

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST

(A Company Limited by Guarantee)

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SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members

B Mogford	(Chairman – resigned 08/10/2019)
P Fleming	(Appointed 28/09/2016)
S Carter	(Appointed 30/06/2014, reappointed 30/06/2018)
N Cole	(Appointed 11/12/2018)
M Meardon	(Appointed 11/12/2018)
K Frost	(Chairman – appointed 13/11/2019)

Trustees

B Mogford	(Chairman – resigned 09/10/2019)
C McLintock	(Appointed 01/09/2017)
C Brown	(Appointed 12/12/2017)
J Irwin	(Appointed 12/12/2017)
K Hughes	(Appointed 23/02/2017)
K Frost	(Appointed 18/04/2018, Chairman from 10/10/2019)
M Meardon	(Appointed 23/10/2015)
M Spooner	(Appointed 11/05/2017, reappointed 11/12/2018)
N Cole	(Appointed 15/03/2017)
P Fleming	(Appointed 28/09/2016)

Company Secretary

E Walker	(Appointed 01/10/2017)
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Senior Management Team

C McLintock	(Headteacher)
C Carter	(Deputy Headteacher)
E Holding	(Assistant Headteacher)
G Llewlyn	(Assistant Headteacher)
S Hillier	(Assistant Headteacher)
H Dell	(Business Manager)

Company Name

Sir William Ramsay Academy Trust

Principal and Registered Office

Sir William Ramsay School, Rose Avenue, Hazlemere, High Wycombe, Buckinghamshire, HP15 7UB

Company Registered Number

07697618 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

**SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

Bankers

HSBC Bank plc, 9 Penn Road, Beaconsfield, Buckinghamshire, HP9 2PT

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year / period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Hazlemere. It has a pupil capacity of 1186 and had a roll of 1019 in the school census on 16th May 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Sir William Ramsay Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Sir William Ramsay School Academy.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on pages 1 and 2.

The number of Members had gradually reduced by natural wastage as governors resigned. To address this, Members agreed at their meeting on 11 December 2018 to increase their number by two making a total of 5 Members to conform with EFA recommendations.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

The Academy has entered into the ESFA's Risk Protection Arrangement which reimburses the Academy in the event of a loss under the RPA membership rules including employer's liability, public liability and professional indemnity risks.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

Method of Recruitment and Appointment or Election of Trustees

The Articles of Association require the Members of the Academy Trust to appoint Governors, with no maximum number, including:

- Up to 9 Appointed Governors, the appointment of which is by the same means as for Co-opted Governors.
- Up to two Staff Governors, comprising of at least 1 member of support staff, are elected by the school staff as individuals, representative of the staff of the school. Both teaching and support staff paid to work at the school are eligible for staff governorship. The Headteacher is treated for all purposes as being an ex officio Governor.
- A minimum of three Parent Governors can be elected. Any vacancy is announced to parents and nominations requested. If the vacancy is contested (i.e. there are more parents standing for election than places available), an election will need to be held and parents should have the opportunity to meet the candidates prior to the election. In addition, the candidates should produce a brief statement for distribution to parents entitled to vote. If the number of nominations is less than or equal to the number of vacancies, the candidate(s) will be elected unopposed and it will not be necessary to proceed to an election.
- Co-opted Governors - Up to two Co-opted Governors can be appointed by the Governing Body because they have experience and/or expertise of particular benefit to the school. Following an identification of specific needs, suitable candidates are identified by the Governing Body and approached accordingly.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governing Body and Headteacher believe it is essential that all new governors receive a comprehensive induction package covering a broad range of issues and topics. The Academy is committed to ensuring that new governors are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of governors with consequent benefits to the school.

New governors will:

- Be welcomed to the Governing Body by the Chairman
- Be invited by the Headteacher to visit the academy
- Have the opportunity to tour the academy and meet staff and students
- Receive an informal briefing on the academy from the Headteacher and/or Chairman
- Be asked to complete a DBS check and declaration
- Have the opportunity to meet informally with an existing experienced governor who will then act as their mentor
- Be accompanied by their mentor to their first full Governing Body meeting (if required)
- Have the opportunity to review their first meeting with the mentor

New governors will receive:

- The DFE Governance Handbook
- The academy prospectus
- The academy's "Induction Pack for Academy Governors"
- The School Improvement Plan
- The latest Ofsted report, School Self-Evaluation Form and Action Plan
- Details of Induction Training
- Minutes of the last full Governing Body meeting and details of the Governing Body committees including their terms of reference
- Dates for future Governors' meetings including committee meetings
- Details of how to contact the other Governors
- Details of how to contact the academy including the e-mail address
- Recent academy newsletters
- A calendar of academy events

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

Policies and Procedures Adopted for the Induction and Training of Trustees (continued)

The Governing Body at Sir William Ramsay School is committed to providing adequate opportunities for Governors to undertake and receive suitable training to enable them to undertake their role more effectively. To this end the Governing Body purchases training from the National Governance Association.

All new Governors are actively encouraged to take advantage of this training to gain a better understanding of the role and responsibilities of being a School Governor. Additionally, Governors with specific roles within the Governing Body are strongly encouraged to undertake specific training. There is a nominated Development Governor who promotes appropriate training to all governors.

Organisational Structure

The structure consists of three levels: the Governors, Senior Leadership Team and budget holders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors of the Academy Trust are responsible for setting policies, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. The Governors are also responsible for approving the Financial Procedures Manual under which the Academy's finances operate.

Each of the Governors form part of the Trust's four committees: Finance, Premises, Health and Safety, Curriculum, Personnel and Pay. Each committee has its own Terms of Reference, which helps to aid the policy making process and outlines the specific responsibilities of each committee.

The Headteacher (the Accounting Officer) has overall executive responsibility for the academy's activities including financial activities. Much of the responsibility for financial activities has been delegated to the Business Manager. During the year, the Senior Leadership Team comprised the Headteacher, Deputy Headteacher, Business Manager and 3 Assistant Headteachers. The Senior Leadership Team control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. The Senior Leadership Team meets weekly and is collectively responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students. Spending control is devolved to budget holders, with expenditure above certain limits needing additional authorisation from either the senior managers or the trustees (or both).

Arrangements for setting pay and remuneration of key management personnel

The Governing Body has established the following pay scales for the headteacher, deputy headteacher[s] and assistant headteacher[s]:

- Headteacher pay range: (35)
- Deputy Headteacher pay range: (21-25)
- Assistant Headteacher pay (13-17)

The Governing Body will pay teachers as deputy or assistant headteachers only where the Governing Body is satisfied that, in the context of the teacher's duties, the role includes a significant responsibility that is not required of all classroom teachers or TLR holders, and that the role:

- a. is focused on teaching and learning;
- b. requires the exercise of a teacher's professional skills and judgment;
- c. requires the teacher to lead and manage the school through:
 - development of teaching and learning priorities across the school;
 - accountability for the standards of achievement and behaviour of pupils across the school;
 - accountability for the planning and deployment of the school's resources;
 - leading policy development and implementation across the school in accordance with statutory provisions;
 - managing whole school operational activity;

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

Arrangements for setting pay and remuneration of key management personnel (continued)

- working with external bodies and agencies; and
- securing pupils' access to their educational entitlements;
- d. has an impact on the educational progress of the school's pupils;
- e. involves leading, developing and enhancing the teaching practice of the school's staff; and
- f. includes line management responsibility for a significant number of people and/or the line management of other line managers.

In the case of a deputy headteacher post, the Governing Body must also be satisfied that this significant responsibility features a job weight which exceeds that expected of an assistant headteacher employed in the same school, including responsibility for discharging in full the responsibilities of the head in the absence of the head teacher.

The Governing Body will normally appoint new leadership teachers at the bottom point of the relevant pay range

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.8

Percentage of time spent on facility time

Percentage of time	Number of employees
1%-50%	0.8

Relevant union officials (continued)

Percentage of pay bill spent on facility time

Total cost of facility time	£1,211
Total pay bill	£4,773,479
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.026%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%
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Related Parties and other Connected Charities and Organisations

The Academy Trust has no connected organisations or related party relationships so is therefore not exposed to any impact this may have on the operating policies of the trust.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal objective and activity of the charitable company is the operation of Sir William Ramsay School to provide education for pupils between the ages of 11 and 18.

The School provides an education for pupils who are, drawn from the area in which the School is situated and as defined by its published catchment area. The schools Year 7 intake is non-selective.

The School, however, operates an open-access sixth form and as such admits students from other 11 - 16 providers in the area at Year 12 in addition to those continuing into Year 12 from the School itself.

Objectives, Strategies and Activities

The aims of Sir William Ramsay School are focused around the vision that all students will achieve at least in line with National expectations based upon their prior attainment; though every effort will be made to motivate and inspire students to exceed expectations.

The vision is for Sir William Ramsay School to be a dynamic learning community which promotes individual and collaborative success for all. The core aim is for all students to be empowered to achieve their potential.

We aim to achieve our vision by:

- Raising students above the ordinary by developing and delivering lifelong learning which transforms lives
- Ensuring every person feels valued, safe and happy
- Enabling students to feel proud of themselves, and also enjoy the success of others
- Promoting a culture of mutual respect where everyone is treated as a valued member of the school community
- Encouraging positive communication so that words and actions are thoughtful, supportive and motivational
- Placing parents and carers at the heart of the life of the school
- Respecting and promoting the spiritual, moral, social and cultural development of every individual
- Recruiting well-qualified and highly committed staff
- Adopting an ethos of continuous improvement within all aspects of school life

The School Action plan for 2018/19 was focused on six objectives:

Objective 1: To ensure that boys make at least good progress in English Language and Literature (Link Governor: Stuart Carter)

- Core consistencies and routines in all lessons ensuring challenge and active learning.
- Writing stamina and resilience developed through extended writing.
- Love of reading and reading speed developed through additional activities.

Objective 2: To improve the literacy of boys across the school (Link Governor: Kim Frost)

- Diagnose reading needs more effectively to ensure more stable rates of progress in reading ages.
- Whole school Spelling, Punctuation and Grammar (SPAG) codes put in place.
- Strategies in place to ensure boys are able to access the English curriculum.
- Convert oracy to high quality written work.

Objective 3: To ensure that all students make at least good progress in Geography (Link Governor: Cliff Brown)

- All students are challenged to regularly "Think Hard" and learn actively
- Years 7 to 11 curriculum reviewed to ensure progressive development of skills and knowledge.
- Assessment and feedback improved to enable more rapid progress.
- Revision and interventions in Years 11 and 13 are structured and targeted

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

Objectives, Strategies and Activities (continued)

Objective 4: To ensure that the more able students are challenged in the classrooms (Link Governor: Julie Irwin)

- "Wildly Important Goals" in place for each subject linked to achieving top grades in Years 11 and 13.
- Subjects have a full understanding of exams' syllabi and address any impacts for the most able.
- Homework and stretch routines monitored to ensure consistency.
- Thinking hard talk, devices and memory consistently used.
- Kaleidoscope questions used to challenge and inspire.
- Ramsay 5 for the most able used in Sixth Form lessons.

Objective 5: To improve out of lesson behaviours (Link Governor: Cliff Brown)

- Campaign of Respect introduced throughout the school, rewarding good behaviour, kindness and respect.
- Lunch time incidents reduced through shorter lunchtime, more activities and restructured duty system.
- Number of students out of lessons is reduced.
- Bronze level Anti-Bullying Quality Mark (ABQM) achieved.
- Effective and efficient leadership of Pastoral Management Team.
- Student information centralised into SIMS.
- Student safeguarding information centralised into MyConcern.

Objective 6: To develop a Post-16 strategy that secures provision and ensures viability (Link Governor: Nigel Cole)

- SWRS current offer and that in the wider locality researched to identify gaps in the market.
- Clear vision in place for Post-16 education at SWRS.
- Set of fully costed options developed.
- Strategy and implementation plan in place.

Public Benefit

The Governors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by Sir William Ramsay School is the maintenance and development of the high quality education provided by the School to the young people of Hazlemere and the surrounding parishes. Additionally, it is recognised the positive impact that the school should have on the local community with regard to the development of well-rounded members of the community, but also in providing a focal point for the community to engage with the school through activities or lettings opportunities within the school.

In doing this Sir William Ramsay School not only offers a broadly-based academic education but aims to educate the whole individual. A very wide-range of extra-curricular activities, educational trips and visits are offered and undertaken.

STRATEGIC REPORT

Achievements and Performance

The school makes good use of monitoring systems. As a result, progress is tracked closely and any areas of underperformance are highlighted early. This work is focused into the Raising Achievement Programme.

Key Stage 4 – Year 11 results 2019

	This year
5 A*-C (9-4) inc. English and Maths	53%
% 9-4 in English and Maths	57%
% 9-4 in Maths	61%
% 9-4 in English	73%
Number of Grade A/7 and above	200

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Achievements and Performance (continued)

Key Stage 5 – Year 13 results 2019

	2019 results*
L3VA A-level	-0.43
L3VA Vocational	-0.14

Key Performance Indicators

Finance

The school utilises the School's Financial Benchmarking Tool and the Academy Benchmarking report produced by its Auditors to analyse performance against key financial performance indicators. From September 2018, KPIs have featured in the monthly Management Accounts as well.

For the 2017/18 academic year, the School Financial Benchmarking Tool showed that, benchmarked against 6 statistically similar secondary academies in Buckinghamshire:

- SWRS had the highest total income per pupil (£6,182) against an average of £5,523
- SWRS had the highest total expenditure per pupil (£6,340) against an average of £5,657
- 73.3% of SWRS total expenditure was on staffing against an average of 74.4%
- 5% of SWRS total expenditure was on premises against an average of 5.3%
- 11.4% of SWRS total expenditure was on supplies and services against an average of 14%

The higher levels of income and expenditure per pupil at SWRS is predominantly due to the two ARPs in the school.

Ofsted

In December 2018 the school was graded Requires Improvement by Ofsted. Progress since the last inspection in June 2016 was acknowledged and it is expected the school will return to Good in the academic year 2020/21.

Attendance

Following focused and proactive efforts, attendance increased to 94.2% in 2018/19 (from 91.7% in 2017/18) and persistent absence decreased to 12.2%.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. 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

Most of the School's income is obtained from the DfE via the ESFA in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as Restricted funds in the Statement of Financial Activities.

The Devolved Formula Capital Grant (DFC) in accordance with the Charities SORP 2015, is shown in the Statement of Financial Activities (SOFA) as Restricted Fixed Asset funds.

On conversion on 1 August 2011, all of the fixed assets of the former Foundation School were transferred to the new Academy Trust and are shown as Restricted Fixed Asset funds. The Balance Sheet Restricted Fixed Asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in Note 1 to the Financial Statements.

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds and lettings income.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

FINANCIAL REVIEW (continued)

The Trust's financial position demonstrates total income of £6,230,223 with a surplus of £38,198 before adjustments for capital grants, depreciation and adjustment made to the Local Government Pension Scheme. Following the depreciation of fixed assets (£362,120) and actuarial adjustments of £852,000, the academy reports a deficit at 31 August 2019 of £1,084,004. The deficit is allocated to reserves.

The Restricted Fixed Asset reserve of £20,054,964 is made up of the net book value of tangible fixed assets and unspent capital grant of £8,470. The unrestricted and restricted reserves after adjustment for the LGPS pension obligation and the school fund surplus total £859,502.

These reserves are a result of detailed and tight budgeting and budget control procedures which were inherited from the former foundation school, and which have been firmly embedded in the Academy Trust's daily financial management.

Reserves Policy

Under its Funding Agreement with the Secretary of State for Education, Sir William Ramsay School is allowed to carry forward reserves amounting to 12% of the total General Annual Grant (GAG) payable for the Academy in the Academy financial year just ended.

This carried forward amount may be used as follows:

- a) Equivalent to 2% of the GAG payable in the financial year just ended may be used for any purposes for which GAG is paid
- b) Equivalent to 12% of the GAG payable in the financial year just ended less any amount used under sub- clause (a) above may be used for expenditure on the upkeep and improvement of premises, including the costs of equipment and routine repairs and maintenance of the Academy. and on capital expenditure relating to the Academy.

Non-GAG reserves may be held without limit.

The level of reserves held at 31 August 2019 total £17,588,466. Of this figure, £835,464 represents unrestricted reserves and restricted reserves, excluding the pension obligation and surplus on the school fund.

Reserves at the end of each year are generally held in support of but not restricted to:

- Future investment in specific educational initiatives (for example: targeting the performance of boys and more able students; focusing on pupil premium and catch-up students)
- Anticipated downward movements in pupil numbers (for example: low cohort entering at year 7 or significant reduction in 6th form numbers)
- Contribution to capital projects planned or in development (for example: IT infrastructure)
- Financial commitments made but not yet come to fruition (for example: compliance with policy revisions)
- Cash flow requirements
- Managing possible consequences of changes in National Funding Formula
- Setting aside funds for a forthcoming change in legislation
- Financial pressures outside of Trust control (for example: LGPS Employer Contribution Rates)

The Governors and Finance Committee have reviewed these reserve levels and believe that they should provide sufficient working capital to cover delays between spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work. Under normal circumstances the Governors would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion.

**SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

At 31 August 2019 the total funds comprised:

Unrestricted		722,023
Restricted:	Fixed asset funds	20,054,964
	Pension reserve	(3,326,000)
	Other	137,479
		<u>17,588,466</u>

Investment Policy

Apart from the cash held for the operation of the school, Sir William Ramsay School has no realisable investments. With respect to its cash holdings the Governing Body has adopted a low risk strategy. In addition to the main current account the School maintains an instant access deposit account. Suitable sweeping and switching procedures are in place at the School's bankers to ensure that adequate funds are available in the current account whilst maintaining a balance in the deposit account as high as possible.

Principal Risks and Uncertainties

Governors have identified the following principal risk and uncertainties facing the Academy Trust:

- **Financial Risks** - The Academy Trust is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets.

Governors have also given due consideration to the risks associated with financial mismanagement and/or compliance failures:

- **Failures in Governance and/or Management** - Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational Risk - The continuing success of the Academy Trust depends on addressing those issues raised in the Ofsted inspection of 2018. Governors are clearly focused on monitoring and reviewing the achievement and success of the school whilst it is on the journey back to 'good'. Governors continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, Health and Safety, Safeguarding and Child Protection Risks. Governors continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in school and in training and support, in order to protect the vulnerable young people in its care.

FUNDRAISING

The majority of fundraising associated with the Academy is carried out to enhance the educational experience of its students. This can range from asking for donations to students to attend trips through to donations to enable the school to purchase specialised equipment to enhance the curriculum. The student body is also encouraged to undertake fundraising activities on behalf of other charities as part of their contribution to the wider community.

The Trustees confirm annually that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

With regards to fundraising activities the Trustees approve the fundraising strategies, taking into account all relevant guidance including the Charity Commission publication "Charity fundraising: a guide to trustee duties (CC20)". Day to day decisions on fundraising activities are delegated to the Headteacher.

The Business Manager coordinates all fundraising activities carried out through Trust and ensures each activity has been risk assessed to ensure that they are suitable.

The school makes its parent body aware of all fundraising events, including students collecting for charity, via its weekly newsletter to which parents can subscribe.

Complaints in relation to fundraising are dealt with under the schools' 'Compliments, Complaints and Resolutions Policy & Procedure' which is available on the school website.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

PLANS FOR FUTURE PERIODS

Sir William Ramsay school will continue to work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in enrichment activities and in essential life skills in order to increase the number of opportunities open to its students when they move on to higher education and ultimately employment.

Resources are being strategically placed to improve the quality of teaching and the monitoring of student progress especially in the key subgroups of boys, more able, Pupil Premium and SEND Support.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

None.

AUDITOR

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 board of trustees, as the company directors, on 11 December 2019 and signed on the board's behalf by:

K Frost
Trustee

**SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019**

SCOPE OF RESPONSIBILITY

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

The 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 Sir William Ramsay School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee		Meetings attended	Out of a possible
B Mogford	(chairman)	5	5
P Fleming	(vice-chairman)	5	5
C Brown		2	5
S Carter	(reappointed 30/06/2018)	5	5
N Cole	(responsible officer)	3	5
K Frost		3	5
K Hughes	(staff trustee)	3	5
J Irwin		4	5
M Meardon		4	5
M Spooner	(reappointed 11/12/2018)	2	5
C McLintock	(principal and accounting officer)	5	5

The Board maintains effective oversight of funds through the review of the Monthly Management Accounts which are circulated via GovernorHub.

The Board is actively engaging with a number of prospective governors widen the skills base of the Board. This has included bringing in additional HR, Safeguarding and Teaching and Learning expertise.

The Board uses a variety of internal and external data and reports to monitor the quality of provision at the Academy and to hold the Senior Leadership Team to account.

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

GOVERNANCE (continued)

An External Review of Governance was commissioned and undertaken on 4 March 2019. An Action Plan has been written and adopted to address the areas for development which will be reviewed regularly at FGB meetings this year. The areas for development are:

1. Governors to review their skills audit in order that any recruitment addresses gaps identified within the Board.
2. Governors to explore a strategy for attracting members that will better reflect the diversity of the school's pupils.
3. Governors to plan a consultation with stakeholders in order to start the process of developing a vision that reflects all views.
4. Governors to review committee structure and consider a reduction in number to ensure better attendance at meetings, improving the representation of views and involvement in decision making.
5. Governors to work towards a better understanding of the processes in the school, in particular performance management, to enable more focused challenge.
6. Governors to ensure that they build capacity in understanding across key areas in order to reduce over reliance on single members.

The **Finance, Premises, Health and Safety Committee** is a sub-committee of the main board of trustees. Under delegated authority from the Academy Trust Board, the Finance, Premises, Health & Safety Committee performs a number of functions for the school. Some of these functions are undertaken by individual governors; other functions are undertaken by the committee in its termly meetings.

Whilst the Finance, Premises, Health and Safety Committee meets termly, management accounts are circulated to all members of the Governing Board on a monthly basis to ensure compliance with the Academies Financial Handbook and the principle of robust governance. Full Governing Board minutes record that management accounts have been received and noted.

The governors in their termly meetings considered, among other things, the following: reviewed the school's annual budget and medium term financial plans; monitored the school's progress toward compliance with the General Data Protection Regulations; approved unplanned additional spending in pursuit of the school's action plan; approved writing off irrecoverable bad debts; bad debt write off; reviewed, in common with other committees, progress the school makes towards achieving 'Good' grading by HMI; reviewed and scrutinised the school's periodic management accounts, received reports on premises renewal and improvement projects being undertaken and their funding arrangements and maintained a 'watching brief' over the school's responsibility as landlord of the Hazelmere Community Association.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
N Cole (Chairman)	3	3
S Carter	3	3
K Frost	1	3
C McLintock	3	3
B Mogford	3	3
M Spooner	2	3

The Finance, Premises, Health and Safety Committee undertakes audit committee functions on behalf of the governing board.

A member of the committee carries out the internal scrutiny duties of the Responsible Officer as set out in the Accounts Direction.

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

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 considers how the Academy 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 during the year by:

- Reviewing and monitoring the curriculum to ensure appropriate numbers of teachers are recruited
- Reviewing and monitoring the use of the Pupil Premium Grant
- Reviewing existing contracts
- Reviewing opportunities to increase self-generated income through lettings

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sir William Ramsay School Academy Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The 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 monthly financial reports, other than for August each year, which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, grant bids, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

THE RISK AND CONTROL FRAMEWORK (continued)

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Nigel Cole, a trustee, to carry out a programme of internal scrutiny (Responsible Officer).

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- reviewing controls over debtors and creditors
- ensuring that the academy's income is correctly allocated and recorded

On a termly basis the Responsible Officer reports in writing to the board of trustees, through the Finance Premises Health and Safety Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The RO has completed one internal review of compliance during each term of the academic year. No material control issues were identified. As appropriate, the RO makes recommendations for changes to the academy's financial procedures manual when it is not fully aligned with good practical application.

REVIEW OF EFFECTIVENESS

As Accounting Officer the Headteacher 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 Responsible Officer
- the work of the external auditor
- 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, Premises and Health & Safety Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 11 December 2019 and signed on its behalf by:

K Frost
Trustee

C McLintock
Accounting Officer

**SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2019**

As accounting officer of Sir William Ramsay School Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of 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 2018.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all 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 2018.

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

C McLintock
Accounting officer

11 December 2019

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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 Academies 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 then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 11 December 2019 and signed on its behalf by:

K Frost
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST

Opinion

We have audited the financial statements of Sir William Ramsay School Academy Trust (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report and the Directors' Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees' Responsibilities Statement. 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.

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 and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Academy Trust's members and Trustees, 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: 18 December 2019

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sir William Ramsay School Academy Trust during the year 1 September 2018 to 31 August 2019 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 Sir William Ramsay School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sir William Ramsay School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sir William Ramsay School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Sir William Ramsay School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sir William Ramsay School Academy Trust's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: 18 December 2019

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	4	1,389	4,776	91,918	98,083	547,597
Charitable activities	5	237,520	5,557,200	-	5,794,720	5,693,210
Other trading activities	6	329,207	-	-	329,207	385,566
Investments	7	8,013	-	-	8,013	3,148
Total income		576,129	5,561,976	91,918	6,230,023	6,629,521
Expenditure on:						
Raising funds		250,241	-	-	250,241	290,983
Charitable activities	9	240,260	5,933,406	362,120	6,535,786	6,310,443
Total expenditure	8	490,501	5,933,406	362,120	6,786,027	6,601,426
Net income/(expenditure)		85,628	(371,430)	(270,202)	(556,004)	28,095
Transfers between funds	18	-	(3,095)	3,095	-	-
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(528,000)	-	(528,000)	685,000
Net movement in funds		85,628	(902,525)	(267,107)	(1,084,004)	713,095
Reconciliation of funds:						
Total funds brought forward		636,395	(2,285,996)	20,322,071	18,672,470	17,959,375
Net movement in funds		85,628	(902,525)	(267,107)	(1,084,004)	713,095
Total funds carried forward		722,023	(3,188,521)	20,054,964	17,588,466	18,672,470

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 54 form part of these financial statements.

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697618

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	15	20,046,494	20,144,038
		<u>20,046,494</u>	<u>20,144,038</u>
Current assets			
Debtors	16	223,840	425,978
Cash at bank and in hand		986,195	1,190,837
		<u>1,210,035</u>	<u>1,616,815</u>
Creditors: amounts falling due within one year	17	(342,063)	(614,383)
Net current assets		867,972	1,002,432
Total assets less current liabilities		20,914,466	21,146,470
Defined benefit pension scheme liability	24	(3,326,000)	(2,474,000)
Total net assets		17,588,466	18,672,470
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	20,054,964	20,322,071
Restricted income funds	18	137,479	188,004
Pension reserve	18	(3,326,000)	(2,474,000)
Total restricted funds	18	16,866,443	18,036,075
Unrestricted income funds	18	722,023	636,395
Total funds		17,588,466	18,672,470

The financial statements on pages 24 to 54 were approved by the Trustees, and authorised for issue on 11 December 2019 and are signed on their behalf, by:

K Frost
Chair of Trustees

The notes on pages 27 to 54 form part of these financial statements.

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(203,848)	135,959
Cash flows from investing activities	21	(794)	(64,014)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(204,642)	71,945
Cash and cash equivalents at the beginning of the year		1,190,837	1,118,892
Cash and cash equivalents at the end of the year	22	986,195	1,190,837
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 27 to 54 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 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 funders where the asset acquired or created is held for a specific purpose.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

• **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 year it is receivable and to the extent the Academy Trust has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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.

1.4 Expenditure

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Expenditure on raising funds**

Expenditure on raising funds 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**

Expenditure on charitable activities 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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.8 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 incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account.

Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line (buildings only)
Plant and machinery	- 10% straight line
Computer equipment	- 10% - 25% straight line
Motor vehicles	- 25% reducing balance

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

1.9 Cash at bank and in hand

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

1.10 Liabilities and provisions

Liabilities 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.11 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 bases 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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Taxation

The Academy 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 Part 11, chapter 3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.13 Pensions

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

3. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2019 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	1,389	17,286	18,675	8,113
DfE/ESFA capital grants	-	75,212	75,212	526,780
Local authority capital grants	-	4,196	4,196	12,704
	<u>1,389</u>	<u>96,694</u>	<u>98,083</u>	<u>547,597</u>
Total 2018	<u>5,590</u>	<u>542,007</u>	<u>547,597</u>	

SIR WILLIAM RAMSAY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

5. Funding for the Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,841,382	4,841,382	4,786,873
Pupil premium	-	170,100	170,100	156,720
Other DfE/ESFA revenue grants	-	127,296	127,296	67,209
	-	5,138,778	5,138,778	5,010,802
Other government grants				
SEN funding	-	269,465	269,465	248,453
Local authority grants	-	147,469	147,469	156,839
	-	416,934	416,934	405,292
Other funding				
Catering income from students	177,884	-	177,884	158,799
School trip income	51,104	1,488	52,592	98,648
Other income	8,532	-	8,532	19,669
	237,520	1,488	239,008	277,116
	237,520	5,557,200	5,794,720	5,693,210
Total 2018	263,932	5,429,278	5,693,210	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Catering income	209,689	-	209,689	299,404
Hire of facilities	66,429	-	66,429	70,268
Other income	53,089	-	53,089	15,894
	<u>329,207</u>	<u>-</u>	<u>329,207</u>	<u>385,566</u>
Total 2018	<u>377,416</u>	<u>8,150</u>	<u>385,566</u>	

7. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	8,013	8,013	3,148
	<u>8,013</u>	<u>8,013</u>	<u>3,148</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Direct costs	88,371	4,405	157,465	250,241	290,983
Academy's educational operations:					
Direct costs	4,097,771	303,227	536,186	4,937,184	4,745,872
Allocated support costs	797,754	376,763	424,085	1,598,602	1,564,571
	<u>4,983,896</u>	<u>684,395</u>	<u>1,117,736</u>	<u>6,786,027</u>	<u>6,601,426</u>
Total 2018	<u>4,725,739</u>	<u>701,885</u>	<u>1,173,802</u>	<u>6,601,426</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Academy's educational operations	<u>4,937,184</u>	<u>1,598,602</u>	<u>6,535,786</u>	<u>6,310,443</u>
Total 2018	<u>4,745,872</u>	<u>1,564,571</u>	<u>6,310,443</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Teaching and educational support staff wages and salaries	4,097,771	3,901,770
Depreciation	303,227	294,988
Technology costs	17,064	26,990
Educational supplies	171,918	119,986
Examination fees	85,211	88,373
Educational consultancy	118,843	112,092
Staff expenses and other staff costs	77,041	84,552
Other direct costs	66,109	117,121
	4,937,184	4,745,872

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Support staff wages and salaries	792,038	705,975
Pension finance cost	62,000	72,000
Depreciation	58,893	45,385
Technology costs	62,427	60,233
Premises costs	376,763	402,657
Other support costs	219,383	249,472
Governance costs	27,098	28,849
	1,598,602	1,564,571

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£	Amount	Reason
		£	
Gifts made by the trust	47	-	

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019	2018
	£	£
Operating lease rentals	16,789	17,563
Depreciation of tangible fixed assets - owned by charity	362,120	339,548
Fees paid to auditors for:		
- audit	9,000	9,000
- other services	11,287	12,519
	389,196	518,630

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	3,523,682	3,201,668
Social security costs	326,090	297,810
Pension costs	885,023	789,183
	<u>4,734,795</u>	<u>4,288,661</u>
Agency staff costs	231,262	433,052
Staff restructuring costs	12,123	-
Governance costs	5,716	4,026
	<u><u>4,983,896</u></u>	<u><u>4,725,739</u></u>
Staff restructuring costs comprise:		
Severance payments	<u><u>12,123</u></u>	<u><u>-</u></u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £12,123 for one individual payment (2018: £Nil).

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	66	71
Administration and support	71	62
Management	1	1
	<u><u>138</u></u>	<u><u>134</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. Staff costs (continued)

d. Higher paid staff

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	1	1
	=====	=====

All of the above participated in the Teachers' Pension Scheme. During the year ended 31 August 2019, pension contributions for these staff amounted to £37,534 (2018: £35,771).

e. Key management personnel

The key management personnel of the Academy Trust comprises 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) received by key management personnel for their services to the Academy Trust was £483,884 (2018: £471,188).

13. Related party transactions - trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an 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. The value of Trustees' remuneration and other benefits was as follows:

		2019	2018
		£	£
C McLintock, Head Teacher	Remuneration	90,000 - 95,000	90,000 - 95,000
	Pension contributions paid	15,000 - 20,000	10,000 - 15,000
K Hughes, Trustee	Remuneration	35,000 - 40,000	25,000 - 30,000
	Pension contributions paid	5,000 - 10,000	0 - 5,000

During the year ended 31 August 2019, expenses totalling £60 were reimbursed or paid directly to 1 Trustee (2018 - £NIL to Trustee).

14. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

15. Tangible fixed assets

	Freehold property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	21,462,275	291,103	157,257	7,599	21,918,234
Additions	169,493	33,749	61,334	-	264,576
At 31 August 2019	<u>21,631,768</u>	<u>324,852</u>	<u>218,591</u>	<u>7,599</u>	<u>22,182,810</u>
Depreciation					
At 1 September 2018	1,644,149	80,522	48,420	1,105	1,774,196
Charge for the year	303,223	31,024	26,246	1,627	362,120
At 31 August 2019	<u>1,947,372</u>	<u>111,546</u>	<u>74,666</u>	<u>2,732</u>	<u>2,136,316</u>
Net book value					
At 31 August 2019	<u><u>19,684,396</u></u>	<u><u>213,306</u></u>	<u><u>143,925</u></u>	<u><u>4,867</u></u>	<u><u>20,046,494</u></u>
At 31 August 2018	<u>19,818,126</u>	<u>210,581</u>	<u>108,837</u>	<u>6,494</u>	<u>20,144,038</u>

Included in freehold property is land at valuation of £6,400,000 (2017 - £6,400,000) which is not depreciated.

On conversion to an Academy Trust, the Academy granted a 20 year lease to the Reserve Forces and Cadets Association for the South East. The rent is £1,500 per annum.

There is a Community Hall on the Academy Trust's freehold land which is leased to the Community Centre under a 60 year lease which commenced on 15 July 1981. No rent is payable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	12,056	41,869
Other debtors	-	709
Prepayments and accrued income	166,928	313,339
VAT recoverable	44,856	70,061
	<u>223,840</u>	<u>425,978</u>

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	114,358	247,254
Other taxation and social security	78,885	76,326
Other creditors	1,228	3,812
Accruals and deferred income	147,592	286,991
	<u>342,063</u>	<u>614,383</u>

	2019 £	2018 £
Deferred income at 1 September 2018	25,210	74,762
Resources deferred during the year	65,794	25,210
Amounts released from previous periods	(25,210)	(74,762)
	<u>65,794</u>	<u>25,210</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for school trips and business rates relief relating to the next academic year (2018: school trips).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

18. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	613,599	574,740	(488,725)	-	-	699,614
School fund	22,796	1,389	(1,776)	-	-	22,409
	<u>636,395</u>	<u>576,129</u>	<u>(490,501)</u>	<u>-</u>	<u>-</u>	<u>722,023</u>
Restricted general funds						
General Annual Grant (GAG)	187,567	4,841,382	(4,890,004)	(3,095)	-	135,850
Other DfE/ESFA grants	-	297,396	(297,396)	-	-	-
Local authority grants	-	416,934	(416,934)	-	-	-
Other income	-	1,688	(1,688)	-	-	-
School fund	437	4,576	(3,384)	-	-	1,629
Pension reserve	(2,474,000)	-	(324,000)	-	(528,000)	(3,326,000)
	<u>(2,285,996)</u>	<u>5,561,976</u>	<u>(5,933,406)</u>	<u>(3,095)</u>	<u>(528,000)</u>	<u>(3,188,521)</u>
Restricted fixed asset funds						
Fixed asset fund	20,144,038	-	(362,120)	264,576	-	20,046,494
DfE/ESFA capital grants	178,033	75,212	-	(244,775)	-	8,470
Donations	-	12,510	-	(12,510)	-	-
Other capital grants	-	4,196	-	(4,196)	-	-
	<u>20,322,071</u>	<u>91,918</u>	<u>(362,120)</u>	<u>3,095</u>	<u>-</u>	<u>20,054,964</u>
Total Restricted funds	<u>18,036,075</u>	<u>5,653,894</u>	<u>(6,295,526)</u>	<u>-</u>	<u>(528,000)</u>	<u>16,866,443</u>
Total funds	<u>18,672,470</u>	<u>6,230,023</u>	<u>(6,786,027)</u>	<u>-</u>	<u>(528,000)</u>	<u>17,588,466</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

18. Statement of funds (continued)

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

Unrestricted funds

These funds are for the general use of the Academy and may be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

Restricted funds

The General Annual Grant (GAG) represents funding received from the ESFA during the year in order to fund the continuing activities of the Academy.

Other DfE/ESFA grants include pupil premium funding to cater for disadvantaged pupils.

Local authority grants include Additional Resource Provision and Statutory School Allocation.

The pension reserve fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The school fund represents balances to be spent on school fund activities.

Restricted fixed asset funds

These funds represent fixed assets transferred on conversion to academy status from Buckinghamshire County Council together with capital grants.

Fund transfers

The transfer between restricted fixed asset fund and restricted General Annual Grant fund represents amounts capitalised during the period.

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2018. Note 3 discloses whether the limit was exceeded.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

18. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General funds	517,340	644,496	(548,237)	-	-	613,599
School fund	20,345	5,590	(3,139)	-	-	22,796
	<u>537,685</u>	<u>650,086</u>	<u>(551,376)</u>	<u>-</u>	<u>-</u>	<u>636,395</u>
Restricted general funds						
General Annual Grant (GAG)	217,733	4,786,873	(4,761,202)	(55,837)	-	187,567
Other DfE/ESFA grants	-	223,929	(223,929)	-	-	-
Local authority grants	-	405,292	(405,292)	-	-	-
Other income	-	21,888	(21,888)	-	-	-
School fund	1,834	1,969	(3,366)	-	-	437
Pension reserve	(2,865,000)	-	(294,000)	-	685,000	(2,474,000)
	<u>(2,645,433)</u>	<u>5,439,951</u>	<u>(5,709,677)</u>	<u>(55,837)</u>	<u>685,000</u>	<u>(2,285,996)</u>
Restricted fixed asset funds						
Fixed asset fund	19,986,478	-	(340,373)	497,933	-	20,144,038
DfE/ESFA capital grants	80,645	526,780	-	(429,392)	-	178,033
Donated assets	-	12,704	-	(12,704)	-	-
	<u>20,067,123</u>	<u>539,484</u>	<u>(340,373)</u>	<u>55,837</u>	<u>-</u>	<u>20,322,071</u>
Total Restricted funds	<u>17,421,690</u>	<u>5,979,435</u>	<u>(6,050,050)</u>	<u>-</u>	<u>685,000</u>	<u>18,036,075</u>
Total funds	<u><u>17,959,375</u></u>	<u><u>6,629,521</u></u>	<u><u>(6,601,426)</u></u>	<u><u>-</u></u>	<u><u>685,000</u></u>	<u><u>18,672,470</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	20,046,494	20,046,494
Current assets	738,531	463,034	8,470	1,210,035
Creditors due within one year	(16,508)	(325,555)	-	(342,063)
Pension scheme liability	-	(3,326,000)	-	(3,326,000)
Total	722,023	(3,188,521)	20,054,964	17,588,466

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	20,144,038	20,144,038
Current assets	636,395	802,387	178,033	1,616,815
Creditors due within one year	-	(614,383)	-	(614,383)
Provisions for liabilities and charges	-	(2,474,000)	-	(2,474,000)
Total	636,395	(2,285,996)	20,322,071	18,672,470

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(556,004)	28,095
Adjustments for:		
Depreciation	362,120	339,549
Capital grants from DfE and other capital income	(91,918)	(539,484)
Interest	(8,013)	(3,148)
Decrease in stocks	-	300
Decrease/(increase) in debtors	38,287	(52,480)
(Decrease)/increase in creditors	(272,320)	68,307
Pension adjustment	324,000	294,000
Loss on disposal of minibus	-	820
Net cash (used in)/provided by operating activities	(203,848)	135,959

21. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	8,013	3,148
Purchase of tangible fixed assets	(264,576)	(427,681)
Capital grants from DfE Group	243,259	347,815
Capital funding received from sponsors and others	12,510	12,704
Net cash used in investing activities	(794)	(64,014)

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	986,195	1,190,837
Total cash and cash equivalents	986,195	1,190,837

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

23. Capital commitments

	2019	2018
	£	£
Contracted for but not provided in these financial statements	-	176,177

24. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 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 or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers Pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Pension commitments (continued)

Valuation of Teachers Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £367,366 (2018 - £337,085).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £328,000 (2018 - £293,000), of which employer's contributions totalled £260,000 (2018 - £232,000) and employees' contributions totalled £ 68,000 (2018 - £61,000). The agreed contribution rates for future years are 22.8 per cent for employers and between 5.5 and 12.5 per cent 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.90	2.65
Inflation assumption (CPI)	2.20	2.30
Inflation assumption (RPI)	3.20	3.30

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.9	24.0
Females	24.8	26.1
<i>Retiring in 20 years</i>		
Males	24.6	26.3
Females	26.7	28.5

Sensitivity analysis - present value of total obligation

	2019	2018
	£000	£000
Discount rate +0.1%	6,324	4,985
Discount rate -0.1%	6,673	5,258
Mortality assumption - 1 year increase	6,723	5,290
Mortality assumption - 1 year decrease	6,277	4,956
CPI rate +0.1%	6,653	5,243
CPI rate -0.1%	6,343	5,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Pension commitments (continued)

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	1,703,000	1,389,000
Gilts	372,000	314,000
Other bonds	451,000	324,000
Property	216,000	194,000
Cash and other liquid assets	102,000	158,000
Alternative assets and other	326,000	267,000
Total market value of assets	3,170,000	2,646,000

The actual return on scheme assets was £242,000 (2018 - £81,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2019	2018
	£	£
Current service cost	(446,000)	(452,000)
Past service cost	(74,000)	-
Interest cost	(62,000)	(72,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of Financial Activities	(584,000)	(526,000)

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

	2019	2018
	£	£
Opening defined benefit obligation	5,120,000	5,177,000
Current service cost	446,000	452,000
Interest cost	136,000	135,000
Employee contributions	68,000	61,000
Actuarial losses/(gains)	696,000	(667,000)
Benefits paid	(44,000)	(38,000)
Past service costs	74,000	-
Closing defined benefit obligation	6,496,000	5,120,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Pension commitments (continued)

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2019 £	2018 £
Opening fair value of scheme assets	2,646,000	2,312,000
Interest income	74,000	63,000
Actuarial gains	168,000	18,000
Employee contributions	68,000	61,000
Benefits paid	(44,000)	(38,000)
Administrative expenses	(2,000)	(2,000)
Employer contributions	260,000	232,000
Closing fair value of scheme assets	3,170,000	2,646,000

24. Pension Commitments (continued)

	2019 £	2018 £
The amount shown in the Statement of Financial Activities is:		
Changes in financial assumptions	(696,000)	667,000
Return on assets excluding amounts included in net interest	168,000	18,000
Actuarial gains/(losses) on defined benefit pension schemes	(528,000)	685,000

	2019 £	2018 £
The amount shown in the Balance Sheet is:		
Present value of defined benefit obligation	(6,496,000)	(5,120,000)
Fair value of scheme assets	3,170,000	2,646,000
Defined benefit pension scheme liability	(3,326,000)	(2,474,000)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. Operating lease commitments

At 31 August 2019 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	15,589	16,789
Later than 1 year and not later than 5 years	3,830	19,419
	19,419	36,208

26. 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.

27. Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 13.