintaining the best possible educational outcomes for all pupils.

Risk Management

The main risks to the academy are identified as strategic and reputational, operational, compliance and curriculum. The impact and probability of each type of risk is considered with an action plan identified for the management of the risk through the use of a risk register. The purpose of the register is to ensure that the academy's systems of internal controls are sufficient to manage the risks identified. This register has been considered by the governing body and risks are reviewed on an annual basis at the finance & resources meetings.

Plans for future periods

As previously detailed the academy is facing extremely challenging times financially. Our priority is to implement robust financial and operational plans which still enables us to deliver a curriculum that develops all pupils and sees them progress to their full potential.

As there has been significant investment into the building stock over the last few years our focus will be geared towards maintaining current standards of décor and small refurbishment projects. Delivery of these will be subject to the availability of funds over the coming year.

West Hill School

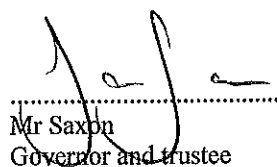
Trustees' Report for the Year Ended 31 August 2018

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 7/12/18 and signed on its behalf by:


.....
Mr Saxon
Governor and trustee

West Hill School

Governance Statement

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the 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 West Hill School and the Secretary of State for Education. They are responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 5 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Wright	3	5
Mr McElwee	4	5
Mr Berry	4	5
Mr Saxon	5	5
Mrs Birch	3	5
Mr A Harrison	5	5
Dr Davies	5	5
Mr Davy	4	5
Mr Cookson	5	5
Mr O'Neill	5	5
Councillor Jackson	1	5
Mrs Pickford	5	5
Mr Aspin	2	5
Ms S Butler	5	5
Mr Lee	2	5
Mrs Drummond	2	5

Governance reviews

Following the Ofsted inspection in October 2016 the school was re-categorised as Good.

Link governors work closely with various members of staff throughout the year to gain improved understanding of the work carried out and to act as critical friend in questioning to deepen that understanding. Detailed reports are delivered to the full committee meeting. Analysis of meetings and work undertaken over the year is self evaluated by the members with a business plan drawn up for the following year. This will include areas to concentrate on as well as identifying any training needs.

West Hill School

Governance Statement

Finance and resources committee

The finance and resources committee is a sub committee of the main governing body. Its purpose is to review, monitor and discuss the financial management of the trust, consider future plans for appropriateness and affordability. A particular focus for the year was the impending budget position and the unknown, new funding formula.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr McElwee	3	3
Mr Saxon	2	3
Mr O'Neill	3	3
Mr Davy	3	3
Miss Butler	2	3
Mr A Harrison	3	3
Mr Lee	1	2
Mrs Drummond	0	2
Mr Aspin	1	3

The main focus in the meetings throughout the year has centred around the financial challenges both for this year and the future. It is recognised that a decline of funding (in real terms) and increases in operational costs (staffing and non staffing) will present challenges across all sectors of the organisation. Ways in reducing costs whilst retaining efficiency are at the forefront of all meetings and decision making.

West Hill School

Governance Statement

Review of Value for Money

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

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

Improving progress and educational results

The Academy has a fully embedded and developed tracking system for individual students that tracks levels of progress from Key Stage 2 through to Key Stage 4.

In 2018, the proportion of students achieving grade 5, 'a good pass' in English and Mathematics was 46%. This is 6% above the national average for all pupils English state funded schools.

Progress across key subjects was variable. Progress in English was in-line with that of all pupils at -0.03 in 2016. However in 2018 it was below the national averages for boys and all pupils at -0.54 (national boys was -0.41 in 2017). Progress in Maths was -0.13 which is in line with national averages for boys and all pupils but not as positive as 2017 when it was +0.26. Progress in the Ebacc and open elements were both positive in 2017 +13.88 and +10.10 respectively, both of these measures were negative in 2018. *

Financial Governance and oversight

Regular visits from the appointed review officer provides an external view of how the finances of the academy are being managed. This report is made direct to the finance committee and any recommendations made are discussed at the governor meeting. To date there have been no recommendations.

Involvement of the finance committee through regular meetings where robust reporting on financial transactions enables members to probe deeper into the financial affairs of the academy, ask pertinent questions and, where they feel appropriate, challenge the responses given. Through this level of interaction the governors are able to understand how we arrive at the decisions we make. During the last academic year members of the finance committee have been present when bids for projects have been opened and have also attended project progress meetings to ensure that they remain satisfied that projects remain within both time scales and budget.

The finance committee reports to the full governing body of the academy who in turn will, as they see appropriate, question further the financial management of the academy.

Improved purchasing

Contracts and services are regularly reviewed and renegotiated when appropriate to ensure value for money.

Where quotations are required for expensive items we ensure that the academy processes for such items is followed accurately ensuring that we have obtained a sufficient number of quotes and that these are based on the same requirements. References are also sometimes obtained from other end users for information on the performance of a supplier before any final decisions are made.

The Academy always assesses the cost benefits of various options before making a decision to ensure that the right option for the longer term.

West Hill School

Governance Statement

Income generation

The Academy explores every opportunity to generate income through its own facilities and accessing grants that maybe be available to it.

Reviewing controls and managing risks

Governors receive regular and informative information about the finances of the academy and are able to make more informed decisions about how best to employ cash resources accumulated through robust financial planning.

The trustees of the academy would not enter into any interest making deposit facility where the principle sum could be at risk.

The purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been place at West Hill School for the period 1ST September 2017 to 31st August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governing body has reviewed the key risks of which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been place for the period 1st September 2017 to 31st August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk 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 finance and premises committee and reported to the full governing body;
- Regular reviews by the finance and premises committee of the reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes and these are reported to the full governing body
- Setting targets to measure financial and other performance
- Delegation of authority and segregation of duties;
- Identification and management of risks.

West Hill School

Governance Statement

The Risk Control Framework (continued)

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Mrs Wright, a local authority trustee, to perform peer review. The reviewers 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 reviewer reports to the governing body on the operation of the systems of controls and on the discharge of the governing body's financial responsibilities.

A summary of checks are as follows:

- Testing of payroll system
- Testing of purchase system
- Testing of income and bank accounts
- Testing of budget delivery
- Testing of information provided to governors
- Testing of preparation of monthly management accounts

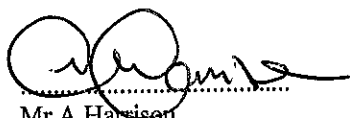
Review of Effectiveness

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

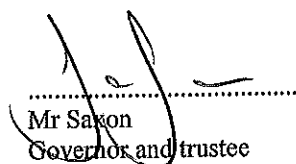
- the work of the Internal Auditor;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 7/12/18 and signed on its behalf by:



Mr A Harrison
Member



Mr Sakon
Governor and trustee

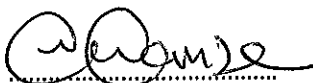
West Hill School

Statement on Regularity, Propriety and Compliance

As Accounting Officer of West Hill School I have considered my responsibility to notify the academy trust Governing Body 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 Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 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 Governing Body and ESFA.



A Harrison
Accounting officer

7/12/18

West Hill School

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

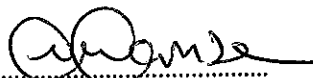
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 7/12/18 and signed on its behalf by:



Mr A Harrison
Member

West Hill School

Independent Auditor's Report on the Financial Statements to the Members of West Hill School

Opinion

We have audited the financial statements of West Hill School "the academy trust" for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2016 to 2017 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 Academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including 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 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

West Hill School

Independent Auditor's Report on the Financial Statements to the Members of West Hill School

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 19], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

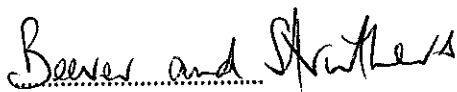
West Hill School

Independent Auditor's Report on the Financial Statements to the Members of West Hill School

- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Mr Andrew McLaren (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, Statutory Auditor

St George's House
215 - 219 Chester Road
Manchester
M15 4JE

Date: 7/12/18

West Hill School

Independent Reporting Accountant's Report on Regularity to West Hill School and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 July 2015 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 West Hill School during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to West Hill School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to West Hill School 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 West Hill School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 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 from 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

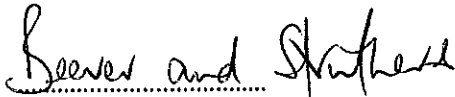
- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

West Hill School

Independent Reporting Accountant's Report on Regularity to West Hill School and the Education & Skills Funding Agency

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 from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mr Andrew McLaren

For and on behalf of Beever and Struthers, Chartered Accountants

St George's House
215 - 219 Chester Road
Manchester
M15 4JE

Date: 7/12/18

West Hill School

Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

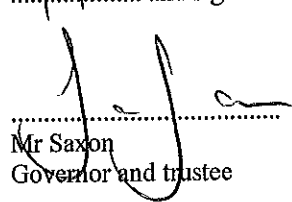
	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Income and endowments from:						
Donations and capital grants	2	71	-	20	91	125
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	6	4,470	-	4,476	4,360
Other trading activities	4	102	-	-	102	103
Investments	5	1	-	-	1	1
Total		180	4,470	20	4,670	4,589
Expenditure on:						
Raising funds	6	128	-	-	128	126
<i>Charitable activities:</i>						
Academy trust educational operations	7	1	4,571	343	4,915	4,861
Total		129	4,571	343	5,043	4,987
Net income/(expenditure)		51	(101)	(323)	(373)	(398)
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	20	-	382	-	382	1,038
Net movement in funds/(deficit)		51	281	(323)	9	640
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2017		364	(94)	13,641	13,911	13,271
Total funds carried forward at 31 August 2018		415	187	13,318	13,920	13,911

West Hill School

(Registration number: 07697027)
Balance Sheet as at 31 August 2018

	Note	2018 £ 000	2017 £ 000
Fixed assets			
Tangible assets	11	13,316	13,633
Current assets			
Debtors	12	99	116
Cash at bank and in hand		<u>843</u>	<u>712</u>
		942	828
Liabilities			
Creditors: Amounts falling due within one year	13	<u>(107)</u>	<u>(101)</u>
		835	727
Net current assets		<u>14,151</u>	<u>14,360</u>
Total assets less current liabilities		<u>14,151</u>	<u>14,360</u>
Net assets excluding pension liability		<u>14,151</u>	<u>14,360</u>
Defined benefit pension scheme liability	20	<u>(231)</u>	<u>(449)</u>
Total net assets including pension liability		<u>13,920</u>	<u>13,911</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		418	355
Restricted fixed asset fund		13,318	13,641
Restricted pension fund		<u>(231)</u>	<u>(449)</u>
		13,505	13,547
Unrestricted funds			
Unrestricted general fund		<u>415</u>	<u>364</u>
Total funds		<u>13,920</u>	<u>13,911</u>

The financial statements on pages 25 to 44 were approved by the Trustees, and authorised for issue on 27/12/18 and signed on their behalf by:


Mr Saxon
Governor and trustee

West Hill School

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £ 000	2017 £ 000
Cash flows from operating activities			
Net cash inflow/(outflow) from operating activities	16	136	(23)
Cash flows from financing activities		1	1
Cash flows from investing activities	17	<u>(6)</u>	<u>8</u>
Change in cash and cash equivalents in the reporting period		131	(14)
Cash and cash equivalent at 1 September		<u>712</u>	<u>726</u>
Cash and cash equivalent at 31 August	18	<u>843</u>	<u>712</u>

West Hill School

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), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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.

Going concern

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

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

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

Sponsorship income

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

West Hill School

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

1 Accounting policies (continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

West Hill School

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Freehold buildings	50 years
Fixtures, fittings and equipment	10 years
ICT equipment	4 years
Motor Vehicles	5 years

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

West Hill School

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

1 Accounting policies (continued)

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the charity'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 cost as detailed in notes 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, 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 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.

West Hill School

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

1 Accounting policies (continued)

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education & Skills Funding Agency/Department for Education/sponsor/other 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 Education & Skills Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 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.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Capital grants	-	20	20	59
Other donations	71	-	71	66
	<u>71</u>	<u>20</u>	<u>91</u>	<u>125</u>

West Hill School

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

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	4,225	4,225	4,138
Other DfE/ESFA grants	6	245	251	222
	<u>6</u>	<u>4,470</u>	<u>4,476</u>	<u>4,360</u>

4 Other trading activities

	Unrestricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Hire of facilities	45	45	56
Other sales	57	57	47
	<u>102</u>	<u>102</u>	<u>103</u>

5 Investment income

	Unrestricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Interest received	<u>1</u>	<u>1</u>	<u>1</u>

6 Expenditure

	Non Pay Expenditure			Total 2018 £ 000	Total 2017 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Expenditure on raising funds	42	10	76	128	126
Academy's educational operations					
Direct costs	3,133	343	293	3,769	3,739
Allocated support costs	<u>713</u>	<u>238</u>	<u>195</u>	<u>1,146</u>	<u>1,122</u>
	<u>3,888</u>	<u>591</u>	<u>564</u>	<u>5,043</u>	<u>4,987</u>

West Hill School

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

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2017/18 £ 000	2016/17 £ 000
Fees payable to auditor - audit	(5)	(5)
- other audit services	(1)	(1)
Depreciation	<u>(343)</u>	<u>(341)</u>

7 Charitable activities

	2017/18 £ 000	2016/17 £ 000
Direct costs - educational operations	3,769	3,739
Support costs - educational operations	<u>1,146</u>	<u>1,122</u>
	<u>4,915</u>	<u>4,861</u>

	Educational operations £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Analysis of support costs			
Support staff costs	713	713	710
Technology costs	4	4	3
Premises costs	238	238	213
Other support costs	184	184	189
Governance costs	<u>7</u>	<u>7</u>	<u>7</u>
Total support costs	<u>1,146</u>	<u>1,146</u>	<u>1,122</u>

8 Staff

Staff costs

	2018 £ 000	2017 £ 000
Staff costs during the year were:		
Wages and salaries	2,826	2,837
Social security costs	274	276
Pension costs	<u>605</u>	<u>611</u>
	3,705	3,724
Supply teacher costs	183	141
Staff restructuring costs	<u>-</u>	<u>9</u>
	<u>3,888</u>	<u>3,874</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is one non-statutory/non-contractual payment totalling £Nil (2017: £9,000).

West Hill School

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

8 Staff (continued)

Staff numbers

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

	2017/18 No	2016/17 No
Charitable Activities		
Teachers	51	53
Administration and support	48	49
Management	7	7
	<u>106</u>	<u>109</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No	2017 No
£60,001 - £70,000	2	2
£70,001 - £80,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £516,755 (2017: £510,610).

9 Related party transactions - trustees' remuneration and expenses

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

Mr O'Neill (Staff trustee):

Remuneration: £25,000 - £30,000 (2017 - £25,000 - £30,000)
Employer's pension contributions: £0 - £5,000 (2017 - £5,000 - £10,000)

Mr Jackson (Staff Trustee - resigned 31 August 2017):

Remuneration: £Nil (2017 - £35,000 - £40,000)
Employer's pension contributions: £Nil (2017 - £5,000 - £10,000)

Mr Cookson (Staff Trustee):

Remuneration: £45,000 - £50,000 (2017 - £45,000 - £50,000)
Employer's pension contributions: £5,000 - £10,000 (2017 - £5,000 - £10,000)

West Hill School

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

9 Related party transactions - trustees' remuneration and expenses (continued)

Mr A Harrison (Head Teacher):

Remuneration: £70,000 - £75,000 (2017 - £70,000 - £75,000)

Employer's pension contributions: £10,000 - £15,000 (2017 - £10,000 - £15,000)

Ms S Butler (Staff Trustee):

Remuneration: £45,000 - £50,000 (2017 - £Nil)

Employer's pension contributions: £5,000 - £10,000 (2017 - £Nil)

Other related party transactions involving the trustees are set out in note 21.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Freehold land and buildings £ 000	Computer equipment £ 000	Fixtures and fittings £ 000	Motor vehicles £ 000	Total £ 000
Cost					
At 1 September 2017	14,414	427	965	73	15,879
Additions	-	5	20	-	25
Disposals	-	(4)	-	-	(4)
At 31 August 2018	14,414	428	985	73	15,900
Depreciation					
At 1 September 2017	1,222	424	534	66	2,246
Charge for the year	233	5	98	7	343
Eliminated on disposals	-	(5)	-	-	(5)
At 31 August 2018	1,455	424	632	73	2,584
Net book value					
At 31 August 2018	12,959	4	353	-	13,316
At 31 August 2017	13,192	3	431	7	13,633

West Hill School

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

12 Debtors

	2018 £ 000	2017 £ 000
Trade debtors	4	42
Other debtors	25	25
Prepayments	70	49
	<u>99</u>	<u>116</u>

13 Creditors: amounts falling due within one year

	2018 £ 000	2017 £ 000
Trade creditors	1	-
Accruals	50	73
Deferred income	56	28
	<u>107</u>	<u>101</u>
	2018 £ 000	2017 £ 000

Deferred income

Deferred income at 1 September 2017	28	-
Resources deferred in the period	56	28
Amounts released from previous periods	<u>(28)</u>	<u>-</u>
Deferred income at 31 August 2018	<u>56</u>	<u>28</u>

At the balance sheet date the academy trust was holding funds received in advance for September 2018 business rates, pupil premium that hasn't been spent yet and money received for a school trips that are to take place in 2018/19.

West Hill School

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

14 Funds

	Balance at 1 September 2017 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Restricted general funds					
General Annual Grant (GAG)	355	4,225	(4,162)	-	418
Other DfE/EFA Grants	-	245	(245)	-	-
	<u>355</u>	<u>4,470</u>	<u>(4,407)</u>	<u>-</u>	<u>418</u>
Restricted pension funds					
Pension reserve	(449)	-	(164)	382	(231)
Total restricted general funds	<u>94</u>	<u>(4,470)</u>	<u>4,571</u>	<u>(382)</u>	<u>(187)</u>
Restricted fixed asset funds					
Inherited on conversion	10,227	-	(219)	-	10,008
Capital expenditure from GAG	649	-	(54)	-	595
DfE/EFA Capital Grants	<u>2,765</u>	<u>20</u>	<u>(70)</u>	<u>-</u>	<u>2,715</u>
	<u>13,641</u>	<u>20</u>	<u>(343)</u>	<u>-</u>	<u>13,318</u>
Total restricted funds	<u>13,547</u>	<u>4,490</u>	<u>(4,914)</u>	<u>382</u>	<u>13,505</u>
Unrestricted funds					
Unrestricted general funds	<u>364</u>	<u>180</u>	<u>(129)</u>	<u>-</u>	<u>415</u>
Total funds	<u>13,911</u>	<u>4,670</u>	<u>(5,043)</u>	<u>382</u>	<u>13,920</u>

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

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted general funds					
General Annual Grant (GAG)	341	4,138	(4,124)	-	355
Other DfE/EFA Grants	-	218	(218)	-	-
	<u>341</u>	<u>4,356</u>	<u>(4,342)</u>	<u>-</u>	<u>355</u>
Restricted fixed asset funds					
Inherited on conversion	10,446	-	(219)	-	10,227
Capital expenditure from GAG	701	-	(52)	-	649
DfE/EFA Capital Grants	<u>2,776</u>	<u>59</u>	<u>(70)</u>	<u>-</u>	<u>2,765</u>
	<u>13,923</u>	<u>59</u>	<u>(341)</u>	<u>-</u>	<u>13,641</u>

West Hill School

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

14 Funds (continued)

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted pension funds					
Pension reserve	(1,310)	-	(177)	1,038	(449)
Total restricted funds	12,954	4,415	(4,860)	1,038	13,547
Unrestricted funds					
Unrestricted general funds	317	174	(127)	-	364
Total funds	13,271	4,589	(4,987)	1,038	13,911

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

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Restricted general funds					
General Annual Grant (GAG)	341	8,363	(8,286)	-	418
Other DfE/EFA Grants	-	463	(463)	-	-
	341	8,826	(8,749)	-	418
Restricted fixed asset funds					
Inherited on conversion	10,446	-	(438)	-	10,008
Capital expenditure from GAG	701	-	(106)	-	595
DfE/EFA Capital Grants	2,776	79	(140)	-	2,715
	13,923	79	(684)	-	13,318
Restricted pension funds					
Pension reserve	(1,310)	-	(341)	1,420	(231)
Total restricted funds	12,954	8,905	(9,774)	1,420	13,505
Unrestricted funds					
Unrestricted general funds	317	354	(256)	-	415
Total funds	13,271	9,259	(10,030)	1,420	13,920

West Hill School

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

14 Funds (continued)

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

Restricted funds:

Some types of funding that the Academy receives has a restriction attached to it. Examples of this are pupil premium, Year 7 catch up and PE Grants. Where there is a restriction the Academy ensures that all the criteria for use is adhered to and that we can demonstrate appropriate expenditure.

Unrestricted funds:

Where the Academy receives funds that have no expenditure constraints this is classed as un-restricted. However the Academy will always ensure that expenditure for this type of income is wholly appropriate to the advancement of the education of pupils or to the maintenance of its premises.

15 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	13,316	13,316
Current assets	415	525	2	942
Current liabilities	-	(107)	-	(107)
Pension scheme liability	-	(231)	-	(231)
Total net assets	<u>415</u>	<u>187</u>	<u>13,318</u>	<u>13,920</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	13,633	13,633
Current assets	364	456	8	828
Current liabilities	-	(101)	-	(101)
Pension scheme liability	-	(449)	-	(449)
Total net assets	<u>364</u>	<u>(94)</u>	<u>13,641</u>	<u>13,911</u>

West Hill School

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

16 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2018 £ 000	2017 £ 000
Net expenditure	(373)	(398)
Depreciation	343	341
Capital grants from DfE and other capital income	(20)	(59)
Interest receivable	(1)	(1)
Defined benefit pension scheme cost less contributions payable	151	149
Defined benefit pension scheme finance cost	13	28
Decrease/(increase) in debtors	17	(50)
Increase/(decrease) in creditors	6	(33)
Net cash inflow/(outflow) from operating activities	<u>136</u>	<u>(23)</u>

17 Cash flows from investing activities

	2018 £ 000	2017 £ 000
Dividends, interest and rents from investments	1	1
Purchase of tangible fixed assets	(25)	(51)
Proceeds from sale of tangible fixed assets	(1)	-
Capital funding received from sponsors and others	20	59
Net cash (used in)/provided by investing activities	<u>(5)</u>	<u>9</u>

18 Analysis of cash and cash equivalents

	2018 £ 000	2017 £ 000
Cash at bank and in hand	843	712
Total cash and cash equivalents	<u>843</u>	<u>712</u>

19 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.

West Hill School

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

20 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

West Hill School

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

20 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £561,000 (2017: £547,000).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £148,000 (2017 - £152,000), of which employer's contributions totalled £109,000 (2017 - £115,000) and employees' contributions totalled £39,000 (2017 - £40,000). The agreed contribution rates for future years are 16.8% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

	2018 %	2017 %
Rate of increase in salaries	3.20	3.20
Rate of increase for pensions in payment/inflation	2.40	2.40
Discount rate for scheme liabilities	<u>2.80</u>	<u>2.50</u>

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

	2018	2017
Retiring today		
Males retiring today	21.50	21.50
Females retiring today	24.10	24.10
Retiring in 20 years		
Males retiring in 20 years	23.70	23.70
Females retiring in 20 years	<u>26.20</u>	<u>26.20</u>

The academy trust's share of the assets in the scheme were:

	2018 £ 000	2017 £ 000
Equities	2,579	2,557
Government bonds	607	560
Property	265	210
Cash and other liquid assets	<u>341</u>	<u>175</u>
Total market value of assets	<u>3,792</u>	<u>3,502</u>

West Hill School

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

20 Pension and similar obligations (continued)

The actual return on scheme assets was £193k (2017 - £337k)

Amounts recognised in the statement of financial activities

	2018 £ 000	2017 £ 000
Current service cost	(260)	(264)
Interest income	89	62
Interest cost	(102)	(90)
Total amount recognised in the SOFA	<u>(273)</u>	<u>(292)</u>

Changes in the present value of defined benefit obligations were as follows:

	2018 £ 000	2017 £ 000
At start of period	3,951	4,383
Current service cost	260	264
Interest cost	102	90
Employee contributions	39	37
Actuarial (gain)/loss	(278)	(763)
Benefits paid	(51)	(60)
At 31 August	<u>4,023</u>	<u>3,951</u>

Changes in the fair value of academy's share of scheme assets:

	2018 £ 000	2017 £ 000
At start of period	3,502	3,073
Interest income	89	62
Actuarial gain/(loss)	104	275
Employer contributions	109	115
Employee contributions	39	37
Benefits paid	(51)	(60)
At 31 August	<u>3,792</u>	<u>3,502</u>

21 Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.

West Hill School

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Statement of Financial Activities for the Year Ended 31 August 2017

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2016/17 Total £ 000
Income and endowments from:				
Donations and capital grants	66	-	59	125
<i>Charitable activities:</i>				
Funding for the Academy trust's educational operations	4	4,356	-	4,360
Other trading activities	103	-	-	103
Investments	1	-	-	1
Total	174	4,356	59	4,589
Expenditure on:				
Raising funds	126	-	-	126
<i>Charitable activities:</i>				
Academy trust educational operations	1	4,519	341	4,861
Total	127	4,519	341	4,987
Net income/(expenditure)	81	(35)	4,807	4,853
Transfers between funds	47	(163)	(282)	(398)
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes	-	1,038	-	1,038
Net movement in funds/(deficit)	47	875	(282)	640
Reconciliation of funds				
Total funds/(deficit) brought forward at 1 September 2016	317	(969)	13,923	13,271
Total funds/(deficit) carried forward at 31 August 2017	364	(94)	13,641	13,911