

Registration number: 07989226

Braunton School and Community College Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018

Thompson Jenner LLP
1 Colleton Crescent
Exeter
Devon
EX2 4DG

Braunton School and Community College Academy Trust

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Braunton School and Community College Academy Trust

Reference and Administrative Details

Members	Mr B Eason Mr M Cammack Mr D Sanders Mr N Tanton
Trustees (Directors)	Mr M Juby, Chair Ms P Beevers Mr B Eason Mr D Hartnoll Mr D Liversedge Ms M Robinson Mr N Tanton Mr A Clee Mr D Sanders Ms T Elliott Mr A Milton Ms P Stevens Mr M Cammack
Company Secretary	Ms F Johnson
Principal	Mr M Cammack
Senior Management Team	Mr M Cammack, Headteacher Mrs M Frost, Deputy Head Mr G Brock, Assistant Head Mr R Horton, Assistant Head Ms S Piper, Finance Manager Mr D Ludley, Estate Manager Ms F Johnson, HR/Admin Systems Manager
Principal and Registered Office	Barton Lane Braunton Devon EX33 2BP
Company Registration Number	07989226

Braunton School and Community College Academy Trust

Reference and Administrative Details (continued)

Auditors Thompson Jenner LLP
1 Colleton Crescent
Exeter
Devon
EX2 4DG

Bankers Lloyds TSB
17 Cross Street
Barnstaple
Devon
EX31 1BE

Solicitors Foot Anstey
Senate Court
Southernhay Gardens
Exeter
Devon
EX1 1NT

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1st September 2017 to 31st 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 North Devon. It has a pupil capacity of 750 and had a roll of 719 in the school census on 4th 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 Braunton School and Community College Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Braunton Academy.

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

Members' liability

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

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

The Academy's Governing Body comprises the Principal, 5 Parent Governors, up to 5 Staff Governors (providing that the total number of Governors, including the Principal, who are employees of the Academy Trust, does not exceed one third of the total number of Governors) and up to 5 Community Governors.

The Academy Trust shall have the following Governors as set out in its Articles of Association and funding agreement:

- up to 14 Governors in total (5 of whom are Trust members).
- up to 5 Parent Governors who are elected by Parents of registered pupils at the Academy.
- up to 4 staff Governors appointed by Staff of the Academy (one of which is the Principal).
- up to 5 Community Governors who are appointed by the Governing Body.

Governors are appointed for a four year period, except that this time limit does not apply to the Principal or Members of the Board of Trust. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected.

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

When appointing new Community Governors, the Board will give consideration to the skills and experience mix of existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. Staff and Parent Governors are recruited through an election process (see above).

Policies and procedure, including Safeguarding protocols adopted for the induction and training of Trustees

The training and induction provided for new Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

1. All new governors are required to attend New Governor Training through LDP Governor Support.
2. All new governors are required to attend a full round of Portfolio and Full Governing Body meetings to familiarise themselves with the procedures of the Governing Body.
3. All new Governors receive a comprehensive Induction pack of past minutes and further appropriate information to enable them to become effective governors.
4. All new governors are subject to process of Enhanced DBS checks and GDPR awareness training.

Organisational structure

The Full Governing Body meets twice each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Portfolio groups. It receives reports including policies from its Portfolio Groups for ratification. It monitors the activities of the Portfolio Groups through the reports of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Portfolio Groups include:

- Finance, and Estate, including security and health and safety matters.
- Leadership & Management, including Staff resourcing.
- Student Progress, Teaching, Learning, Assessment & Outcomes
- Student Behaviour/Safeguarding,

These Groups meet twice per term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment and all pastoral issues.

The following decisions are reserved to the Board of Governors; to consider any proposals for changes to the status of constitution of the Academy and its governing body portfolio structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Principal and Company Secretary, to approve the capital expenditure plan, school improvement plan and budget.

The Governors are responsible for setting general financial policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

The Trustees and Board of Governors have devolved responsibility for day to day management of the Academy to the Principal and Senior Leadership Team (SLT). The SLT comprises the Principal, Deputy Head teacher, and Assistant Head teachers and includes the Estate Manager, Finance Manager and the H.R./Admin Systems Manager. The SLT implement the policies laid down by the Governors and report back to them on performance.

The Academy has a leadership structure which consists of the Governors and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Principal is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Academy uses the Teachers' Pay and Conditions Book when setting pay for all staff. The Academy uses 'BlueSky' to record CPD training, and Lesson Observations for teachers. Staff are subject to regular review and the Senior Leader responsible liaises with the Head of Department, who line manages the teacher. The Academy works with the School Pay Policy in determining whether a member of staff has met their targets and had successful lesson observations, before pay decisions are made.

The Leadership and Management Portfolio Group of the Governing Body have delegated powers to agree and ratify pay decisions for staff, following discussions and recommendations by the Senior Leadership Team and evidence to support these recommendations.

The Principal's, Headteacher Performance Management (HTPM) / Pay review is undertaken by the Leadership and Management Portfolio Group in conjunction with the School Improvement Partner annually.

Trade union facility time

Under the provisions of the Trade Union (Faculty Time Publication Requirements) Regulations 2017, Braunton Academy can confirm the following in respect to Schedule 2 of the Regulations

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	Nil
1% to 50%	Nil
51% to 99%	Nil
100%	Nil

Percentage of pay bill spend on facility time

Total cost of facility time	Nil
Total pay bill	Nil
Percentage of the total pay bill spend on facility time	Nil

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	Nil
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Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Related Parties and other Connected Charities and Organisations

The Academy has strong collaborative links with its five partner primary schools, which form the Local Learning Community (The BLC), supporting transition and other learning partnerships within the group. In addition, Braunton Academy has close informal partnerships with local Colleges, secondary schools, special schools and behavioural support units in the North Devon Area: this collective of schools are called The North Devon Academic Board (NORDAB). The Academy also works closely with the Dartmoor Teaching School Alliance, the North Devon Teaching School Alliance, and the PiXL organisation, a nationwide group of schools working together to raise attainment across the curriculum and the Dartmoor Teaching School Alliance (DTSA). None of these partnerships or collaborations can either control or significantly influence the decisions and operations of Braunton Academy Trust.

There is a Parent Teacher Association called the 'Braunton Academy Parent Partnership' which raises funds for the sole benefit of Braunton Academy.

Objectives and activities

Objects and aims

The principle object and activity of Braunton Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, managing and developing a school that offers a broad range of curriculum for students of different abilities in the 11-16 age range.

The principle object and activity of the Charitable Company is the operation of Braunton Academy to provide free education and care for students of different abilities between the ages of 11 and 16.

Braunton Academy's vision for all is clearly shared in the 2017-18 Academy Prospectus, stating

"By the time our students are ready to leave us, we want them all to reach their full academic potential and to be successful independent learners who can look forward to enjoy a fulfilling, prosperous and healthy life. In addition, we want our young people to play an active part in making our world a more peaceful, equitable and sustainable place.

Braunton Academy is committed to providing high quality, innovative learning experiences through an exciting and innovative curriculum."

The strap-line for Braunton Academy is 'Aspire & Achieve': encouraging each student to realise his or her full academic, creative and physical potential and to develop positive social and moral values. The Academy is a community in which all young people can flourish supported by some outstanding, well-trained staff and some well informed and fully engaged parents.

The specific aims of Braunton Academy during the period ended 31 August 2018 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all students;
- to provide a broad and balanced curriculum, including a good range extra-curricular activities before and after core school time;
- to develop students as effective, independent life-long learners;
- to continue to develop all of the staff so they can deliver the best learning experiences to our students in a safe and pleasant learning environment;

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

- to develop the Academy site, its resources and facilities, so that it enables students to achieve their full potential;
- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to ensure best value for the funds expended;
- to develop greater coherence, clarity and effectiveness in school systems;
- to comply with all appropriate statutory safeguarding, health and safety and curriculum requirements;
- to maintain close links with the local community and local businesses;
- to continue to develop strong and reciprocal national and international, school links;
- to develop the Academy's capacity to lead and manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, strategies and activities

Detailed strategies for the year are contained in the Academy Improvement Plan 2017-18: which is available from the Academy website. Improvement focuses identified for this year included:

- Continued development of systems for tracking, monitoring student attainment and targeted intervention strategies to support underperforming students and student premium cohorts, which include 4Matrix.
- Development of the quality of teaching and learning through an innovative training programme and paired lesson observations to share best practice with the wider staff.
- Continuing to develop leadership capacity and quality at all levels in the organisation through engagement in externally provided programmes, internships and coaching.
- Developing our whole Academy CPD, performance management and strategic leadership through the use of 'BlueSky'.
- Continuing the development of a series of school site improvement bids for submission in 2018-19 through TFQ Architects who are local experts with a strong track record.
- Develop independent learning by working with staff, parents and students to embed the new Independent Learning Programme/Period and Home Learning policy and change the way home learning can be delivered and facilitated.
- Develop strategic governance through training, seeking best practice in other schools and the continued development of our portfolio model.
- To continue to market the Academy as 'the school of first choice' (including those who have traditionally considered the independent sector) for children in the wider Braunton catchment area, and beyond.
- To continue to be an 'inside-outward' looking school – prepared to embrace the widest and most effective styles of teaching and learning, whilst maintaining and developing educational practices recognised to be specifically appropriate for our students and their community. This will be achieved

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Trustees' Report for the Year Ended 31 August 2018 (continued)

through training and sharing of good practice with colleagues, other outstanding schools and practitioners.

- To consider and engage with the newly emerging structures of school partnerships (in particular the development of Teaching School Alliances).
- As a rural school in a relatively remote area of the country, the Academy will target renewed International Schools Accredited status and continue with its enhanced programme of international visits and work, opening students' eyes and minds to the global nature of the world they are entering as young adults.
- Aspire to being an 'Outstanding' school.

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Braunton Academy aims to advance, for the public benefit, education in Braunton and the surrounding area. As an Academy, the school has a duty to engage with and support other schools, which takes place through the various vehicles of the BLC, NORDAB, DTSA and NDTSA, and PiXL. We support schools through sharing experiences, advice and providing support and guidance from the Academy's fully qualified staff and the occasional provision of outreach work. The Academy offers the use of its specialist facilities to enhance the learning opportunities for all its partner Primary Schools.

Strategic Report

Achievements and performance

Exam results 2018 (August 2018 unvalidated)

Standard Pass in English & Maths (9-4)	67%
Strong Pass in English & Maths (9-5)	43.8%
Progress 8 Score	-0.17
Attainment 8 Score	46.92
Entered for EBACC	38.8%
Achieving EBACC	24%

Other outcomes from Braunton Academy during 2017/18

- Roofs on the Maths, Technology & Humanities block replaced with associated drainage work during the Summer of 2018, with the CIF grant awarded during 2016.17.
- Installed Wifi throughout the school, with support of a Grant from Fullabrook of £3.5k
- Installed seven Multi-Functional Devices throughout the school and removed inefficient printer usage.
- Athletic Track refurbished at a cost of £20.2k, with Braunton Academy and North Devon Athletic Track committee sharing the cost equally.
- Braunton Academy had the 3rd highest attendance of students within Devon on 96.08% for the third consecutive year.

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Going concern

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

Financial review

Key performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, is in line with the Academy's Reserve Policy. The total funds held as at the 31st August 2018 was £7,613,604, of which £368,278 is unrestricted reserves, against a recommended free reserve balance of £250,000.

	Target	Actual
GAG carry forward		£112k
Total unrestricted funds balance	£250k	£360k
Student to teacher ratio	17.7 to 1	19.5 to 1
Teaching to non-teaching staff ratio	1 : 1	1 : 0.94
Student Attendance	95%	96.08%
Total income per student	n/a	£5,356
Total GAG per student	n/a	£4,489
Staff costs per student	n/a	£4,120
Total learning resources costs per student	n/a	£305
LGPS deficit per student	n/a	£3,064
LGPS deficit per non-teaching staff members	n/a	£36,018
Cash balances at year end	n/a	£792,381
Net assets at the year end including pension liability.	n/a	£7,613,604

The General Annual Grant carry forward balance as at the 31st August 2018 was £112k which represented 3.5% of GAG income. The carried forward balance is in line with the Funding Agreement held with the ESFA which restricts the carry forward to 12%.

As funding for the Academy is based on the number of students on roll, it is a key performance indicator. The Academy has seen the number of students significantly increasing, with KS3 at full capacity and with the known 'bulge' of students coming through from the Academy's feeder school, the school is on target of being at full capacity by September 2020.

Another key financial performance indicator is staffing costs as a percentage of GAG. For the financial year 2017/18 this is 91.2%.

During the year ended 31 August 2018, the income for the Academy was £3,787k. The majority of the Academy's incoming resources was obtained from the DFE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DFE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Fixed Assets from the ESFA is shown in the Statement of Financial Activities as Restricted Income in the Fixed Asset Fund. The Restricted Fixed asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

Braunton Academy were also successful in obtaining a notable grants from

- Fullabrook of £3,530 to support the installation of Wifi throughout the school.

During the year ended 31 August 2018, the expenditure of the Academy was £4,110k which was predominately covered by recurrent grant and capital improvement funding from the DFE, together with other incoming resources.

At 31st August 2018 the net book value of Fixed Assets was £9,039k and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and associated support services to the students of the Academy.

The Land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on the 1st April 2012 at £7,150,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the Pension Scheme Liability in the Local Government Pension Scheme in respect of its support staff transferred at conversion. As at 31st August 2018 the liability decreased by £306k to £2,053k

During the Financial year ending 31st August 2018 the following financial policies were reviewed and updated.

- Scheme of Financial Delegation – written scheme of delegation of the Governors financial powers and duties to its Finance Portfolio Group, Principal, Finance Manager
- Finance Policy – which outlines the framework for financial management, including financial responsibilities of the Governing Body, Principal, Senior Leadership Team, Budget holders and other staff, as well as delegated authority spending.
- Lettings Policy – sets out the procedures and processes for external organisations hiring the schools facilities.
- LGPS & Discretionary Policy – a Policy Statement in relation to the exercising of a number of Discretions under the LGPS.
- Investment Policy – sets out how the school will manage any surplus cash balances.
- Credit Card Policy – set outs the schools procedures for those member of staff who have a named credit card.
- Currency Card Policy - set outs the schools procedures for those member of staff who are allocated a Currency Card for travelling abroad or Trips within the UK.
- Charging & Remission Policy - defines how Braunton Academy will ensure a good range of visits and activities is offered and, at the same time, try to minimise the financial barriers which may prevent some pupils taking full advantage of the opportunities.

Reserves policy

The Governors annually review the reserve levels of the Academy. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

The Governors have determined that the appropriate level of free cash reserves should be approximately £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

At 31st August 2018 the Academy had £368k of unrestricted free reserves and also £112k of restricted General Annual Grant which is available to spend on Educational activities. Other restricted reserves are detailed in note 15 to the financial statements.

Investment policy

All funds surplus to immediate requirements are invested to optimal effect. Where cash flows allow, sums may be invested on deposits for extended periods.

Governors are committed to ensuring that all funds under the control are managed in such a way as to maximise return whilst minimising risk.

Principal risks and uncertainties

The principle risks and uncertainties facing the Academy are as follows:

Financial – the Academy has considerable reliance on continued Government funding through the ESFA. In the last year £3,322k (88%) of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failure in governance and/or management – the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational – the continuing success of the Academy is dependent on continuing to attract students in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Governors ensure that student success and achievement are closely monitored and reviewed. In addition a positive Academy marketing strategy has been developed to maximise intake with KS3 now at PAN or above, with a 'waiting list'.

Safeguarding and child protection – the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of Safeguarding/ Child Protection policies and procedures, health & safety and discipline.

Staffing – the success of the Academy is reliant on the quality of its staff and the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – The Academy has appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

With changes in funding arrangements for special educational needs and to the funding formula (which does not favour small schools with low deprivation), and with the ever increasing employment and premises costs mean that budgets will be increasingly tight in coming years. This is alongside an increase in the number of students on roll, which due to lagged funding puts additional pressure on the budget. Therefore the Academy is retaining slightly higher than recommended reserves to support the school during this period of growth and uncertainty.

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

The Finance & Estate Portfolio Group meets twice a term to examine the financial health of the Academy. They review performance against budgets and overall expenditure by means of regular update reports. The Governors also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 22 to the financial statements, represents a significant potential liability. However the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future.

Fundraising

Under Provisions of the Charities (Protection & Social Investment) Act 2016, Braunton Academy have adopted a Fundraising Policy to cover the areas included within section 13 of the Act.

The majority of fundraising for the Academy is carried out by the Parent Teacher Association. Events such as raffles, music and social events, selling second hand uniform and tea and coffee at school events all contribute towards raising funds. The funds are then donated to the school to purchase equipment and furniture for the benefit of the students. Fundraising events are advertised through posters, newsletters and the school website. No direct targeting of individuals is used to raise funds.

Plans for future periods

Braunton Academy will continue to strive to provide outstanding learning opportunities that cater for all learners' needs in an effort to improve the overall achievement and progress of all students to their fullest potential. The Academy will continue to further develop and consolidate its good educational practices, as identified by OFSTED, in its ongoing drive to provide the best possible educational experience for all within the community of Braunton and its surrounding villages.

The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives, whilst ensuring high quality CPD (Continuing Professional Development) is provided for each individual member of staff, enabling him/her to further enhance and develop his/her professional abilities.

The Academy will continue to work with partner schools (locally, nationally and internationally), businesses and other community organisations to extend and enhance the educational opportunities for students in the wider community; further developing its outreach capacity into the family of primary schools to create a seamless transitional experience for our future learners, coupled with maximising our local intake, so that Braunton Academy remains the very best first choice option in a very competitive locality.

Working with parents/carers remains a key priority: all will continue to be invited to attend a regular programme of 'Parent Partnership' evenings with an ongoing agenda of focusing upon learning (Knowledge, Skills and Understanding), in the broadly encompassing areas of literacy, numeracy, e-learning and parenting skills development. These meetings will continue to focus on shaping all that the Academy offers in true partnership with both parent/carers and students through the various 'Parent Voice' and 'Student Voice' activities.

The development of Braunton Academy as a centre of educational excellence within the community is another key goal that will continue to be energetically pursued.

Further TFQ (architects) led bids will be submitted in December 2018, these being:

Braunton School and Community College Academy Trust

Trustees' Report for the Year Ended 31 August 2018 (continued)

- Condition improvement bid for Site Security to meet the requirements set by the government to ensure the site is secure in the event of the event of a fast-moving incident.
- Condition improvement bid for the Dance Studio

Middle Leadership capacity building remains a key priority for the Academy.

With the delay in the new national funding formula, the need to have adequate reserves is essential to carry the Academy through the next two years as the proposed funding from the local authority for 2019.20 is at the same level per pupil as the prior year.

Full details of our plans for the future are given in our Academy Development Plan 2017-19, and the 2018-19 supplement, which is available on our website or from the Company Secretary.

Funds Held as Custodian Trustee on Behalf of Others

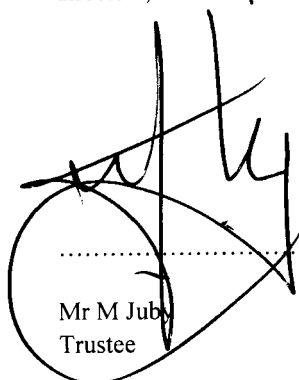
The Academy and its Governors do not act as the Custodian Trustees of any other Charity.

Auditor

In so far as the trustees are aware:

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

Trustees' report incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on~~4-12-18~~.....and signed on the board's behalf by:


.....
Mr M Juby
Trustee

Braunton School and Community College Academy Trust

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Braunton School and Community College Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met six 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
M Juby (Parent Governor) Chairperson, Trustee	6	6
P Beevers (Community Governor)	5	6
M Cammack (Principal and accounting officer) Trustee	6	6
A Clee (Community Governor)	6	6
B Eason (Community Governor) Trustee	6	6
T Elliott, (Parent Governor)	6	6
D Hartnoll (Parent Governor)	4	6
P Stevens (Parent Governor)	5	6
D Liversedge (Staff Governor)	2	6
M Robinson (Community Governor)	6	6
D Sanders (Parent Governor) Trustee	5	6
A Milton (Staff Governor)	5	6
P England (Staff Governor)	5	6
N Tanton (Community Governor) Trustee	5	6

Changes that have arisen during the 2017-2018 year: None.

Best Value

Where possible and reasonable the Governing Body will ensure the principles of Best Value are followed when making decisions.

The principles of Best Value are:

- Challenge - why, how and by whom an activity is carried out;
- Compare - performance against other schools and between parts of each school;
- Consult - involving stakeholders, especially pupils and parents;
- Compete - as a means of securing efficient and effective services.

Braunton School and Community College Academy Trust

Governance Statement (continued)

The **Finance and Estate Portfolio group** is a sub-group of the main board of Governors. Its purpose is to:

Ensure that the resources allocated to our school are used to ensure the best provision for the pupils. The Governing Body recognises that it is accountable for the way in which resources are used and is committed to carrying out this responsibility honestly, transparently and with integrity. The Finance and Estate Portfolio Group has delegated responsibility from the Governing Body to fulfil the responsibilities of the Governing Body as specifically itemised below. The Finance and Estate Portfolio Group will operate in accordance with the provisions of the Scheme for Financing Schools (the LMS Scheme), Minimum Standards Financial Regulations to maintain effective arrangements for the efficient deployment of school resources

Attendance of Finance and Estate Portfolio Group Meetings between 01.09.17 to 31.08.18 in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Cammack	7	7
D Hartnoll	7	7
P England	6	7
N Tanton	7	7
A Clee	7	7

Review of Value for Money

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

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

Improving Educational results

Improving educational results for our students remains our key priority. The Academy continues to take steps to support school improvement for our students and to raise attainment and aspirations. The Academy is committed to supporting our students in reaching their full potential through academic achievement, extra-curricular opportunities, and through independent and extended learning periods to develop the whole person to help prepare them for their next stage of education, employment or training.

Targeted Improvement

The Academy has developed and introduced a robust assessment and tracking system for monitoring student attainment and progress achievement. Staff CPD continues to support and inform teaching staff as to how data can support and extend the learning achievements of their students. For example, The Academy continues to work closely with PIXL initiatives and subscribe to "4Matrix". The Academy has adopted a Trivium pedagogical approach to learning and introduced a period of independent learning and reflection to further enhance the students' learning and attainment. To further support student learning and outcomes, the Academy has also moved to a horizontal Tutoring system, enabling tutors to more closely monitor and mentor their tutees' academic and social progress.

Braunton School and Community College Academy Trust

Governance Statement (continued)

Focus on individual pupils

The Academy rewards excellence and encourages positive study skills and behaviours, through celebrating achievement and encouraging students to try new activities to develop their confidence and leadership skills. The Academy operates a wide variety of student support programmes to ensure students remain positively engaged in their learning, with particular focus on those who are disadvantaged. For example, a new team of Learning Mentors has been created to support and engage those students who are experiencing barriers to their learning.

Collaboration

The Academy works closely with its partner schools and the Head teachers meet regularly through the local Braunton Learning Community forum to share ideas, good practice and discuss issues. The Academy works cooperatively with other Local and National Secondary Schools to broaden and further develop the learning opportunities for both staff and students, alike: the Academy has joined the Dartmoor Teaching Schools Alliance to further supplement and enhance the work already undertaken with the North Devon Teaching Schools Alliance and PiXL.

Quantifying Improvements

Exam Results 2018 (August 2018)

- The Academy GCSE exam results in 2018 saw the Academy continue to perform well, recording the national attainment rating of 'Average', but with the cohorts of boys, Disadvantaged and HPA students noticeably achieving less than expected progress in relation to the various levels of progress suggested by their KS2 data.

• Financial governance and oversight

The Academy's Governing Body has strong oversight of the financial management of the budget. The Finance and Estate Portfolio Group receives monthly monitoring reports and meets at least six times a year to review the financial position, to receive reports and to challenge decisions. The Trustees approve the budget each year and is mindful of the need to balance expenditure against income to ensure the Academy Trust remains a 'going concern'. The Trust also receives and approves the Annual Accounts and the External Auditors' Management Report.

The Academy receives support throughout the year from its External Auditors on compliance and accounting practices. In addition, we also engage the services of an Internal Auditor who reviews key financial policies, systems and procedures and presents reports to the Governing Body.

• Better Purchasing – Ensuring value for Money

The Academy takes a prudent approach to expenditure. As a high proportion of the Academy's budget is spent on staffing, the staffing structure is reviewed annually to ensure that it is fit for purpose and can adapt and respond to support the successful attainment of the objectives within the Academy's development plan.

The Academy uses a tendering process to ensure robust contracts for key suppliers and services are obtained.

For purchases above £3,000, but below the tender limit, three written quotes are required.

The Academy regularly benchmarks financial performance against other Academy Trusts to demonstrate that the Trust provides good value for money.

Braunton School and Community College Academy Trust

Governance Statement (continued)

• Maximising Income Generation

The Academy explores every opportunity to generate income through:

- Maximising opportunities to generate income through the hire of the site.
- Developing a 'sharper' marketing strategy to maintain student numbers in an increasingly competitive climate.
- Seeking 'sponsorship' from the local community, charities, and businesses.

The Academy has been successful in securing the following grants to support the students during the 2017.18 Academic year.

- Ministry Of Defence to support service children.
- Erasmus to support with international schools
- Condition Improvement Fund from the ESFA to re-roof the Humanities Building and Maths/Science Building with associated Drainage Work.
- Fullabrook to support a WiFi initiative.

• Reviewing Controls and Managing Risks

Budget holders, management and governors receive regular budget reports, which are scrutinised to ensure the most effective use of resources in meeting with the objectives of the Academy.

There is continuous review of internal controls and the development of robust systems to manage risk.

The risk register is reviewed on a regular basis.

The governors annually review the reserve levels of the Academy. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The governors have determined that an appropriate level of free reserves should be maintained. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to plan for future capital projects.

The Academy ensures that all surplus cash balances are invested in interest bearing accounts to maximise the interest earning potential. All Investment decisions are undertaken in line with the Academy's Investment Policy.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to 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 Braunton School and Community College Academy Trust for the year ended 31st August 2018 and up to the date of the approval of the annual report and financial statements.

Braunton School and Community College Academy Trust

Governance Statement (continued)

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 Governing Body is of the view that there is a formal ongoing process to identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- Regular reviews by the Finance and Estate Portfolio 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 defining purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Governing Body has considered the need for a specific internal control function and has appointed R Willcocks as the Internal Auditor.

The Internal 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

Internal Audit reports are presented to the Finance and Estate Portfolio portfolio group and Governing Body. There was no material control or other issues reported by the Internal Auditor to date.

Review of Effectiveness

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

- The work of the internal auditor;
- The work of the external auditor;

Braunton School and Community College Academy Trust

Governance Statement (continued)

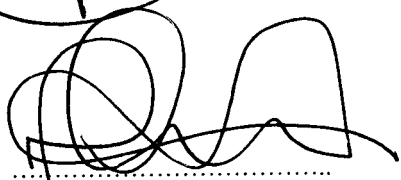
- The financial management and governance self-assessment process;
- The work of the Senior Leadership Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on ...4-12-18... and signed on its behalf by:



.....
Mr M Juby
Trustee



.....
Mr M Cammack
Accounting Officer
Trustee

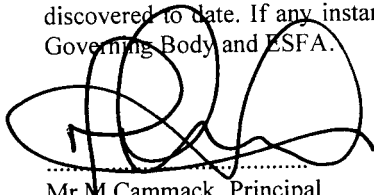
Braunton School and Community College Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Braunton School and Community College Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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



.....
Mr M Cammack, Principal
Accounting officer

Date: 4-12-18
.....

Braunton School and Community College Academy Trust

Statement of Trustees' Responsibilities

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

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

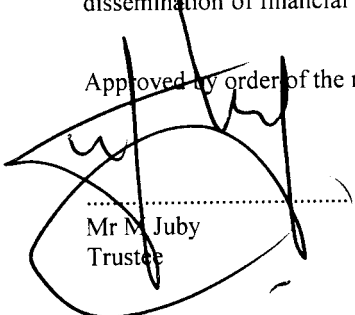
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the Board on4-12-18..... and signed on its behalf by:



.....
Mr M Juby
Trustee

Braunton School and Community College Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Braunton School and Community College Academy Trust

Opinion

We have audited the financial statements of Braunton School and Community College Academy Trust (the 'Academy') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Braunton School and Community College Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Braunton School and Community College Academy Trust (continued)

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 has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 21, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Braunton School and Community College Academy Trust

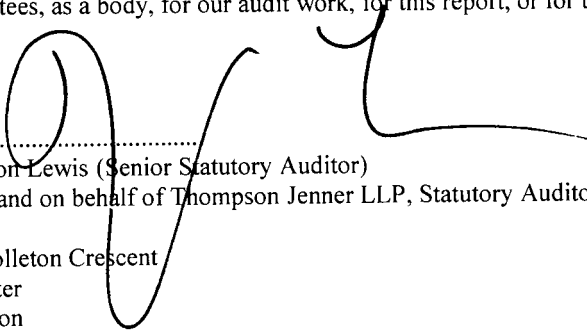
Independent Auditor's Report on the Financial Statements to the Members of Braunton School and Community College Academy Trust (continued)

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

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

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Simon Lewis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Date: 12/12/18

Braunton School and Community College Academy Trust

Independent Reporting Accountant's Report on Regularity to Braunton School and Community College Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 August 2017 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 Braunton School and Community College Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

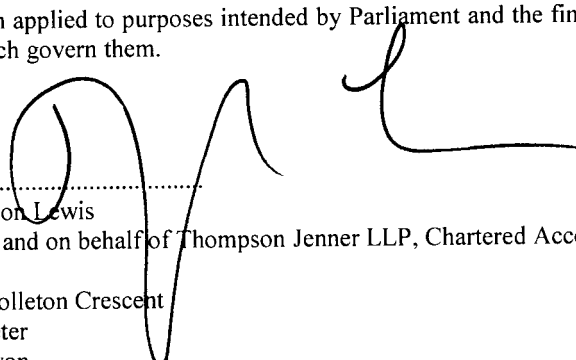
- Inspection and review of documentation providing evidence of governance procedures.
- Evaluation of the system of internal control for authorisation and approval.
- Performing substantive tests on relevant transactions.

Braunton School and Community College Academy Trust

**Independent Reporting Accountant's Report on Regularity to Braunton School and
Community College Academy Trust and the Education & Skills Funding Agency
(continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Simon Lewis

For and on behalf of Thompson Jenner LLP, Chartered Accountants

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Date: 12/12/18

Braunton School and Community College Academy Trust

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £
Income and endowments from:					
Donations and capital grants	3	750	111,253	15,273	127,276
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	197,708	3,398,964	-	3,596,672
Other trading activities	5	25,064	33,826	-	58,890
Investments	6	3,482	540	-	4,022
Total		227,004	3,544,583	15,273	3,786,860
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	8	219,122	3,800,232	90,656	4,110,010
Net income/(expenditure)		7,882	(255,649)	(75,383)	(323,150)
Transfers between funds		18,933	(36,948)	18,015	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	542,000	-	542,000
Net movement in funds/(deficit)		26,815	249,403	(57,368)	218,850
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2017		341,463	(2,050,738)	9,104,029	7,394,754
Total funds/(deficit) carried forward at 31 August 2018		368,278	(1,801,335)	9,046,661	7,613,604

Braunton School and Community College Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2016/17 Total £
Income and endowments from:					
Donations and capital grants	3	1,405	83,636	268,060	353,101
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	193,457	3,477,933	-	3,671,390
Other trading activities	5	21,254	39,617	-	60,871
Investments	6	4,053	691	-	4,744
Total		220,169	3,601,877	268,060	4,090,106
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	8	210,523	3,783,556	106,701	4,100,780
Net income/(expenditure)		9,646	(181,679)	161,359	(10,674)
Transfers between funds		12,012	(12,012)	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	496,000	-	496,000
Net movement in funds		21,658	302,309	161,359	485,326
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		319,805	(2,353,047)	8,942,670	6,909,428
Total funds/(deficit) carried forward at 31 August 2017		341,463	(2,050,738)	9,104,029	7,394,754

Braunton School and Community College Academy Trust

(Registration number: 07989226)
Balance Sheet as at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	9,038,755	8,861,241
Current assets			
Debtors	13	166,851	350,814
Cash at bank and in hand		<u>792,381</u>	<u>784,189</u>
		959,232	1,135,003
Creditors: Amounts falling due within one year	14	<u>(331,383)</u>	<u>(242,490)</u>
Net current assets		<u>627,849</u>	<u>892,513</u>
Total assets less current liabilities		<u>9,666,604</u>	<u>9,753,754</u>
Net assets excluding pension liability		9,666,604	9,753,754
Pension scheme liability	22	<u>(2,053,000)</u>	<u>(2,359,000)</u>
Net assets including pension liability		<u><u>7,613,604</u></u>	<u><u>7,394,754</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		251,665	308,262
Restricted fixed asset fund		9,046,661	9,104,029
Restricted pension fund		<u>(2,053,000)</u>	<u>(2,359,000)</u>
		7,245,326	7,053,291
Unrestricted funds			
Unrestricted general fund		<u>368,278</u>	<u>341,463</u>
Total funds		<u><u>7,613,604</u></u>	<u><u>7,394,754</u></u>

The financial statements on pages 27 to 54 were approved by the Trustees, and authorised for issue on 14.12.18 and signed on their behalf by:

.....
Mr M Juby
Trustee

Braunton School and Community College Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	257,067	(247,718)
Cash flows from investing activities	19	<u>(248,875)</u>	<u>135,642</u>
Change in cash and cash equivalents in the year		8,192	(112,076)
Cash and cash equivalents at 1 September		<u>784,189</u>	<u>896,265</u>
Cash and cash equivalents at 31 August	20	<u><u>792,381</u></u>	<u><u>784,189</u></u>

Braunton School and Community College Academy Trust

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

1 Accounting policies

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

Basis of preparation

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

Going concern

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

Income

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

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income

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

Braunton School and Community College Academy Trust

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

1 Accounting policies (continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Braunton School and Community College Academy Trust

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

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

Asset class	Depreciation method and rate
Land and Buildings	50 years straight line
Furniture and Equipment	10 years straight line
Motor Vehicles	5 years straight line
IT	3 years straight line

Liabilities

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

Leased assets

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

Taxation

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

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

Braunton School and Community College Academy Trust

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

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Braunton School and Community College Academy Trust

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

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 31/08/2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2018 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2018.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2017/18 Total £	2016/17 Total £
Educational trips and visits	-	93,212	-	93,212	69,812
Capital grants	-	-	15,273	15,273	268,060
Other donations	750	18,041	-	18,791	15,229
	<u>750</u>	<u>111,253</u>	<u>15,273</u>	<u>127,276</u>	<u>353,101</u>

Braunton School and Community College Academy Trust

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

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	3,173,704	3,173,704	3,173,261
Pupil Premium	-	101,131	101,131	98,493
Other DfE/ESFA grants	-	32,202	32,202	35,396
	<u>-</u>	<u>3,307,037</u>	<u>3,307,037</u>	<u>3,307,150</u>
Other government grants				
Local Authority grants	-	62,794	62,794	110,780
Other Government grants	-	-	-	25,887
	<u>-</u>	<u>62,794</u>	<u>62,794</u>	<u>136,667</u>
Non-government grants and other income				
Other income and grants	4,697	29,133	33,830	38,091
Catering income	193,011	-	193,011	189,482
	<u>197,708</u>	<u>29,133</u>	<u>226,841</u>	<u>227,573</u>
Total grants	<u>197,708</u>	<u>3,398,964</u>	<u>3,596,672</u>	<u>3,671,390</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Hire of facilities	16,258	20,603	36,861	37,085
Other sales	8,806	13,223	22,029	23,786
	<u>25,064</u>	<u>33,826</u>	<u>58,890</u>	<u>60,871</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	2017/18 Total £	2016/17 Total £
Short term deposits	<u>3,482</u>	<u>540</u>	<u>4,022</u>	<u>4,744</u>

Braunton School and Community College Academy Trust

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

7 Expenditure

	Non Pay Expenditure			2017/18	2016/17
	Staff costs £	Premises £	Other costs £	Total £	Total £
Academy's educational operations					
Direct costs	2,290,314	90,656	334,894	2,715,864	2,798,321
Allocated support costs	798,674	321,460	274,012	1,394,146	1,302,459
	<u>3,088,988</u>	<u>412,116</u>	<u>608,906</u>	<u>4,110,010</u>	<u>4,100,780</u>

8 Charitable activities

	2017/18 £	2016/17 £
Direct costs - educational operations	2,715,864	2,798,321
Support costs - educational operations	<u>1,394,146</u>	<u>1,302,459</u>
	<u>4,110,010</u>	<u>4,100,780</u>
	Educational operations £	2017/18 Total £
Analysis of support costs		2016/17 Total £
Support staff costs	798,674	751,105
Technology costs	23,244	20,402
Premises costs	321,460	301,242
Other support costs	<u>250,768</u>	<u>229,710</u>
Total support costs	<u>1,394,146</u>	<u>1,302,459</u>

Braunton School and Community College Academy Trust

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

9 Staff

Staff costs

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	2,304,923	2,320,148
Social security costs	208,232	208,666
Operating costs of defined benefit pension schemes	558,479	528,520
	<u>3,071,634</u>	<u>3,057,334</u>
Supply staff costs	16,202	16,974
Staff restructuring costs	1,152	-
	<u>3,088,988</u>	<u>3,074,308</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £384 (2017: £Nil). Individually, the payments were:

Non-statutory payments £384 made on 31 August 2018

Staff numbers

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

	2017/18 No	2016/17 No
Charitable Activities		
Teachers	37	40
Administration and support	54	57
Management	7	7
	<u>98</u>	<u>104</u>

Higher paid staff

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

	2018 No	2017 No
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>

Braunton School and Community College Academy Trust

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

9 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £537,387 (2017: £531,842).

10 Related party transactions - trustees' remuneration and expenses

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

Mr D Liversedge (Staff Trustee):

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

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

Mr M Cammack (Principal and Trustee):

Remuneration: £80,000 - £85,000 (2017 - £75,000 - £80,000)

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

Mr A Milton (Trustee (appointed 16 March 2017)):

Remuneration: £15,000 - £20,000 (2017 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2017 - £0 - £5,000)

Where Staff Trustees have served as Trustee for only part of the year, the full years remuneration has been included.

During the year ended 31 August 2018, travel and subsistence expenses totalling £937 (2017 - £552) were reimbursed or paid directly to 3 trustees (2017 - 2).

Other related party transactions involving the trustees are set out in note 23.

11 Trustees' and officers' insurance

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

Braunton School and Community College Academy Trust

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

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and fixtures £	Plant and equipment £	Assets under construction £	Total £
Cost					
At 1 September 2017	8,907,458	428,311	10,333	11,758	9,357,860
Additions	-	34,758	-	233,412	268,170
At 31 August 2018	8,907,458	463,069	10,333	245,170	9,626,030
Depreciation					
At 1 September 2017	214,601	271,685	10,333	-	496,619
Charge for the year	60,356	30,300	-	-	90,656
At 31 August 2018	274,957	301,985	10,333	-	587,275
Net book value					
At 31 August 2018	8,632,501	161,084	-	245,170	9,038,755
At 31 August 2017	8,692,857	156,626	-	11,758	8,861,241

13 Debtors

	2018 £	2017 £
Trade debtors	4,328	3,252
VAT recoverable	39,678	17,437
Other debtors	1,694	-
Prepayments	72,160	57,884
Accrued grant and other income	48,991	272,241
	<u>166,851</u>	<u>350,814</u>

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	53,285	91,452
Other taxation and social security	52,237	52,518
Other creditors	12,925	2,983
Accruals	133,530	15,885
Deferred income	34,174	34,071
Pension scheme creditor	45,232	45,581
	<u>331,383</u>	<u>242,490</u>

Braunton School and Community College Academy Trust

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

14 Creditors: amounts falling due within one year (continued)

	2018	2017
	£	£
Deferred income		
Deferred income at 1 September 2017	34,071	29,925
Resources deferred in the period	34,174	34,071
Amounts released from previous periods	<u>(34,071)</u>	<u>(29,925)</u>
Deferred income at 31 August 2018	<u>34,174</u>	<u>34,071</u>

Deferred income consists of £14,917 rates, and £22,257 Parent Pay (including trip income).

Braunton School and Community College Academy Trust

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

15 Funds

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
GAG	137,620	3,173,704	(3,168,195)	(31,134)	111,995
Other DfE/ESFA	-	133,333	(133,333)	-	-
Local Authority	-	70,283	(70,283)	-	-
Restricted donations	5,547	10,128	(8,128)	-	7,547
Trips	4,887	70,171	(70,815)	317	4,560
Trips Comenius	13,634	23,041	(21,131)	-	15,544
AGP trading fund	4,757	17,203	(13,878)	(6,656)	1,426
AGP sinking fund	84,000	-	-	-	84,000
PEEP project	570	-	-	-	570
MOD grant	26,101	-	(26,101)	-	-
Tennis revenue	2,087	3,940	(882)	(3,000)	2,145
Tennis sinking fund	12,000	-	-	5,000	17,000
Athletics track	2,000	4,000	(2,000)	-	4,000
Athletics track sinking fund	12,809	8,120	(21,225)	2,000	1,704
Other restricted funds	2,250	27,130	(28,261)	55	1,174
Fullabrook Grant	-	3,530	-	(3,530)	-
	<u>308,262</u>	<u>3,544,583</u>	<u>(3,564,232)</u>	<u>(36,948)</u>	<u>251,665</u>
Restricted fixed asset funds					
Big Lottery Fund	9,047	-	(199)	-	8,848
Perrigo	2,722	-	(460)	-	2,262
Assets purchased from GAG	104,358	-	(13,367)	2,699	93,690
Assets transferred from pupil premium	8,457	-	(1,860)	-	6,597
Quad toilet refurbishment	104,669	-	(2,181)	-	102,488
Assets on conversion	7,033,397	-	(27,820)	-	7,005,577
EDF solar panels	12,984	-	(1,900)	-	11,084
DfE/ESFA Fund	955,715	(1,471)	(27,097)	-	927,147
Multi- Use Games Area	8,998	-	(1,500)	-	7,498
Sedao	1,477	-	(164)	-	1,313
Quad refurbishment	603,415	-	(12,315)	-	591,100
Canopy	5,716	-	(700)	-	5,016
Maths and humanities roof - CIF	253,074	-	-	-	253,074
Wifi Project - Grant donations	-	-	(106)	3,830	3,724
Wifi Project - DFC	-	16,744	(465)	-	16,279

Braunton School and Community College Academy Trust

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

15 Funds (continued)

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Wifi Project - GAG	-	-	(134)	4,830	4,696
AGP - assets	-	-	(388)	6,656	6,268
	9,104,029	15,273	(90,656)	18,015	9,046,661
Restricted pension funds					
Pension	(2,359,000)	-	(236,000)	542,000	(2,053,000)
Total restricted funds	7,053,291	3,559,856	(3,890,888)	523,067	7,245,326
Unrestricted funds					
Unrestricted general funds	341,463	227,004	(219,122)	18,933	368,278
Total funds	7,394,754	3,786,860	(4,110,010)	542,000	7,613,604

Braunton School and Community College Academy Trust

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

15 Funds (continued)

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

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
GAG	124,148	3,173,262	(3,144,409)	(15,381)	137,620
Other DfE/ESFA	-	133,889	(133,584)	(305)	-
Local Authority	-	123,865	(123,865)	-	-
Restricted donations	3,025	30,218	(28,971)	(326)	3,946
Trips	7,081	69,812	(72,006)	-	4,887
Trips Comenius	17,666	-	(4,032)	-	13,634
Perrigo	1,000	-	(1,000)	-	-
BLC redundancy provision	16,766	-	(16,766)	-	-
AGP trading fund	4,494	19,862	(11,599)	(8,000)	4,757
AGP sinking fund	76,000	-	-	8,000	84,000
PEEP project	570	-	-	-	570
MOD grant	15,398	25,887	(15,184)	-	26,101
Tennis revenue	2,443	4,079	(4,435)	-	2,087
Tennis sinking fund	10,000	-	-	2,000	12,000
Athletics track	6,687	4,000	(4,000)	(4,687)	2,000
Athletics track sinking fund	6,122	-	-	6,687	12,809
Other restricted funds	553	17,003	(13,705)	-	3,851
	<u>291,953</u>	<u>3,601,877</u>	<u>(3,573,556)</u>	<u>(12,012)</u>	<u>308,262</u>
Restricted fixed asset funds					
Big Lottery Fund	9,335	-	(288)	-	9,047
Perrigo	3,590	-	(868)	-	2,722
Assets purchased from GAG	127,729	-	(23,371)	-	104,358
Assets transferred from pupil premium	10,317	-	(1,860)	-	8,457
Quad toilet refurbishment	106,850	-	(2,181)	-	104,669
Assets on conversion	7,070,769	-	(37,372)	-	7,033,397
EDF solar panels	14,884	-	(1,900)	-	12,984
DfE/ESFA Fund	964,910	14,986	(24,181)	-	955,715
Multi- Use Games Area	10,499	-	(1,501)	-	8,998
Sedao	1,641	-	(164)	-	1,477
Quad refurbishment	615,730	-	(12,315)	-	603,415
Canopy	6,416	-	(700)	-	5,716
Maths and humanities roof - CIF	-	253,074	-	-	253,074
	<u>8,942,670</u>	<u>268,060</u>	<u>(106,701)</u>	<u>-</u>	<u>9,104,029</u>

Braunton School and Community College Academy Trust

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

15 Funds (continued)

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted pension funds					
Pension	<u>(2,645,000)</u>	<u>-</u>	<u>(210,000)</u>	<u>496,000</u>	<u>(2,359,000)</u>
Total restricted funds	6,589,623	3,869,937	(3,890,257)	483,988	7,053,291
Unrestricted funds					
Unrestricted general funds	<u>319,805</u>	<u>220,169</u>	<u>(210,523)</u>	<u>12,012</u>	<u>341,463</u>
Total funds	<u><u>6,909,428</u></u>	<u><u>4,090,106</u></u>	<u><u>(4,100,780)</u></u>	<u><u>496,000</u></u>	<u><u>7,394,754</u></u>

Braunton School and Community College Academy Trust

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

15 Funds (continued)

Restricted General Fund

General Annual Grant (GAG)

Funds received from the ESFA under the General Annual Grant arrangements for the recurrent expenditure of the Academy as defined in the Funding Agreement.

Other ESFA/DfE Revenue Grants

Funds received from the ESFA for:

- Insurance - top up insurance funding.
- Rates - refund of non-domestic rates.
- Catch-up premium - literacy and numeracy catch up premium for year 7 pupils who did not achieve at least level 4 in reading and/or maths at the end of key stage 2.
- Pupil Premium - funds received from the ESFA to raise the attainment of disadvantaged pupils and close the attainment gap between them and their peers.

Local Authority - Special Educational Needs (SEN)

Funding received from the ESFA via the Local Authority to support individual students with a SEN Statement. The salary costs of the teaching assistants are set against this, and any overspend is funded from the GAG.

Local Authority - Other

Devon County Council funds received include:

Intervention support
Skills Centre

Restricted donations

Restricted donations include income raised for specific small projects such as PE equipment.

Trips

Funds raised for student trips.

Artificial Grounds Pitch (AGP)

Income from letting the pitch to local community groups, less the expenditure incurred to maintain the pitch. The AGP was opened in 2007, having been partly funded by the Football Foundation. A sinking fund is also maintained in order to set aside funds to pay for the replacement of the artificial turf, which is in line with the funding requirement of the Football Foundation.

Pupil and Employer Engagement Project (PEEP)

Funded through North Devon Plus.

Athletic Track

Funding has been provided by North Devon District Council in order to contribute to the maintenance of the athletic track and buildings. Income from letting the athletics track to local community groups and a contribution from the Academy is set aside for future maintenance of the athletics track.

Braunton School and Community College Academy Trust

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

15 Funds (continued)

Ministry of Defence Educational Support Fund

Funding received to support service children through academic interventions, afterschool supported study clubs and other support services.

Tennis Court

An account is maintained for the day to day running of the tennis court. Surpluses are transferred to a tennis court sinking fund to cover the cost of future replacement. The maintenance of a sinking fund is a requirement of the LTA, who partly funded the tennis court.

Other restricted funds

Other restricted funds include charity collections.

Fullabrook

Funding to support the school to invest in capital equipment required to be Wifi enabled, to support our young people to learn efficiently, effectively and flexibly and to develop our already established commitment to engage our young people with our local community.

Fixed Assets

Big Lottery Fund

A project supported by the Big Lottery Fund to build a Vocational Opportunities Learning Environment (VOLE) with an outdoor classroom to enhance our on-site facilities for the benefit of all our learners and learners from other secondary schools in the locality.

Perrigo

Funds for the purpose of supporting STEM equipment within the school, which was used to support the purchase of air conditioning for the IT suites and the purchase of iPads.

Assets purchased from GAG

This represents the NBV of assets purchased from GAG funding.

Assets transferred from Pupil Premium

This represents assets purchased for Pupil Premium students using Pupil Premium funding.

CIF - Toilet Repairs and Refurbishment

Urgent repairs, refurbishment and improvements to the Quadrangle Toilets building, including enclosing the open corridor link to make them 'indoor' rather than 'outdoor' toilets. The improvements also converted the existing girls' toilets into a joint male and female facility.

CIF - Quad Refurbishment

A project for the replacement of the heating system and other M&E installations, together with roofing renewals, fascias, window replacements and drainage repairs.

Braunton School and Community College Academy Trust

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

15 Funds (continued)

Fixed Assets

Assets on conversion

This represents to buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

EDF Solar Panels

A project for the installation of solar panels on the Isaac Hall roof, match funded by EDF.

DfE/ESFA fund

These funds were received for direct expenditure on fixed asset projects.

Multi-Use Games Area

This is a project to refurbish a multi-use games area, funded from GAG and Fullabrook.

Sedao

Funds for the purpose of supporting STEM equipment within the school, which was used to support the purchase of air conditioning for the IT suites.

Canopy

A new canopy for outside to protect the children, funded by Friends of Braunton Academy TA.

CIF - Maths and Humanities Roof

A project to re-roof the maths/science and humanities building, with associated drainage works.

Wifi Project

This represents the equipment purchased to enable the school to be Wifi enabled, supporting our young people to learn efficiently, effectively and flexibly; and to develop our already established commitment to engage our young people with our local community.

AGP Assets

Funds for the purpose of refurbishing the AGP. Funds have been transferred from unrestricted funds.

Pension Reserve

This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes, this is currently in deficit due to an excess of scheme liabilities over scheme assets, a position which was inherited on conversion to an academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Braunton School and Community College Academy Trust

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

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	9,038,755	9,038,755
Current assets	375,454	474,268	109,510	959,232
Current liabilities	(7,176)	(222,603)	(101,604)	(331,383)
Pension scheme liability	-	(2,053,000)	-	(2,053,000)
Total net assets	<u>368,278</u>	<u>(1,801,335)</u>	<u>9,046,661</u>	<u>7,613,604</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	8,861,241	8,861,241
Current assets	345,053	519,578	270,372	1,135,003
Current liabilities	(3,590)	(211,316)	(27,584)	(242,490)
Pension scheme liability	-	(2,359,000)	-	(2,359,000)
Total net assets	<u>341,463</u>	<u>(2,050,738)</u>	<u>9,104,029</u>	<u>7,394,754</u>

17 Commitments under operating leases

Operating leases

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

	2018 £	2017 £
Amounts due within one year	7,023	3,543
Amounts due between one and five years	<u>16,798</u>	<u>2,790</u>
	<u>23,821</u>	<u>6,333</u>

Braunton School and Community College Academy Trust

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

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

	2018 £	2017 £
Net expenditure	(323,150)	(10,674)
Depreciation	90,656	106,702
Capital grants from DfE and other capital income	(15,273)	(268,060)
Interest receivable	(4,022)	(4,744)
Defined benefit pension scheme cost less contributions payable	176,000	153,000
Defined benefit pension scheme finance cost	60,000	57,000
Decrease/(increase) in debtors	183,963	(66,559)
Increase/(decrease) in creditors	88,893	(214,383)
Net cash provided by/(used in) Operating Activities	<u>257,067</u>	<u>(247,718)</u>

19 Cash flows from investing activities

	2018 £	2017 £
Dividends, interest and rents from investments	4,022	4,744
Purchase of tangible fixed assets	(268,170)	(137,162)
Capital funding received from sponsors and others	15,273	268,060
Net cash (used in)/provided by investing activities	<u>(248,875)</u>	<u>135,642</u>

20 Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>792,381</u>	<u>784,189</u>
Total cash and cash equivalents	<u>792,381</u>	<u>784,189</u>

21 Members' liability

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

Braunton School and Community College Academy Trust

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

22 Pension and similar obligations

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

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

Contributions amounting to £(45,232) (2017 - £(45,581)) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- 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%.

Braunton School and Community College Academy Trust

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

22 Pension and similar obligations (continued)

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 £252,474 (2017: £254,735).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £171,000 (2017 - £162,000), of which employer's contributions totalled £131,000 (2017 - £123,000) and employees' contributions totalled £40,000 (2017 - £39,000). The agreed contribution rates for future years are 15.4 per cent for employers and 5.5 to 6.8 per cent for employees.

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

Principal actuarial assumptions

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

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

	2018	2017
Retiring today		
Males retiring today	23.50	23.40
Females retiring today	25.60	25.50
Retiring in 20 years		
Males retiring in 20 years	25.80	25.70
Females retiring in 20 years	<u>28.00</u>	<u>27.90</u>

Braunton School and Community College Academy Trust

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

22 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2018 £ 000	At 31 August 2017 £
Discount rate +0.1%	4,042	4,076.00
Discount rate -0.1%	4,236	4,272.00
Mortality assumption – 1 year increase	4,278	4,315.00
Mortality assumption – 1 year decrease	4,002	4,036.00
CPI rate +0.1%	4,222	4,252.00
CPI rate -0.1%	<u>4,056</u>	<u>4,096.00</u>

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

	At 31 August 2018 £ 000	At 31 August 2017 £ 000
Equities	1,258	1,074
Gilts	66	56
Other bonds	41	45
Property	188	159
Cash and other liquid assets	32	43
Other	<u>500</u>	<u>437</u>
Total market value of assets	<u>2,085</u>	<u>1,814</u>

The actual return on scheme assets was £118,000 (2017 - £203,000).

Braunton School and Community College Academy Trust

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

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2018 £ 000	2017 £ 000
Current service cost	306	275
Interest cost	60	57
Admin expenses	1	1
Total amount recognized in the SOFA	367	333

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

	2018 £ 000	2017 £ 000
At start of period	4,173	4,274
Current service cost	306	275
Interest cost	109	94
Employee contributions	40	39
Actuarial (gain)/loss	(473)	(477)
Benefits paid	(17)	(32)
At 31 August	4,138	4,173

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

	2018 £ 000	2017 £ 000
At start of period	1,814	1,629
Interest income	49	37
Actuarial gain/(loss)	69	19
Employer contributions	130	122
Employee contributions	40	39
Benefits paid	(17)	(32)
At 31 August	2,085	1,814

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.