

Registered number: 07992372 (England and Wales)

REDMOOR ACADEMY

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

REDMOOR ACADEMY
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 10
Governance Statement	11 - 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditors' Report	18 – 20
Independent Reporting Accountant's Assurance Report on Regularity	21 – 22
Statement of Financial Activities	23
Balance Sheet	24 – 25
Statement of Cash Flows	26
Notes to the Financial Statements Incorporating Statement of Accounting Policies and Other Notes to the Financial Statements	27 - 51

REDMOOR ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

Alan Boak (Resigned 11 January 2018)
Joanne Hudson
Chris Kealey (MBE)
John Shilladay
Nicholas Holt (Resigned 04 October 2017)

Trustees

Joanne Hudson
Alan Boak (Resigned 11 January 2018)
John Shilladay
Chris Kealey (MBE) (Chair of Trustees)
Mary Stanhope (Staff Trustee - Resigned 12 November 2018)
John Duggins (Staff Trustee)
Jackie Harrington (Resigned 5 September 2018)
Matthew Nicolle (Acting Principal and Accounting Officer)
Tanya Hutchinson
Hugh Clayden (Appointed 21 March 2018)
Nicholas Holt (Resigned 04 October 2017)
Henry Earp (Resigned 06 September 2018)
Julie Walton (Appointed 12 December 2018)
Samantha Allison (Appointed 12 December 2018)
Mathew Hayward (Appointed 12 December 2018)
Richard Chattaway (Appointed 12 December 2018)

Senior Leadership Team

Matthew Nicolle – Acting Principal
Mrs L O’Keeffe – Assistant Vice Principal
Mrs L Hickman – Assistant Vice Principal
Mr P Kimber – Assistant Vice Principal
Mrs K Grocock – Assistant Vice Principal (Appointed January 2018)
Mrs J Sulley – Business Manager and Company Secretary

Company Name

Redmoor Academy

Principal and Registered Office

Redmoor Academy
Wykin Road
Hinckley
Leicestershire
LE10 0EP

Company Registered Number

07992372 (England and Wales)

REDMOOR ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Independent Auditor

MHA MacIntyre Hudson
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Royal Bank of Scotland Plc
Leicester Market Street Branch
5 Market Street
Leicester
LE10 6DN

Solicitors

Browne Jacobson LLP
Castle Meadow Road
Nottingham
NG2 1BJ

REDMOOR ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

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

The Trust operates an Academy for pupils aged 11 to 16 serving a catchment area in Hinckley, Leicestershire. It has a pupil capacity of 925 and had a roll of 911 in the school census on 1 October 2018.

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 Redmoor Academy are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Redmoor Academy.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on pages 1 and 2.

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 to 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 cost of this insurance in the year was £776 (2017 - £1,176).

Method of Recruitment and Appointment or Election of Trustees

Recruitment of Trustees is outlined in the Memorandum and Articles of Association. The Members may appoint up to 4 (four) Trustees. The Trustees may co-opt up to 4 (four) Trustees. The appointment of Staff Trustees 3 (three) is via a process of a staff ballot. Appointment of Parent Trustees 5 (five) is made via parent ballot. The School's Principal is a Trustee by right.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustee training is through a menu of extensive specialised training available via the Leicestershire County Council's 'Governor Development Services' which the Trust buys into on an annual basis. They include training courses tailored specifically for new Trustees. The Academy has also produced a comprehensive 'Trustees Induction Handbook'. In order to understand their roles, meetings with the Chair of Trustees and the Principal are a requirement for all new Trustees, and if required, meetings are on offer to meet the Business Manager.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

Organisational Structure

The Trust has at present 3 Members who are responsible for the overall running of the Trust. They also have the strategic role monitoring the current and future direction of the Academy. The Full Board of Trustees are responsible to the members. They have a responsibility to produce an annual report to the Auditor and to recommend the allocation of the annual budget received from the Education and Skills Funding Agency. The Trustees' role is to robustly hold Senior Leaders to account for all aspects of the school's performance.

The Principal and the Senior Leadership Team are responsible for providing effective leadership and efficient and effective management of the school and to work within budget having regard to the Academy Development Plan.

The Trust's Accounting Officer is Matthew Nicolle (Acting Principal).

The structure is made up of:

1. Three Trust Members who are also members of the Full Board of Trustees;
2. The Full Board of Trustees; and
3. A Committee structure consisting of:

3a Finance and General Purposes Committee

Remit includes Finance, Personnel, Risk Management and Health and Safety. Membership is comprised of self-selecting Trustees. The committee meets four times per year or, more frequently as required and report to appropriate committee and/or Full Board of Trustees.

3b School Standard Committees

Remit includes progress of students (including Pupil Premium and SEND), behaviour and safety, safeguarding, curriculum provision and teaching and learning. Membership comprised of self-selecting Trustees. The committee meets four times per year or more frequently as required and report to appropriate committee and/or Full Board of Trustees.

3c Principal's Annual Performance Review Panel

Membership comprised of three Trustees selected by Trust Members plus an external advisor. Recommendations are made to Finance and General Purposes Committee.

3d Pay and Conditions Committee

Membership comprised of three Trustees selected by Trust Members plus the Principal. Meets when recommendations from the Principal regarding pay need to be considered. Pay recommendations follow a robust and successful performance management process. Senior Leadership Team members (Key Management Personnel) are performance managed by the Principal and recommendations are based on this.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

Other Standing Committees

3e Staff Dismissal, Staff Dismissal Appeals, Exclusions, Exclusion Appeals, Complaints, Senior Staff Appointment

Membership comprised of Trustees but not Staff Trustees and Trustees previously involved with the individual case, they will meet as required.

Other identified Roles for Trustees

- SEND Trustees;
- Training Trustee; and
- Safeguarding Trustee.

Where applicable all the committees are subject to annually agreed 'Terms of Reference' or relevant policy/procedure documents.

Trade union facility time

Relevant Union Officials

No. of employees who were relevant union officials during the relevant period	Full time equivalent employee no.
2	2

Percentage of time spent on facility time

% of time	No. of employees
0%	0
1%-50%	1
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£295
Total pay bill	£2,851,702
% of total pay bill spent on facility time	0.01034%

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

Paid Trade Union activities

Time spent on paid trade union activities such 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	Nil
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Related Parties and other Connected Charities and Organisations

The Academy is a single school Academy Trust. The Academy continues to work closely with the local family of schools including Primary and Secondary schools. The school is a strategic partner of the Thomas Estley Teaching School Alliance (TELA). The school benefits from the support of Groby Community College (National Support School) in specific areas of improvement (Maths and Pupil Premium).

Objectives and Activities

Objectives and Aims

Redmoor Academy promotes high achievement and learning for life. We want all students in the Academy to:

- Make excellent academic progress and achieve the best possible outcomes enabling them to have control over Post 16 destinations and beyond;
- benefit from outstanding experiences and opportunities outside the classroom, building confidence, resilience, independence and leadership skills; and
- become “good people” who can play a positive role within the community.

Objectives, Strategies and Activities

To raise achievement for all groups of students across all curriculum areas through a focus on:

- developing, implementing and leading a shared vision for the future of the school;
- developing assessment and tracking methodologies to ensure accurate and consistent progress data on students;
- creating a culture of best practice in teaching and learning where pedagogy is constantly monitored, evaluated and reflected upon to secure consistently “good” teaching; and
- an improved culture of behaviour for learning.

Successful achievement of these objectives is measured, amongst other things, by GCSE outcomes in August 2018. Progress 8 improved from -0.78 in 2017 to +0.03 in 2018. A significant improvement. Other outcome measures alongside less quantitative measures, support results in indicating the effectiveness of the strategic improvements led in this year.

Public Benefit

In setting objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary public benefit guidance on advancing education.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

STRATEGIC REPORT

Achievements and Performance

The Academy Trust is responsible for the achievements and performance of Redmoor Academy. With the Senior Leadership Team, the Trustees determine the strategic vision and ethos of the school. They hold the school to account – challenging and monitoring performance particularly the achievement of students, the quality of teaching, behaviour and safety, quality of leadership and management and ensuring financial probity and acting as a responsible employer.

Redmoor is an 11-16 Academy serving a very diverse catchment area. The Academy has experienced a significant period of change, with the retirement of 50% (2 members) of the Senior Leadership Team and the resignation of a third. The Trust acted decisively to recruit an Acting Principal with extensive Key Stage 4 experience and additional Senior Leaders who also brought a range of experience to the Trust. Changes have also taken place at Trustee level with recruitment during the academic year.

Student outcomes for the academic year 2017-18 were significantly improved with Progress 8 moving from -0.78 in 2017 to +0.03 in 2018. Attendance of students is in line with national averages and exclusion rates remain below national averages.

Key Performance Indicators

For the period of this report, the Ofsted outcome for Redmoor Academy was amended from Good to Requires Improvement following a Section 5 inspection in November 2017. This was based on the GCSE outcomes from the previous academic year and recognised the changes already in place at this point and the capacity of the Acting Principal and the Senior Leadership Team to drive rapid improvements. This view was justified and evidenced by GCSE outcomes for 2018 (see above). Results demonstrate that Redmoor is performing slightly above other “good” schools nationally.

Student recruitment remains very positive with Redmoor Academy oversubscribed again for the academic year 2017-18 and early figures suggest this is very likely to be the same for 2018-19.

Essential site development took place in 2017-18, replacing 4 temporary classrooms with a permanent structure, converting 2 classrooms to fully equipped Science Laboratories, installing new gates and intercom system, 2 additional ICT suites and redeveloping part of the student dining area. This was partially funded through the allocation of Section 106 monies and partially from within our annual budget.

Financial reports and budget updates and projections presented to the Finance and General Purpose Committee have shown that the Academy has continued to stay within its budget and a carry forward figure was achieved.

Going Concern

After making appropriate enquires, 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 Accounting Policies.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

FINANCIAL REVIEW

Policies adopted this year: Finance Policy and Teachers' Pay Policy.
At 31 August 2018 the total funds comprised:

	£'000
Unrestricted	153
Restricted: Fixed asset funds	7,178
GAG	190
Pension reserve	(1,061)
Other	2
	<u>6,462</u>

The key objectives of the Academy Trust were supported through the strategic allocation of funds to ensure the recruitment of teaching staff who were experienced in delivering GCSE courses and that non-teaching staff structures were fit for purpose to support whole school improvements.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees, and represent less than one month's worth of Academy expenditure. The aim of the Trustees is to increase this reserve to meet future working capital requirements.

Reserves Policy

The policy of the Academy is to carry forward where possible a prudent level of resources designed to meet the long term cyclical needs of renewal and any other foreseen circumstances, subject to the constraint that the level of resources does not exceed the level permitted by the Education and Skills Funding Agency. The Academy believes that it should aim to establish a prudent level of free reserves of around 5% of its normal annual income.

Investment Policy

To mitigate against the underfunding year on year due to increased numbers, Trustees have adopted a policy that the Academy would not consider Investments at this stage but retain a contingency to take us through uncharted waters.

Principal Risks and Uncertainties

The principal risks facing the Academy are addressed in the Business Continuity Plan and include:

- Strategic and Reputational risks;
- Operational risks;
- Compliance risks; and
- Financial risks.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

Control measures are in place to manage and identify risks, the key risks being that of reduced pupil numbers, that would affect the level of ESFA funding and future Government cuts. Active promotion of the Academy is robustly maintained and through regular reports to the Finance and General Purpose Committee the budget is monitored carefully over a 3 year projected period to manage any reduction in funding.

The principal risks facing the Academy are:

- Reputational risk – The principal reputational risks are adverse publicity about the Academy caused by a failure of members of the school to follow established policy, procedures or practice. The risk is mitigated through a robust adherence to and monitoring of the Academy policies, procedures and practices. In addition, the Academy proactively nurtures good relationships with all stakeholders, including parents and the local community.
- Performance risk – The principal performance risks are that the students do not meet Government floor standards in public examinations or that the school doesn't achieve a "Good" grading or better by Ofsted. These circumstances impacted upon the school in the academic year 2017-18. Swift action by the Trust to recruit experienced Senior Leaders mitigated against the negative impact this could have had and the school successfully navigated itself through this risk (see GCSE results 2018). Further monitoring and support, in addition to Ofsted in November 2017, was through an Education Advisor Inspector from the Regional Schools Commissioner and the Leicestershire RSC Advisor, who both recognised the improvements in place and the capacity of the Senior Leadership Team to drive these through. The risk of this happening again to such an extent is mitigated through the robust monitoring of student performance, tracking of student achievement and staff performance, through Performance Management, the production of an accurate and up-to-date SEF and Improvement Plans. Identified actual or potential underperformance will result in swift and appropriate action planning to correct the situation.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central Government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The financial risks are mitigated by establishing high demand for places at the Academy, sound financial planning based on accurate information from central Government. Increasing income streams by trading expertise locally and nationally and a planned and costed programme of building refurbishment. Insurance against loss options are considered and adopted as appropriate.
- Risks associated with personnel - The risks associated with personnel are long term absences, the failure to recruit or retain staff and staff unable to undertake responsibilities to the required standard. The personnel risks are mitigated by strict adherence to all HR policies, practices and procedures, a focus on succession planning, high quality induction programmes and high quality appraisal processes and CPD.

The Academy Trust practices through its Board, namely the Board of Trustees and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committees are brought to the main Board of Trustees with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Trustees collectively, whilst more minor risks are dealt with by Senior Leaders.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

FUNDRAISING

Redmoor Academy conducted fundraising for the following charities:

- Macmillan Coffee Morning - £164
- Children in Need – £1,107
- Birmingham Children's Hospital - £180

PLANS FOR FUTURE PERIODS

The Academy has undergone a major age range change and subsequent size increase. As a result, further site improvements and developments will be required and will be strategically planned by both the Principal and the Trustees. Whilst there are no immediate plans to expand any further, the Principal is aware of housing developments in the local area and will work with the Local Authority to ensure the Academy Trust can meet the needs of the community it serves.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy holds no funds on behalf of Custodian Trustees or on behalf of others.

AUDITOR

In so far as the Trustees are aware:

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

Reappointment of auditors will be considered at the first Finance and General Purposes Committee of the spring term 2019.

Approved by order of the Board of Trustees on 12 December 2018 and signed on its behalf by:

.....
John Shilladay
Trustee

REDMOOR ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Redmoor 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 Principal, as Accounting Officer, for ensuring financial controls conform to 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 Redmoor Academy 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 four 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
Chris Kealey (MBE) (Chair of Trustees)	4	4
Joanne Hudson	2	4
John Shilladay	4	4
Matthew Nicolle (Acting Principal and Accounting Officer)	4	4
Alan Boak (Resigned 11 January 2018)	0	0
Nicholas Holt (Resigned 4 October 2017)	0	0
Jackie Harrington (Resigned 5 September 2018)	3	4
Tanya Hutchinson	4	4
Hugh Clayden (Appointed 21 March 2018)	2	4
Henry Earp (Resigned 6 September 2017)	0	0
John Duggins (Staff Trustee)	4	4
Mary Stanhope (Staff Trustee – Resigned 12 November 2018)	4	4

There have been three resignations from the Board during 2017/18: Mr Alan Boak (11 January 2018), Mr Henry Earp (6 September 2017), and Mr Nicholas Holt (4 October 2017). After the year end J Harrington resigned (5 September 2018).

The Trustees determine the strategic vision and ethos of the school. They hold the school to account, challenging and monitoring performance particularly the achievement of students, the quality of teaching, behaviour and safety, quality of leadership and management and ensuring financial probity and acting as a responsible employer. 2017-18 was an especially challenging year for the Board of Trustees, coping with significant changes to their own composition, changes to the leadership of the school and improving on significant underperformance of the previous academic year. In this respect, both the Trustees and the Senior Leadership Team have stabilised and together, have overseen the improvement in the performance of the school.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Data used by the Board includes;

- student progress data;
- other student data (attendance, behaviour and exclusions etc.); and
- financial information.

The Acting Principal has ensured that the quality of data provided to the Board is consistent in its format, accurate and relevant, allowing the Board to be fully informed and hold leaders to account.

Governance reviews:

The Trustees use Governor Development services to ensure that all training requirements for Trustees is met. Each Trustee has a Trustee Training Record. Each term our Training Trustee shares relevant information, this highlights current issues and offers the relevant training. The Trustees are also members of the Leicestershire Academies Group and The National Governors Association.

External evaluation in 2017-18 was carried out as part of the Ofsted inspection in November 2017 and the subsequent monitoring visit by an education advisor of the Regional Schools Commissioner (February 2018). Both reports recognised the improvements made to ensure Trustees acted with more rigour to ensure they have a better understanding of their responsibilities and as such, knowledge of the strengths of the school and the areas for development. Minutes of meetings demonstrate the rigour and challenge with which Trustees hold leaders to account. The impact of improved governance is evidenced by 2018 GCSE results.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees and its purpose is to review and challenge decision made with regard to Finance, Personnel, Risk Management and Health and Safety.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

The Finance and General Purpose Committee formally met four times during the year. The attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
Alan Boak (Resigned 11 January 2018)	0	2
Matthew Nicolle (Acting Principal and Accounting Officer)	4	4
John Duggins (Staff Trustee)	4	4
Henry Earp (Resigned 6 September 2017)	0	0
Jackie Harrington (Resigned 5 September 2018)	4	4
John Shilladay	4	4
Chris Kealey (Chair of Trustees)	4	4
Joanne Hudson	2	4
Hugh Clayden (Appointed 21 March 2018)	1	1
Nicholas Holt (Resigned 04 October 2017)	0	0
Tanya Hutchinson	3	4
Mary Stanhope (Staff Trustee)	3	4

REVIEW OF VALUE FOR MONEY

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

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

- restructure of the Finance Team and recruitment of HR manager, enabling the Business Manager to have more strategic capacity;
- Development of the Key Stage 3 curriculum structure to provide a more appropriate and challenging educational provision also enabled a more efficient staffing structure for 2018-19, whilst still delivering a broad and balanced curriculum to meet the needs of all students;
- working closely with the ESFA to renegotiate the operating lease for an 8 classroom block to provide better value for money and terms and conditions; and
- use of section 106 funding to install a permanent 4 classroom block, replacing temporary accommodation, saving the annual lease fees.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

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 Redmoor Academy Trust for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to continue to use:

- The Leicestershire County Council an internal auditor.

The auditor'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;
- checking of relevant policies; and
- testing of HR systems.

On an annual basis, the auditor reports to the Board of Trustees, through the Finance and General Purposes Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Review of Effectiveness

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

- the work of the internal auditor; and
- the work of the external auditor.

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

Approved by order of the Members of the Board of Trustees on 12 December 2018 and signed on its behalf by:

.....
J Shilladay
Trustee

.....
M Nicolle
Accounting Officer

REDMOOR ACADEMY
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2018

As Accounting Officer of Redmoor Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy 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.

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

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.

.....
M Nicolle
Accounting Officer

12 December 2018

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 and signed on its behalf by:

.....
J Shilladay
Trustee

.....
M Nicolle
Accounting Officer

12 December 2018

REDMOOR ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDMOOR ACADEMY**

OPINION

We have audited the financial statements of Redmoor Academy (the 'Academy') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust 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.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDMOOR ACADEMY**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

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; and
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDMOOR ACADEMY**

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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 Auditor's Report.

USE OF OUR REPORT

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

Robert Nelson BA FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Date: 20 December 2018

REDMOOR ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDMOOR ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 21 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Redmoor Academy during the year ended 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Redmoor Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Redmoor Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Redmoor Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF REDMOOR ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Redmoor Academy's funding agreement with the Secretary of State for Education dated 1 April 2013, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year ended 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDMOOR
ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

The work undertaken to draw our conclusions includes:

- 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 grants received and other income streams;
- Testing of a sample of payments to suppliers and other third parties;
- Testing of a sample of payroll payments to staff;
- Evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- Reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.

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 ended 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Date: 20 December 2018

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME FROM:						
Donations and capital grants	2	11	5	361	377	5
Funding for the Academy						
Trust's Educational operations	3	7	4,461	19	4,487	4,617
Other trading activities	4	227	-	-	227	211
TOTAL INCOME		245	4,466	380	5,091	4,833
EXPENDITURE ON:						
Raising funds	5	199	-	-	199	178
Academy Trust Educational operations	6	-	4,735	200	4,935	4,722
TOTAL EXPENDITURE	7	199	4,735	200	5,134	4,900
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	46	(269)	180	(43)	(67)
		-	(125)	125	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains on defined benefit pension schemes	22	46	(394)	305	(43)	(67)
		-	406	-	406	308
NET MOVEMENT IN FUNDS		46	12	305	363	241
RECONCILIATION OF FUNDS:						
Total funds brought forward		107	(881)	6,873	6,099	5,858
TOTAL FUNDS CARRIED FORWARD		153	(869)	7,178	6,462	6,099

The notes on pages 27 to 51 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07992372

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	£000	2017 £000
FIXED ASSETS					
Tangible assets	13		7,190		6,891
CURRENT ASSETS					
Debtors	14	114		64	
Cash at bank and in hand		815		632	
		<u>929</u>		<u>696</u>	
CREDITORS: amounts falling due within one year	15	(591)		(215)	
NET CURRENT ASSETS			<u>338</u>		481
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,528</u>		7,372
CREDITORS: amounts falling due after more than one year	16		(5)		(11)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>7,523</u>		7,361
Defined benefit pension scheme liability	22		(1,061)		(1,262)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>6,462</u>		6,099
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	192		381	
Restricted fixed asset funds	17	7,178		6,873	
Restricted income funds excluding pension liability		<u>7,370</u>		<u>7,254</u>	
Pension reserve	17	(1,061)		(1,262)	
Total restricted income funds			<u>6,309</u>		5,992
Unrestricted income funds	17		153		107
TOTAL FUNDS			<u>6,462</u>		6,099

REDMOOR ACADEMY
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements on pages 23 to 51 were approved by the Trustees, and authorised for issue, on 12 December 2018 and are signed on their behalf, by:

.....
J Shilladay
Trustee

.....
M Nicolle
Accounting Officer

The notes on pages 27 to 51 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>295</u>	<u>209</u>
Returns on investments			
Purchase of tangible fixed assets		(499)	(40)
Capital grants from DfE Group		<u>393</u>	<u>16</u>
Net cash used in investing activities		<u>(106)</u>	<u>(24)</u>
Cash flows from financing activities:			
Repayments of borrowings		<u>(6)</u>	<u>(8)</u>
Net cash used in financing activities		<u>(6)</u>	<u>(8)</u>
Change in cash and cash equivalents in the year		183	177
Cash and cash equivalents brought forward		<u>632</u>	<u>455</u>
Cash and cash equivalents carried forward	20	<u><u>815</u></u>	<u><u>632</u></u>

The notes on pages 27 to 51 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Redmoor Academy is a company limited by guarantee, incorporated in England and Wales. The address of the registered office and principal place of operations are detailed on pages 1 and 2. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional currency, rounded to the nearest £1,000

1.2 Going concern

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the Academy has provided the goods or service.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Operating leases

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

1.6 Taxation

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

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

Long leasehold land	-	125 years over the term of the lease
Long leasehold property	-	2% Straight line
Property improvements	-	2% Straight line
Fixtures and fittings	-	10% Straight line
Plant and machinery	-	20% Straight line
Computer equipment	-	25% Straight line

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.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

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

1.10 Liabilities and provisions

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

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 costs as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is an unfunded multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 13 for the carrying amount of the tangible fixed assets, and note 1.7 for the useful economic lives for each class of assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

1.14 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funder and include grants from Education and Skills Funding Agency 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 and include grants from Education and Skills Funding Agency/Department for Education.

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Voluntary income	11	5	-	16	5
Capital grants	-	-	361	361	-
	<u>11</u>	<u>5</u>	<u>361</u>	<u>377</u>	<u>5</u>
Total 2017	<u>5</u>	<u>-</u>	<u>-</u>	<u>5</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,979	3,979	4,123
Pupil Premium	-	155	155	157
Capital grants	-	19	19	16
Other ESFA/DfE grants	-	31	31	27
	<u>-</u>	<u>4,184</u>	<u>4,184</u>	<u>4,323</u>
Other government grants				
Local Authority income	-	97	97	115
	<u>-</u>	<u>97</u>	<u>97</u>	<u>115</u>
Other funding				
School trips and parental contributions	-	163	163	153
Other non government grants	-	17	17	21
Other income	7	19	26	5
	<u>7</u>	<u>199</u>	<u>206</u>	<u>179</u>
	<u>7</u>	<u>4,480</u>	<u>4,487</u>	<u>4,617</u>
Total 2017	<u>-</u>	<u>4,617</u>	<u>4,617</u>	

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Minibus income	3	-	3	2
Extended school provision	6	-	6	6
Solar panel income	2	-	2	2
Hire of facilities	3	-	3	2
Catering income	198	-	198	174
iPad income	14	-	14	25
Other income	1	-	1	-
	<u>227</u>	<u>-</u>	<u>227</u>	<u>211</u>
Total 2017	<u>211</u>	<u>-</u>	<u>211</u>	

5. COSTS OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
iPad repair costs	-	-	-	4
Catering costs	81	-	81	55
Music service costs	1	-	1	1
Catering salaries	117	-	117	118
	<u>199</u>	<u>-</u>	<u>199</u>	<u>178</u>
Total 2017	<u>178</u>	<u>-</u>	<u>178</u>	

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

6. ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Total funds 2018 £000	Total funds 2017 £000
DIRECT COSTS		
Wages and salaries	2,118	2,011
National insurance	202	194
Pension cost	507	440
Depreciation	155	169
Educational supplies	34	19
Examination fees	49	37
Other direct costs	144	137
	<u>3,209</u>	<u>3,007</u>
SUPPORT COSTS		
Wages and salaries	637	604
National insurance	47	41
Pension cost	139	127
Pension finance cost (note 12)	33	31
Travel and subsistence	2	1
Maintenance of premises	280	453
Cleaning	9	8
Rent and rates	17	20
Energy costs	48	37
Insurance	29	31
Catering	28	43
Legal and professional	206	140
Other support costs	231	163
Governance costs	20	16
	<u>1,726</u>	<u>1,715</u>
	<u><u>4,935</u></u>	<u><u>4,722</u></u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

7. TOTAL EXPENDITURE

	Staff costs	Premises	Other costs	Total	Total
	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000
Expenditure on raising voluntary income					
Direct costs	117	-	82	199	178
Support costs	-	-	-	-	-
Activities:					
Direct costs	2,827	140	242	3,209	3,007
Support costs	856	354	516	1,726	1,715
	<u>3,800</u>	<u>494</u>	<u>840</u>	<u>5,134</u>	<u>4,900</u>
Total 2017	<u>3,564</u>	<u>650</u>	<u>686</u>	<u>4,900</u>	

In 2017, of the total expenditure on charitable educational activities of £4,900,000, £178,000 was from unrestricted funds, £4,553,000 from restricted funds and £169,000 from restricted fixed asset funds.

8. NET INCOMING /(EXPENDITURE)

This is stated after charging:

	2018	2017
	£000	£000
Depreciation of tangible fixed assets:		
Depreciation of tangible fixed assets	155	169
Loss on disposal of fixed assets	45	11
Auditor's remuneration - audit services	11	11
Auditor's remuneration - other services	9	4
Internal audit costs	1	1
Operating lease rentals	117	110
	<u>117</u>	<u>110</u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018	2017
	£000	£000
Wages and salaries	2,844	2,710
Social security costs	252	236
Pension costs	663	586
	<u>3,759</u>	<u>3,532</u>
Agency staff costs	-	1
Staff restructuring costs	8	-
Pension finance costs (note 12)	33	31
	<u>3,800</u>	<u>3,564</u>

Staff restructuring costs comprise:

Redundancy payments	<u>8</u>	<u>-</u>
---------------------	-----------------	----------

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

Included in staff restructuring costs is a statutory redundancy payment totalling £8,000. The payment was made on 31 July 2018.

c. Staff numbers

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

	2018	2017
	No.	No.
Teaching staff	52	49
Support staff	64	58
Management	6	7
	<u>122</u>	<u>114</u>

Average headcount expressed as a full time equivalent:

	2018	2017
	No.	No.
Teaching staff	46	41
Support staff	39	40
Management	6	7
	<u>91</u>	<u>88</u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

9. STAFF COSTS (continued)

d. Higher paid staff

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

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

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these staff members amounted to £12,914 (2017 - £25,947).

e. Key management personnel

The Key Management Personnel of the Academy Trust comprise the Staff Trustees and the Senior Management Team as listed on Pages 1 and 2. The total amount of employee benefits (including employer pension contributions and employers NI contributions) received by Key Management Personnel for their services to the Academy Trust was £509,138 (2017 - £557,565).

10. TRUSTEES' REMUNERATION AND EXPENSES

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

		2018	2017
		£000	£000
Mathew Nicolle (Acting Principal from 1 September 2017)	Remuneration	75-80	-
	Pension contributions paid	10-15	-
Mary Stanhope	Remuneration	35-40	35-40
	Pension contributions paid	5-10	5-10
John Duggins	Remuneration	35-40	35-40
	Pension contributions paid	0-5	5-10
Andrew Coombs (Principal - Resigned 31 August 2017)	Remuneration	-	95-100
	Pension contributions paid	-	15-20

During the year ended 31 August 2018, two Trustees received reimbursed expenses totalling £470 (2017 - £nil).

Other related transactions involving the Trustees are set out in note 24.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2018 was £776 (2017 - £1,176).

12. PENSION FINANCE COST

	2018 £000	2017 £000
Interest income on pension scheme assets	51	34
Interest on pension scheme liabilities	(84)	(65)
	(33)	(31)
	(33)	(31)

13. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Leasehold property improve- ments £000	Fixtures and fittings £000	Plant and machinery £000	Computer equipment £000	Total £000
Cost						
At 1 September 2017	6,632	837	65	28	122	7,684
Additions	-	483	-	-	16	499
Disposals	-	(33)	-	-	(23)	(56)
At 31 August 2018	6,632	1,287	65	28	115	8,127
Depreciation						
At 1 September 2017	628	44	15	26	80	793
Charge for the year	116	16	7	1	15	155
On disposals	-	(1)	-	-	(10)	(11)
At 31 August 2018	744	59	22	27	85	937
Net book value						
At 31 August 2018	5,888	1,228	43	1	30	7,190
At 31 August 2017	6,004	793	50	2	42	6,891

Included in long leasehold property is long leasehold land valued at £1,402,000 (2017: £1,402,000) on conversion in 2012 by Andrea Hopkins MRICS, using the depreciated replacement cost method. The Trustees consider that the valuation remains appropriate for the purposes of these financial statements.

The freehold of the land and buildings is owned by Leicestershire County Council. The Academy holds a 125 year lease on a peppercorn rent from 2012.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

14. DEBTORS

	2018	2017
	£000	£000
Trade debtors	3	11
VAT recoverable	21	18
Prepayments and accrued income	90	35
	114	64
	114	64

15. CREDITORS: Amounts falling due within one year

	2018	2017
	£000	£000
Other loans	7	7
Trade creditors	43	13
Taxation and social security	66	58
Other creditors	68	82
Accruals and deferred income	407	55
	591	215
	591	215
	2018	2017
	£000	£000
Deferred income		
Deferred income at 1 September 2017	8	5
Resources deferred during the year	10	8
Amounts released from previous years	(8)	(5)
	10	8
	10	8

At the balance sheet date the Academy Trust was holding funds received in advance for rates funding and the Sports Leaders scheme.

Included within other creditors falling due within one year are loans of £7,000 (2017: £7,000) from the Education and Skills Funding Agency under the Condition Improvement Fund.

The loans are interest free and repayable over 2 years. The loans were pre-approved by the Secretary of State for Education.

The loans were for various lighting and insulation projects.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

16. CREDITORS: Amounts falling due after more than one year

	2018	2017
	£000	£000
Other loans	5	11
	<u> </u>	<u> </u>

Included within the above are amounts falling due as follows:

	2018	2017
	£000	£000
Between two and five years		
Other loans	5	11
	<u> </u>	<u> </u>

Included within other creditors falling due after more than one year are loans of £5,000 (2017: £11,000) from the Education and Skills Funding Agency under the Condition Improvement Fund.

The loans are interest free and repayable over 2 years. The loans were pre-approved by the Secretary of State for Education.

The loans were for various lighting and insulation projects.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS

	Brought forward £000	Income £000	Resources expended £000	Transfers in/(out) £000	Gains/ (losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General funds	107	245	(199)	-	-	153
Restricted funds						
General Annual Grant (GAG)	366	3,979	(4,030)	(125)	-	190
Other DfE/ESFA grants	-	31	(31)	-	-	-
Pupil Premium	-	155	(155)	-	-	-
Capital grants	15	-	(13)	-	-	2
Local Authority income	-	97	(97)	-	-	-
Other income	-	204	(204)	-	-	-
Pension reserve	(1,262)	-	(205)	-	406	(1,061)
	(881)	4,466	(4,735)	(125)	406	(869)
Restricted fixed asset funds						
Restricted fixed asset fund	6,891	-	(200)	499	-	7,190
Devolved Formula Capital	-	19	-	(19)	-	-
Salix loans	(18)	-	-	6	-	(12)
Section 106 funding	-	361	-	(361)	-	-
	6,873	380	(200)	125	-	7,178
Total restricted funds	5,992	4,846	(4,935)	-	406	6,309
Total of funds	6,099	5,091	(5,134)	-	406	6,462

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

Unrestricted funds

Unrestricted funds are to be used towards meeting any of the charitable objects of the Academy at the discretion of the Trustees.

General Annual Grant (GAG)

Funds from the Education and Skills Funding Agency for the provision of education, in line with the funding agreement.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018. Transfers of £125,000 from restricted funds to the restricted fixed asset fund represents allocations from GAG towards the improvements to the buildings of the Academy.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS (continued)

Other DfE/ESFA grants

Other funds provided by the DfE/ESFA for particular purposes within the Academy's educational operations.

Pupil premium

Additional funds from the Education and Skills Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Capital grants

This consists of Devolved Formula Capital (DfC) and other capital funding from the Education and Skills Funding Agency. The DfC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

The unspent capital grant fund has been created to recognise unspent capital grants received for the purpose of the replacement roofing works.

Other local authority grants

These are funds and grants received from the Local Authority and other institutions for use on specific educational projects.

Other income

These consist of income from all other sources to be used primarily for the Academy's educational operations.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately. Plans are in place to address the deficit.

Restricted fixed asset fund

The net book value of fixed asset fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The Salix loan balance represents the loan liabilities which were received as part of the funding received for the purchase of tangible fixed assets and repairs to the school building. As repayments are made against this liability, a transfer will be made from restricted funds against the Salix loan fund.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £000	Income £000	Resources expended £000	Transfers in/(out) £000	Gains/ (losses) £000	Balance at 31 August 2017 £000
General funds						
General funds	69	216	(178)	-	-	107
Restricted funds						
General Annual Grant (GAG)	76	4,123	(3,812)	(21)	-	366
Other DfE/ESFA grants	-	27	(27)	-	-	-
Pupil Premium	2	157	(159)	-	-	-
Capital grants	114	-	(99)	-	-	15
Local Authority income	-	115	(115)	-	-	-
Other income	-	179	(179)	-	-	-
Pension reserve	(1,408)	-	(162)	-	308	(1,262)
	<u>(1,216)</u>	<u>4,601</u>	<u>(4,553)</u>	<u>(21)</u>	<u>308</u>	<u>(881)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	7,031	-	(169)	29	-	6,891
Devolved Formula Capital	-	16	-	(16)	-	-
Salix loans	(26)	-	-	8	-	(18)
	<u>7,005</u>	<u>16</u>	<u>(169)</u>	<u>21</u>	<u>-</u>	<u>6,873</u>
Total restricted funds	<u>5,789</u>	<u>4,617</u>	<u>(4,722)</u>	<u>-</u>	<u>308</u>	<u>5,992</u>
Total of funds	<u><u>5,858</u></u>	<u><u>4,833</u></u>	<u><u>(4,900)</u></u>	<u><u>-</u></u>	<u><u>308</u></u>	<u><u>6,099</u></u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

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

	Balance at 1 September 2016 £000	Income £000	Resources expended £000	Transfers in/(out) £000	Gains/ (losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General funds	69	461	(377)	-	-	153
Restricted funds						
General Annual Grant (GAG)	76	8,102	(7,842)	(146)	-	190
Other DfE/ESFA grants	-	58	(58)	-	-	-
Pupil Premium	2	312	(314)	-	-	-
Capital grants	114	-	(112)	-	-	2
Local Authority income	-	212	(212)	-	-	-
Other income	-	383	(383)	-	-	-
Pension reserve	(1,408)	-	(367)	-	714	(1,061)
	(1,216)	9,067	(9,288)	(146)	714	(869)
Restricted fixed asset funds						
Restricted fixed asset fund	7,031	-	(369)	528	-	7,190
Devolved Formula Capital	-	35	-	(35)	-	-
Salix loans	(26)	-	-	14	-	(12)
Section 106 funding	-	361	-	(361)	-	-
	7,005	396	(369)	146	-	7,178
	5,789	9,463	(9,657)	-	714	6,309
Total of funds	5,858	9,924	(10,034)	-	714	6,462

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	7,190	7,190
Current assets	153	777	-	930
Creditors due within one year	-	(585)	(7)	(592)
Creditors due in more than one year	-	-	(5)	(5)
Pension reserve	-	(1,061)	-	(1,061)
	<u>153</u>	<u>(869)</u>	<u>7,178</u>	<u>6,462</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	-	-	6,891	6,891
Current assets	107	589	-	696
Creditors due within one year	-	(208)	(7)	(215)
Creditors due in more than one year	-	-	(11)	(11)
Pension reserve	-	(1,262)	-	(1,262)
	<u>107</u>	<u>(881)</u>	<u>6,873</u>	<u>6,099</u>

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

	2018 £000	2017 £000
Net expenditure for the year (as per Statement of Financial Activities)	(43)	(67)
Adjustment for:		
Depreciation charges	155	169
Loss on the sale of fixed assets	45	11
(Increase)/decrease in debtors	(51)	29
Increase/(decrease) in creditors	377	(79)
Capital grants from DfE and other capital income	(393)	(16)
Defined benefit pension scheme cost less contributions payable	172	131
Defined benefit pension scheme finance cost (note 12)	33	31
Net cash provided by operating activities	<u>295</u>	<u>209</u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£000	£000
Cash in hand	815	632
Total	815	632

21. CAPITAL COMMITMENTS

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

	2018	2017
	£000	£000
Contracted for but not provided in these financial statements	-	6

22. PENSION COMMITMENTS

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

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

Contributions amounting to £61,842 were payable to the schemes at 31 August 2018 (2017 - 56,099) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

22. PENSION COMMITMENTS (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £290,000 (2017 - £270,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £263,000 (2017 - £233,000), of which employer's contributions totalled £209,000 (2017 - £185,000) and employees' contributions totalled £54,000 (2017 - £48,000). The agreed contribution rates for future years are 22.8% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

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

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

22. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	23.8	23.8
Females	26.2	26.2

	At 31 August	At 31 August
	2018	2017
	£000	£000
Sensitivity analysis		
0.1% increase in Real Discount Rate	(90)	(84)
0.1% decrease in Real Discount Rate	90	84
Mortality assumption - 1 year increase	132	127
Mortality assumption - 1 year decrease	(132)	(127)
0.1% increase in pensions rate	73	66
0.1% decrease in pensions rate	(73)	(66)

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

	Fair value at	Fair value at
	31 August	31 August
	2018	2017
	£000	£000
Equities	1,393	1,281
Debt instruments	607	382
Property	202	153
Cash	45	96
	<hr/>	<hr/>
Total market value of assets	2,247	1,912
	<hr/> <hr/>	<hr/> <hr/>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

22. PENSION COMMITMENTS (continued)

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

	2018 £000	2017 £000
Current service cost	(381)	(316)
Interest income	51	34
Interest cost	(84)	(65)
	<hr/>	<hr/>
Total	(414)	(347)
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	96	206
	<hr/> <hr/>	<hr/> <hr/>

The Academy expects to contribute £226,000 to its defined benefit pension scheme in 2019.

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

	2018 £000	2017 £000
Opening defined benefit obligation	3,174	2,909
Current service cost	381	316
Interest cost	84	65
Employee contributions	54	48
Actuarial gains	(361)	(136)
Benefits paid	(24)	(28)
	<hr/>	<hr/>
Closing defined benefit obligation	3,308	3,174
	<hr/> <hr/>	<hr/> <hr/>

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

	2018 £000	2017 £000
Opening fair value of scheme assets	1,912	1,501
Interest income	51	34
Actuarial losses	45	172
Employer contributions	209	185
Employee contributions	54	48
Benefits paid	(24)	(28)
	<hr/>	<hr/>
Closing fair value of scheme assets	2,247	1,912
	<hr/> <hr/>	<hr/> <hr/>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

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

23. OPERATING LEASE COMMITMENTS

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

	2018	2017
	£000	£000
Amounts payable:		
Within 1 year	117	34
Between 1 and 5 years	353	83
Total	470	117

24. 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 Trust have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the Academy'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 10.

25. CONTROLLING PARTY

The Academy Trust is ultimately controlled by the Board of Trustees, which includes the Principal/Acting Principal.

26. MEMBERS' LIABILITY

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

27. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.