

COMPANY REGISTRATION NUMBER 08158718

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 August 2017**

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Financial Statements**

**Year Ended 31<sup>st</sup> August 2017**

---

<b>CONTENTS</b>	<b>PAGES</b>
Reference and Administrative Details	<b>1 to 2</b>
Trustees' Report	<b>3 to 14</b>
Governance Statement	<b>15 to 17</b>
Statement of Regularity, Propriety & Compliance	<b>18</b>
Statement of Trustees' Responsibilities	<b>19</b>
Independent Auditor's Report on the Financial Statements	<b>20 to 23</b>
Independent Reporting Accountant's Report on Regularity	<b>24 to 25</b>
Statement of Financial Activities (incorporating the Income and Expenditure Account)	<b>26</b>
Balance Sheet	<b>27</b>
Statement of Cash Flow	<b>28</b>
Notes to the Financial Statements	<b>29 to 48</b>

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Reference and Administrative Details**

**Year Ended 31<sup>st</sup> August 2017**

---

**Members**

Dr D Haw  
Mr D Green  
Ms T Steele

**Trustees**

Mr D Haw (Chairman)  
Mrs G Wood (Staff Trustee)  
Mr P Nevitt (Vice Chair) (Resigned March 2017)  
Mrs S Kitchen (Staff Trustee)  
Mrs S Richards (Headteacher and Accounting Officer)  
Mr R Chamberlain  
Ms M Munro  
Mr C James  
Mr W McGill  
Ms R Lennox  
Ms T Steele  
Mr D Green

**Company Secretary**

Mrs G Wood

**Senior Management Team**

Mrs S Richards (Headteacher)  
Mrs S Kitchen (Deputy Headteacher)  
Mrs C Gallant (Assistant Headteacher)  
Mrs G Wood (Business Manager)

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Reference and Administrative Details** *(continued)*

**Year Ended 31<sup>st</sup> August 2017**

---

<b>Company Name</b>	Acer Learning Trust
<b>Principal and Registered Office</b>	Holley Park Academy Ayton Road Oxclose Washington Tyne & Wear NE38 0LR
<b>Company Registration Number</b>	08158718
<b>Independent Auditor</b>	Tait Walker LLP Chartered Accountant & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
<b>Bankers</b>	Lloyds Bank plc 54 Fawcett Street Sunderland Tyne and Wear SR1 1SF
<b>Solicitors</b>	Samuel Philips Law Firm Gibb Chambers 52-54 Westgate Road Newcastle upon Tyne NE1 5XU

# **ACER LEARNING TRUST COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' REPORT**

### **YEAR ENDED 31 AUGUST 2016**

---

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates as a Primary School including a nursery which provides twenty-six-part time places. The school serves a catchment area in the Ayton area of Washington. At the January 2017 census the Academy Trust had a total of 283 children.

#### **Structure, Governance and Management**

##### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The company was incorporated on 26<sup>th</sup> July 2012 and converted to academy status on 1st August 2012. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Acer Learning Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Acer Learning Trust.

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 Trust has purchased insurance to protect Trustees, Governors and staff from claims arising due to negligent acts, errors or omissions whilst carrying out Academy business.

##### **Method of Recruitment and Appointment or Election of Trustees**

Trustees are appointed under the rules contained within the Trust's Memorandum and Articles of Association and membership to the Board of Trustees is in accordance with the structure contained within it. Appointments are made in line with the guidance in the Articles of Association. The term of office for any Trustee shall be four years.

The Trustees may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Head Teacher) who are employees of the Trust does not exceed one third of the total number of Trustees.

The Trustees make the necessary arrangements for and determine all matters relating to the election of Parent Trustees. Parent Trustees must be a parent of a pupil at the Academy at the time they were elected or when the Trust was established.

The Secretary of State may appoint additional Trustees as he thinks fit if he has given a warning notice and the Trustees have failed to comply, or secure compliance with the notice to the Secretary of State's satisfaction, within the compliance period. The Secretary of State may also appoint additional Trustees following an inspection by the Chief Inspector of Schools (Ofsted) where the Trust receives a grading which amounts to a drop of two Ofsted grades.

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Trustees' Report**

**Year Ended 31<sup>st</sup> August 2017**

---

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All new Members, Trustees and Governors will be given induction training by the Trust's trained governance clerk. The Trust purchases support that provides for individual and full Governing Body training through an annual service level agreement which is reviewed each year to reflect any changes in practice and legislation. The Trust will perform an annual skills audit of Trustees and Governors, should any gaps be identified training courses are offered to address these issues.

#### **Organisational Structure**

The leadership and management structure of the Trust consists of the Board of Trustees and the Senior Leadership Team of the Academy. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Board of Trustees has overall responsibility and is ultimately accountable for the Academy. They will hold to account the Head Teacher. Powers are delegated from the Board via terms of reference. This is reviewed on an annual basis.

The Trustees are responsible for strategic planning, setting general policy, adopting an annual development plan, reviewing curriculum, budget monitoring, making major decisions about the direction of the Academy and the Trust and senior staffing appointments as well as monitoring standards and performance.

The Senior Leadership Team consists of the Head Teacher, Deputy Head Teacher, Assistant Head Teacher and Business Manager. The team lead and manage the Trust at an executive level, steering the direction of the Academy in line with strategic plans and developing opportunities. They are also responsible for the day to day operation of the Academy in addition to supporting the wider work and objectives of the Trust.

#### **Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Academy has adopted Pay Policy Model A from Sunderland Local Authority. This policy sets out the school's principles and arrangements for making decisions on teachers' pay. It has been developed to comply with current legislation and the requirements of the current School Teachers' Pay and Conditions Document (STPCD). The policy covers all areas where schools have discretion within the STPCD to make decisions. It is not intended to be a duplication of the areas of the STPCD where schools have no discretion and should therefore be used in conjunction with the STPCD to ensure full compliance.

The Governing Body has developed this policy with the objective of recruiting, retaining and motivating all teachers to ensure the best educational opportunities for pupils at the school. Pay decisions at this school are made by the Personnel Committee of Holley Park Academy.

#### **Related Parties and Other Connected Charities and Organisations**

Members, Trustees and Governors are required to declare any business interests that may impact on the Academy. The adopted policy is that if interests are declared then the Member, Trustee or Governor will remove themselves from the relevant decision-making process.

During the year ending 31st August 2017 the Academy continued to maintain established relationships with other schools across the city. We work in partnership with Oxclose Community Academy for the smooth transition of our pupils from KS2 to KS3 and support in our PE and Sport activities.

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Trustees' Report *(continued)*

### Year Ended 31<sup>st</sup> August 2017

---

#### OBJECTIVES AND ACTIVITIES

##### Objects and Aims

The principal objective and activity of the charitable company is the operation of Acer Learning Trust to provide education for pupils of different abilities between the ages 3-11 years in school. Acer Learning Trust is dedicated to continually improving the quality of the educational provision for all of our pupils, so that they may achieve their full potential and leave this school prepared for the demands of society in their future.

Academy aims:

- We aim to develop all pupils to enable them to become successful learners and achieve their full potential through high quality purposeful teaching.
- We aim to nurture children's natural desire to learn, to acquire knowledge and skills to investigate, to solve problems and be creative.
- We aim to motivate pupils to attain the highest possible standard in all areas of learning.
- We aim provide for every child an enjoyable, broad and balanced curriculum in a high quality, stimulating environment.
- We aim to treat every child and adult with equal respect and understanding.
- We aim to challenge, support and develop staff to create an outstanding workforce.

Members, Trustees, Governors, staff, parents and pupils aim to work together to ensure the vision is realised through robust planning, organisation, implementation, analysis and self-evaluation.

##### Objectives, Strategies and Activities

As an Academy Trust, we ensure we comply with statutory and legal obligations as well as the funding arrangements which we have in place. The Trustees along with the Head Teacher and Senior Leaders have developed a School Improvement Plan setting out our objectives and strategies to ensure the educational excellence for all of the children who attend Holley Park Academy. In setting objectives and planning our activities the Trustees have given careful consideration to the charity commission's general guidance and public benefit.

Our school aims to continually encourage and develop working relationships between home, school and the local community. Holley Park Academy is a non-selective school welcoming pupils of all abilities offering them a broad and balanced curriculum. Pupils that attend Holley Park Academy mainly live in the Ayton, Lambton and Oxclose areas of Washington, however a number of children travel longer distances to attend Holley Park Academy.

The Main Objectives of the academy during the financial year ended 31<sup>st</sup> August 2017 are summarised below:

- To promote teaching styles in order to develop a teaching mastery approach;
- To sustain and improve pupil progress and attainment in writing (to include spelling, grammar and punctuation) and Numeracy ;
- To promote outstanding behaviour for learning for all children;
- Continue to improve and develop the leadership capacity to allow improvements throughout the academy;
- To ensure Holley Park Academy is a happy place where children are encouraged to develop in confidence in their own ability which will assist in school, home and social surroundings; and
- To continue to develop an inspiring outdoor learning environment across all Key Stages.

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Trustees' Report** *(continued)*

#### **Year Ended 31<sup>st</sup> August 2017**

---

##### **Public Benefit**

The Trustees have given due consideration to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Academy and in planning future activities. In particular, the Trustees consider the provision of education to provide public benefit to the community in which it operates.

##### **STRATEGIC REPORT**

##### **Achievements and Performance**

Objectives achieved 2016-17:

- Holley Park Academy continues to achieve the forecast numbers of pupils in all year groups from Nursery to Year 6
- The Academy has promoted teaching styles in order to develop a teaching for mastery approach which means acquiring a solid understanding of the curriculum being taught to enable staff to have fluency and depth of understanding. Staff attended CPD events including Mastery objectives and those working at greater depth.
- The Academy has worked to sustain and improve pupil progress and attainment in writing (to include spelling, grammar and punctuation) and Numeracy this has been achieved by subject leaders having a clear understanding of and high expectations for their subjects which are shared throughout the school. A new marking policy has been implemented across the school with target marking and next steps which the children acknowledge or complete at the next available opportunity
- A priority was to promote an environment where we create outstanding behaviours for independent learning, build resilient learners who are able to succeed. This was achieved by supporting and encouraging good behaviour throughout the school day utilising additional staff on duty, new resources were purchased to encourage positive, cooperative play.

##### **Key Performance Indicators**

The Academy continues to be oversubscribed with a significant number of children applying for 35 places in the Reception class. Any places that became available were allocated immediately according to the Academy's admissions criteria.

##### **Contextual Data**

Holley Park Academy is an average-sized academy. The proportion of pupils who are disabled or have special educational needs is above average. The proportion of disadvantaged pupils supported by the pupil premium is below average. (The pupil premium is additional government funding to support those pupils who are known to be eligible for free school meals or those looked after by the local authority.)

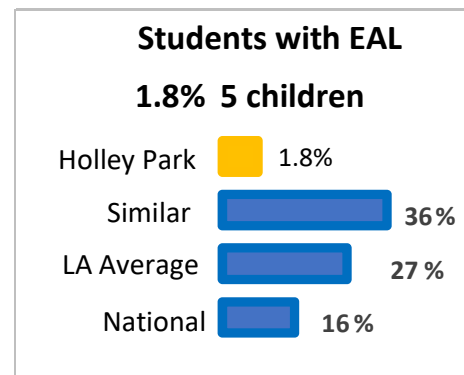
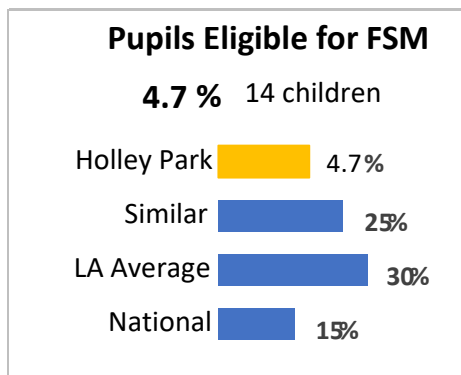
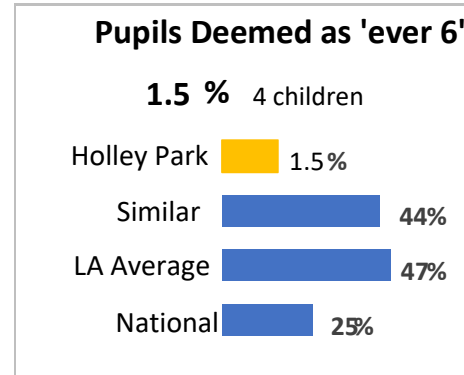
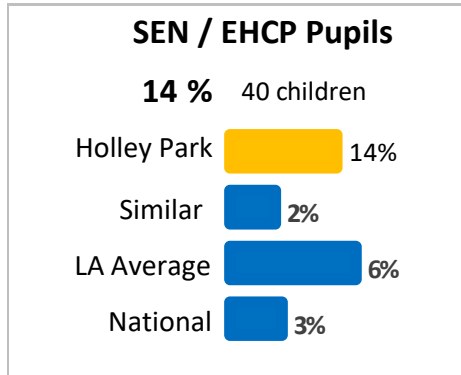
Children attend the Reception class on a full-time basis and the Nursery class on a part-time basis. The Nursery class started in September 2014.



**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

Trustees' Report *(continued)*

Year Ended 31<sup>st</sup> August 2017



*Comparative data relates to 2015/16*

**Pupil Information**

**Progress and Attainment End of Year 2017 – key Points**

**Nursery Progress: % achieving expected or better progress (from entry)**

Reading	Writing	Number
92%	72%	96%

**Reception Progress: % achieving expected or better progress (from beginning of Reception)**

Reading	Writing	Number
98%	95%	100%

# ACER LEARNING TRUST Company Limited by Guarantee

## Trustees' Report *(continued)*

### Year Ended 31<sup>st</sup> August 2017

---

**Attainment: 63% of the cohort has achieved GLD (good learning development) in Literacy & Maths combined**

Reading	Writing	Number
73%	63%	80%

#### **2017 Data**

Year 2 = 50 pupils

1 pupil = 2%

SEN = 10 children

PP = 3 children

#### **Teacher Assessment for End of Key Stage 1, Year 2 2016-2017**

<b>Year 2</b>	<b>Reading</b>	<b>Writing</b>	<b>Numeracy</b>	<b>SPaG</b>
Below current year	2% (1)	10% (5)	4% (2)	18% (9)
Commencing	6% (3)	4% (2)	8% (4)	6% (3)
Developing	18% (9)	16% (8)	2% (1)	12% (6)
Secure	42% (21)	44% (22)	68% (34)	28% (14)
Advanced	32% (16)	26% (13)	18% (9)	36% (18)

#### **Year 2 SATS Results**

<b>Year 2</b>	<b>Reading</b>	<b>Numeracy</b>	<b>SPaG</b>
WTS	32% (16)	10% (5)	28% (14)
EXS	68% (34)	90% (45)	52% (36)

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Trustees' Report *(continued)*

### Year Ended 31<sup>st</sup> August 2017

---

#### End of Key Stage 1 2017

#### Children achieving expected or above in 2017 SATs

	Reading	Writing	Maths
Holley Park	68%	74%	90%
Sunderland	76%	71%	77%

Currently no National data 2017

#### Comparison of End of Key Stage 1 results 2016 and 2017

	Reading 2016	Reading 2017	Writing 2016	Writing 2017	Maths 2016	Maths 2017
Holley Park	59%	68%	56%	74%	85%	90%
Sunderland	75%	76%	70%	71%	76%	77%
National	74%	76%	65%	68%	73%	75%

#### Year 1 Phonics Screen 2017

Working towards	Expected	National
15%	85%	81%

#### Key Stage 2 2017

Based on end of Key Stage Progress Y2- Y6

Year 6 2015-16- 30 pupils in final cohort

1 pupil = 3.3%

SEN = 6 pupils

PP = 6 pupils

#### Children achieving expected or above in 2017 SATs

	SPaG	Reading	Writing	Maths
Holley Park	94%	84%	84%	90%
Sunderland	80%	75%	80%	80%
National	77%	71%	76%	75%

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Trustees' Report *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

- Reading, writing and mathematics: % of pupils achieving the expected standard 74%
- Average scaled score per pupil in reading= 106
- Average scaled score per pupil in grammar, punctuation and spelling =108
- Average scaled score per pupil in mathematics= 105

#### Teacher Assessment for Writing End of Key Stage 2, Year 6 2016-2017

Teacher Assessment for Writing

2017 Attainment 87%      Progress 74%

Year 6	Reading	Writing	Numeracy	SPaG
Below current year	7% (2)	7% (2)	7% (2)	3% (1)
Commencing		7% (2)		3%(1)
Developing				
Secure	70% (21)	77% (23)	83% (25)	73% (22)
Advanced	23% (7)	10% (3)	10% (3)	20% (6)

#### Progress Scores

The progress measures compares pupils' Key Stage 2 results to those of other pupils nationally with similar prior attainment.

	2016	2016	2017	2017
Reading	+1.3	Average	+2.5	Above average
Writing	-2.3	Average	+1.0	Average
Maths	+1.7	Average	+2.1	Above average

#### Going Concern

After making appropriate enquiries, the Board of Trustees have 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 can be found in the Accounting Policies in note 1 to the financial statements.

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Trustees' Report *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

##### **Financial Review**

The majority of the Trust's income for the period was obtained from either the ESFA (Education and Skills Funding Agency) or Local Authority as the commissioner of pupil places, the use of which is restricted for particular purposes. The grants and funding received from these bodies for the period and associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31<sup>st</sup> August 2017, total expenditure of the Academy was in excess of recurrent grant funding from the EFA together with other incoming resources.

As shown in the Statement of Financial Activities, income for the year ended 31<sup>st</sup> August 2017 totalled £1,206k and expenditure totalled £1,308k, leaving a deficit of £102k.

Under accounting standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the restricted fund. This resulted in the pension fund showing a deficit of £319k which has been carried forward to 2016/2017. It should be noted that this does not present a liquidity problem for the Trust and that the Trust is reviewing contributions to the pension scheme in order to see a reduction to the pension scheme in future years.

In 2016/17, the governing body of the Academy has adopted the following policies relating to Financial management: -

- Terms of Reference – Financial Management
- Financial Procedures Manual
- Articles of Association
- Funding Agreement
- Academy Financial Handbook

##### **Reserves Policy**

The Trustees recognise the need for the Academy to build up reserve and a policy has been formalised. This will be reviewed annually although this policy is not regarded as a static policy as future plans need to be considered when setting the Academy's budget to review income and expenditure. Consideration should be given to any uncertainty over future income or the risk of unexpected events. The Academy, should consider future plans or capital projects when other spending needs might be identified that cannot be met from the income of a single year's budget alone. The minimum level of reserves for the ongoing needs of the Academy will therefore be reviewed at least annually as part of the Academy's planning processes.

The Academy holds both restricted and unrestricted funds. Unrestricted funds are held:

- To provide funds which can be designated to specific areas as identified by the Academy Trust's improvement plan which is updated and reviewed on a regular basis
- To cover ongoing costs in relation to the running of the Academy Trust including catering provisions, trips/events and act as a contingency for other unforeseen costs

The level of reserves will be monitored throughout the year and as part of the normal monitoring and budgetary reporting processes. To identify when reserve levels rise or fall below one month, or rise to above target level of the said period, the reasons and any corrective action, if any, that needs to be taken and to ensure that the reserves policy continues to be relevant as the Academy develops.

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Trustees' Report *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

The Academy believes that the funding received in any one year should be used to support the children on roll at the time unless there is a specific project which will require the accumulation of funding over more than one year. However, we also wish to ensure the stability of our organisational operations and so, reserve levels should enable us to react quickly to changes in financial circumstances, for example, large, unplanned expenditure. Our plan last year was to gradually build up a reserve which in the first year we met. We are therefore proposing to plan the following build-up of reserves over the next 3 financial years

- 2017-18: Build up reserves of 1-2 months GAG. This will enable current staffing levels to continue and grow.
- 2018-19: To build up reserves totalling 3-4 months GAG. This will enable us to meet any urgent unforeseen expenditure, i.e. emergency repairs to building pending insurance claim or to meet building improvement and maintain staffing levels.
- 2019-20: To maintain and build on the reserves plans. This will enable us to meet any urgent unforeseen expenditure, as mentioned above, and to grow our Multi Academy Trust.

Unrestricted funds can be spent on any purpose at the discretion of the directors, within the objects of the Academy as set out in its governing documents. These funds are generated from activities including income from school meals, breakfast and after school clubs and lettings.

At the year ended 31st August 2017, the balance of restricted general funds was in a deficit of £262k due to the Local Government Pension Scheme liability of £319k. Restricted general contain recourses, which must be spent on particular purposes. Income includes EFA grants such as GAG, pupil premium and SEN grants as well as any donations received which have restrictions attached. The majority of the Academy's running costs are included in the restricted general funds.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted general fund. Staff costs including pension contributions are paid from this fund and therefore the pension liability has been aligned with this fund.

At the year ended 31st August 2017, the balance of the restricted fixed asset funds was £1,902k. Restricted fixed asset funds contain recourses spent on capital purposes. Income includes EFA capital grants and donated fixed assets such as the land and buildings transferred from the local authority. Expenditure relates the annual depreciation charge made to the Statement of Financial Activities to reflect the use of fixed assets. The fund can represent unexpended grants received for capital purposes or the carrying value of funded fixed assets.

#### **Investment Policy**

Under the Memorandum and Articles of Association, the Academy has the power to deposit or invest funds not immediately required for its own purposes, in any way the Trustees see fit. The Trust currently operates interest bearing bank accounts but at present does not have any funds invested.

#### **Principal Risks and Uncertainties**

The principal risks and uncertainties facing the Trust are centred on maintaining pupil numbers and the processes in which the Academies receive their primary source of income from the EFA/DfES. This is a key area that is being monitored, reviewed and managed by the Trust to understand the financial implications and take action to address the need for increased space if and when changes may arise. In addition, the Trust is a member of the Local Government Pension Scheme (LGPS) which results in the recognition of a significant liability on the Trusts' balance sheet.

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Trustees' Report** *(continued)*

#### **Year Ended 31<sup>st</sup> August 2017**

---

The Academy considers all risks and since conversion, including, quality of teaching, ICT security, safeguarding, Health & Safety, and financial controls and Trustees have implemented a system to assess and mitigate risks that may impact the Academy both immediately and medium-term.

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. As with all schools, the majority of incoming monetary resources are Government funded and The Trust will monitor the outcome of the National Funding Formula and Early Years Funding Steams with the aim of mitigating any losses with forward planning, whilst this level of funding 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.

Reputational – the continuing success of the Academy is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that pupil success and achievement are closely monitored and reviewed.

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

Fraud and mismanagement of funds – The Academy has a system of internal controls based on a framework of management checks and procedures including segregation of duties and a system of delegation and accountability. An Internal Auditor has been appointed to ensure compliance with the Academies Financial Handbook.

Leadership and Management – Strategies to develop senior and middle leadership are in place. The development of leadership capacity within the Academy will ensure that the outcomes for pupils and school improvement remain high. Trustees are required to undertake a skills audit annually to ensure they have the qualities and skills required to perform their duties.

#### **Plans for Future Periods**

Key priorities for improvement continue at pace and include,

- To work in partnership with other schools to develop and grow Acer Learning Trust
- To raise attainment, sustain and improve pupil progress and attainment
- To raise standards in writing through rigorous teaching of spelling, punctuation and grammar, developing positive attitudes towards learning and encouraging all pupils to take ownership of their own learning
- To embed and sustain the quality of leadership and management across the whole school
- To continue with CPD to develop and improve skills to increase capacity to support the educational opportunities on offer to our pupils
- To build a competent board of Members and Trustees to lead the Trust
- To provide a high-quality learning environment to accommodate the increasing pupil numbers at Holley Park Academy

#### **Funds Held as Custodian on Behalf of Others**

There are no funds held as Custodian Trustee on behalf of others.

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Trustees' Report** *(continued)*

**Year Ended 31<sup>st</sup> August 2017**

---

**Statement as to Disclosure of Information to Auditor**

In so far as the Trustees are aware:

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

**Auditor**

A resolution to re-appoint Tait Walker LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on ..... and signed on the board's behalf by:

Dr D Haw  
Chair of Acer Learning Trust

Mrs S Richards  
Head Teacher and Accounting Officer



# ACER LEARNING TRUST

## Company Limited by Guarantee

### Governance Statement

Year Ended 31<sup>st</sup> August 2017

---

#### Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Acer Learning 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 Head teacher, 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 Acer Learning 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 7 times during the period. Attendance during the year at meetings of the Board of Trustees was as follows (including extra ordinary meetings):

Trustee	Meetings attended	Out of a possible
D Haw (Chair)	7	7
P Nevitt (Vice Chair) Resigned March 2017	2	2
G Wood	6	6
S Richards (Accounting Officer)	6	6
S Kitchen	3	4
R Chamberlain	6	5
C James	3	5
W McGill	7	7
M Munro	1	4
R Lennox	2	6
T Steele	1	1
D Green	1	1

During the period ending 31st August 2017, 1 member resigned their position on the Governing Body.

Governors are aware of their changing role as the Trust evolves and grows as a Multi Academy Trust. An intense focus is on strengthening the Governance of the Trust, an annual skills audit has been carried out, this identified the need to increase the range of skills set of our Trustees. T Steele and D Green were appointed as members for their expertise in finance and education. The Academy was exploring the Governor Ambassador Scheme to appoint people with the relevant skills to build capacity into the Multi Academy Trust.

The Board has met regularly over the academic year 2016-2017 and has good attendance at meetings. Trustees have a broad background with varying professional qualities. The meetings are held and clerked by a trained professional clerk and accurate minutes retained. The Board receives relevant information on all aspects of school attainment, business and financial performance data using headline information and clear consistent financial reports and management accounts taken from the finance system. The Head teacher and Business Manager prepare and present reports which are compliant with Ofsted requirements and the Academies Financial Handbook. The Board have appropriately challenged the validity and source of data included in these reports which included benchmarked data at a local and national level.

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Governance Statement *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Trust by enabling more efficient and effective use of resources whilst seeking ways to ensure an outstanding and sustainable provision is maintained. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Richards	4	4
P Nevitt	2	2
G Wood	4	4
D Haw	4	4
R Chamberlain	3	4
W McGill	4	4
C James	2	4

#### Review of Value for Money

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

The accounting officer considers how the 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 and Opportunities

- During the year the Academy was able to offer some one-to-one tuition and targeted small group interventions to both Key Stage 1 and Key Stage 2 children who had been identified through careful progress tracking as requiring additional support.
- Use of Pupil Premium enabled additional interventions to take place for these pupils.
- The addition of a nurture group for vulnerable children or children identified by teachers as who would benefit from this type of work was launched at lunchtime, this give children a confidence boost, working in a slightly less formal setting than a classroom environment to increase their self-esteem.
- Best value is sought when purchasing resources, staff with financial responsibilities ensure purchases are fit for purpose are in line with school priorities.

#### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Acer Learning Trust for the period from 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

# ACER LEARNING TRUST

## Company Limited by Guarantee

### Governance Statement *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

##### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period from 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

##### **The Risk and Control Framework**

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

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

The Trustees have considered the need for a specific internal audit function and agreed to appoint Tait Walker to undertake checks to ensure financial compliance.

##### **Review of Effectiveness**

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on ..... and signed on its behalf by:

Dr D Haw  
Chair of Governors

Mrs S Richards  
Head Teacher and Accounting Officer

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Statement of Regularity, Propriety and Compliance**

**Year Ended 31<sup>st</sup> August 2017**

---

As accounting officer of Acer Learning Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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

Mrs S Richards  
Accounting Officer

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Statement of Trustees' Responsibilities** **Year Ended 31<sup>st</sup> August 2017**

---

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2016 and the Academies Accounts Direction 2016 to 2017;
- make judgements 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 Academy Trust will continue in operation.

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

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

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

Approved by order of the members of the Board of Trustees on ..... and signed on its behalf by:

Dr D Haw  
Chair of Governors

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Independent Auditor's Report on the Financial Statements to the Members of Acer Learning Trust**

**Year Ended 31<sup>st</sup> August 2017**

---

#### **Opinion**

We have audited the financial statements of Acer Learning Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and the Academy Trust's surplus 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.

#### **Basis for opinion**

We have 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 charitable company 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 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Independent Auditor's Report on the Financial Statements to the Members of Acer Learning Trust *(continued)***

**Year Ended 31<sup>st</sup> August 2017**

---

#### **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.

#### **Opinions 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.

#### **Responsibility of trustees**

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

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Independent Auditor's Report on the Financial Statements to the Members of Acer Learning Trust *(continued)***

#### **Year Ended 31<sup>st</sup> August 2017**

---

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company 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 judgment 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 charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- 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 charitable company'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 charitable company 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 charitable company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the charitable company's audit. We remain solely responsible for our audit opinion.



**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Independent Auditor's Report on the Financial Statements to the Members of**  
**Acer Learning Trust** *(continued)*

**Year Ended 31<sup>st</sup> August 2017**

---

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.

Brian Laidlaw BA CA (Senior Statutory Auditor)  
For and on behalf of  
Tait Walker LLP  
Chartered Accountants & Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

.....

# **ACER LEARNING TRUST**

## **Company Limited by Guarantee**

### **Independent Reporting Accountant's Assurance Report on Regularity to Acer Learning Trust and the Education and Skills Funding Agency Year Ended 31<sup>st</sup> August 2017**

---

In accordance with the terms of our engagement letter dated September 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Acer Learning Trust during the period 1 September 2016 to 31 August 2017 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 Acer Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Acer Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Acer Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective Responsibilities of the Acer Learning Trust Accounting Officer and the Reporting Accountant**

The accounting officer is responsible, under the requirements of Acer Learning Trust's funding agreement with the Secretary of State for Education dated July 2012 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. 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 period 1 September 2016 to 31 August 2017 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 2016 to 2017 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.

**ACER LEARNING TRUST**  
**Company Limited by Guarantee**

**Independent Reporting Accountant's Assurance Report on Regularity to Acer Learning Trust and the Education and Skills Funding Agency (continued)**

**Year Ended 31<sup>st</sup> August 2017**

---

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:

- Enquiry of senior management and Trustees of the Academy Trust;
- Inspection and review of the accounting records, meeting minutes, internal control procedures;
- Obtaining and reviewing management representations and declarations of interest; and
- Observation and re-performance of financial controls.

**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 period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Tait Walker LLP  
Chartered Accountants  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

.....

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Statement of Financial Activities (Incorporating The Income And Expenditure Account)**

**Year Ended 31<sup>st</sup> August 2017**

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset	Total Funds 2017	Total Funds 2016
	Note	£000	£000	£000	£000	£000
<b>Incoming resources</b>						
Donations & capital grants	2	–	18	7	25	87
Charitable activities:						
Funding for the Academy						
Trust's educational						
operations	3	69	1,010	–	1,079	1,066
Teaching schools		–	–	–	–	–
Other trading activities	4	102	–	–	102	94
<b>Total incoming resources</b>		<u>171</u>	<u>1,028</u>	<u>7</u>	<u>1,206</u>	<u>1,247</u>
<b>Expenditure on:</b>						
Raising funds	5	(44)	(6)	–	(50)	(42)
Charitable activities:						
Academy Trust						
educational operations	5	(6)	(1,210)	(42)	(1,258)	(1,112)
<b>Total expenditure</b>		<u>(50)</u>	<u>(1,216)</u>	<u>(42)</u>	<u>(1,308)</u>	<u>(1,154)</u>
<b>Net income/(expenditure)</b>		121	(188)	(35)	(102)	93
<b>Transfers between funds</b>		(138)	111	27	–	–
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	20	–	150	–	150	(264)
<b>Net movement in funds</b>		<u>(17)</u>	<u>73</u>	<u>(8)</u>	<u>48</u>	<u>(171)</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>53</u>	<u>(335)</u>	<u>1,910</u>	<u>1,628</u>	<u>1,799</u>
<b>Total funds carried forward</b>	13	<u>36</u>	<u>(262)</u>	<u>1,902</u>	<u>1,676</u>	<u>1,628</u>

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**  
**Company Registration Number: 08158718**

**Balance Sheet**  
**As At 31<sup>st</sup> August 2017**

		2017		2016	
	Note	£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible fixed assets	10		1,902		1,910
<b>Current assets</b>					
Debtors	11	49		28	
Cash at bank		105		220	
		<u>154</u>		<u>248</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(61)</u>		<u>(138)</u>	
<b>Net current assets/(liabilities)</b>			<u>93</u>		<u>110</u>
<b>Total assets less current liabilities</b>			<u>1,995</u>		<u>2,020</u>
Defined benefit pension scheme liability	20		(319)		(392)
<b>Total net assets</b>			<u>1,676</u>		<u>1,628</u>
<b>Funds of the academy trust</b>					
<b>Restricted funds</b>					
Fixed asset fund	13	1,902		1,910	
Restricted Income fund	13	57		57	
Pension reserve	13	(319)		(392)	
		<u>—</u>		<u>—</u>	
<b>Total restricted funds</b>			<u>1,640</u>		<u>1,575</u>
Unrestricted income funds	13		36		53
<b>Total funds</b>			<u>1,676</u>		<u>1,628</u>

These financial statements on pages 26 to 28 were approved by the Trustees and authorised for issue on the ..... and are signed on their behalf by:

Dr D Haw  
 Chair of Governors

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Cash Flow Statement**

**Year Ended 31<sup>st</sup> August 2017**

---

		2017	2016
	Note	£000	£000
<b>Cash Flows From Operating Activities</b>			
Net cash provided (used in)/by operating activities	16	(88)	108
<b>Cash Flows From Investing Activities</b>	17	<u>(27)</u>	<u>(64)</u>
<b>Change In Cash And Cash Equivalents In The Reporting Period</b>		<u>(115)</u>	<u>44</u>
<b>Cash And Cash Equivalents At 1 September 2016</b>		<u>220</u>	<u>176</u>
<b>Cash And Cash Equivalents At 31 August 2017</b>	18	<u>105</u>	<u>220</u>

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2017

---

#### 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Acer Learning Trust meets the definition of a public benefit entity under FRS 102.

The Academy Trust's functional presentation currency is the £ sterling.

##### **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.

##### **Incoming resources**

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 receivable**

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

General Annual Grant ('GAG') 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.

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

Year Ended 31<sup>st</sup> August 2017

---

#### 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.

##### **Investment income**

Interest receivable is included in the statement of financial activities on an accruals basis.

##### **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.



# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 1. Accounting Policies *(continued)*

##### **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.

##### **Tangible Fixed Assets**

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on either a straight-line or reducing balance basis over its expected useful life, as follows:

Leasehold land & buildings	-	125 years straight line
Leasehold extension	-	50 years straight line
Leasehold improvements	-	15 years straight line
Fixtures, fittings & equipment	-	50 years straight line
ICT equipment	-	3 years straight line

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.

##### **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 of services it must provide.

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 1. Accounting Policies *(continued)*

##### **Provisions**

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

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

##### **Leased Assets**

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

##### **Taxation**

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

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

##### **Pension Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 1. Accounting Policies *(continued)*

##### **Pension Benefits *(continued)***

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 and include grants from the Education Funding Agency and Department for Education.

##### **Critical accounting estimates and areas of judgement**

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

##### *Critical accounting estimates and assumptions*

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

##### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

##### Depreciation

The company has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £42,000 (2016 - £38,000).

##### *Critical areas of judgement*

##### Assessing indicator of impairment

In assessing whether there have been any indicators of impairment of assets the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

Notes to the Financial Statements *(continued)*

Year Ended 31<sup>st</sup> August 2017

**2. Donations and Capital Grants**

	Unrestricted Funds	Restricted General Funds	Fixed Assets Funds	Total Funds 2017	Total Funds 2016
	£000	£000		£000	£000
Capital grants	-	-	7	7	7
Other donations	-	18	-	18	80
	<u>-</u>	<u>18</u>	<u>7</u>	<u>25</u>	<u>87</u>
Total 2016	<u>-</u>	<u>80</u>	<u>7</u>	<u>87</u>	

**3. Funding for The Academy Trust's Educational Operations**

	Unrestricted Funds	Restricted General Funds	Fixed Assets Funds	Total Funds 2017	Total Funds 2016
	£000	£000		£000	£000
<b>DfE/EFA grants</b>					
General Annual Grant (GAG)	-	939	-	939	920
Other DfE/EFA grants	-	57	-	57	68
	<u>-</u>	<u>996</u>	<u>-</u>	<u>996</u>	<u>988</u>
<b>Other Government grants</b>					
Local authority grants	-	10	-	10	9
	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>	<u>9</u>
Other income from the Academy Trust's educational operations	69	4	-	92	69
	<u>69</u>	<u>1,010</u>	<u>-</u>	<u>1,079</u>	<u>1,066</u>
Total 2016	<u>18</u>	<u>1,048</u>	<u>-</u>	<u>1,066</u>	

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Notes to the Financial Statements (continued)**

**Year Ended 31<sup>st</sup> August 2017**

**4. Other Trading Activities**

	Unrestricted Funds	Restricted Funds	Total Funds	
	£000	£000	2017	Total Funds 2016
	£000	£000	£000	£000
Breakfast club	36	-	36	28
Lettings & hire	3	-	3	3
Nursery income	58	-	58	61
Other income	5	-	5	2
	<u>102</u>	<u>-</u>	<u>102</u>	<u>94</u>
Total 2016	<u>94</u>	<u>-</u>	<u>94</u>	

**5. Expenditure**

	Non Pay Expenditure				Total 2016
	Staff Costs	Premises	Other	Total 2017	
	£000	£000	£000	£000	£000
Expenditure on raising funds	45	-	5	50	42
Academy's educational operations:					
Direct costs	705	-	78	783	676
Allocated support costs	262	72	141	475	436
	<u>1,012</u>	<u>72</u>	<u>224</u>	<u>1,308</u>	<u>1,154</u>
Total 2016	<u>853</u>	<u>84</u>	<u>217</u>	<u>1,154</u>	

Net income/(expenditure) for the period includes:

	2017	2016
	£000	£000
Operating lease rentals	11	11
Depreciation	42	38
Fees payable to auditor for:		
- audit	6	5
- other services	4	5
	<u>63</u>	<u>59</u>

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

Notes to the Financial Statements *(continued)*

Year Ended 31<sup>st</sup> August 2017

---

**6. Charitable Activities**

	<b>Total 2017</b>	Total 2016
	<b>£000</b>	£000
Direct costs	<b>783</b>	676
Support costs	<b><u>475</u></b>	<u>436</u>
	<b><u>1,258</u></b>	<u>1,112</u>

**Analysis of support costs**

	<b>Total 2017</b>	Total 2016
	<b>£000</b>	£000
Support staff costs	<b>262</b>	189
Depreciation	<b>42</b>	38
Technology costs	<b>2</b>	1
Premises costs	<b>72</b>	84
Other support costs	<b>71</b>	94
Governance costs	<b><u>26</u></b>	<u>30</u>
	<b><u>475</u></b>	<u>436</u>

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Notes to the Financial Statements (continued)**

**Year Ended 31<sup>st</sup> August 2017**

---

**7. Staff Costs**

**a. Staff costs**

Staff costs during the period were:

	<b>Total 2017</b>	Total 2016
	<b>£000</b>	£000
Wages and salaries	<b>739</b>	680
Social security costs	<b>65</b>	51
Operating costs of defined benefit pension schemes	<b>178</b>	109
	<u><b>982</b></u>	<u>840</u>
Supply staff costs	<b>30</b>	13
	<u><b>1,012</b></u>	<u>853</u>

**b. Staff numbers**

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

	<b>Total 2017</b>	Total 2016
	<b>No.</b>	No.
Teachers	<b>13</b>	12
Administration and support	<b>21</b>	24
Management	<b>1</b>	1
	<u><b>35</b></u>	<u>37</u>

**c. Higher paid staff**

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

	<b>Total 2017</b>	Total 2016
	<b>No.</b>	No.
£70,001 - £80,000	<b>1</b>	1
	<u><b>1</b></u>	<u>1</u>

**d. 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) received by key management personnel for their services to the Academy Trust was £121,351 (2016: £264,186).

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 8. Related Party Transactions – Trustees’ Remuneration and Expenses

One or more Trustees have been paid remuneration or have received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of Trustees’ remuneration and other benefits was as follows:

S Richards (Headteacher and trustee)

Remuneration band £75,000 - £80,000 (2016 - £70,000 - £75,000)

Employers pension contributions paid £10,000 - £15,000 (2016 - £10,000 - £15,000)

G Wood (Staff trustee)

Remuneration band £40,000 - £45,000 (2016 - £40,000 - £45,000)

Employers pension contributions paid £5,000 - £10,000 (2016 - £5,000 - £10,000)

During the year ended 31 August 2017, travel and subsistence expenses totalling £NIL (2016:£NIL) were reimbursed or paid directly to the Trustees (2016: £nil).

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

#### 9. Trustees’ and Officers’ Insurance

The Academy Trust has opted in the Department for Education’s Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover the losses that arise. This scheme protects Trustees and Officer from claims arising from negligent acts, errors or omissions occurring whilst on Academy business and provides cover of up to £10,000,000. It is not possible to quantify the Trustees’ and Officers’ indemnity element from the overall cost of the RPS scheme.



**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

Notes to the Financial Statements *(continued)*

Year Ended 31<sup>st</sup> August 2017

**10. Tangible Fixed Assets**

	Leasehold Land and Buildings	Computer Equipment	Furniture and Equipment	Total
	£000	£000	£000	£000
<b>Cost</b>				
At 1 Sep 2016	1,944	28	50	2,022
Additions	6	9	19	34
Disposals	—	—	—	—
<b>At 31 Aug 2017</b>	<b><u>1,950</u></b>	<b><u>37</u></b>	<b><u>69</u></b>	<b><u>2,056</u></b>
<b>Depreciation</b>				
At 1 Sep 2016	69	21	22	112
Charged in the year	21	7	14	42
Disposals	—	—	—	—
<b>At 31 Aug 2017</b>	<b><u>90</u></b>	<b><u>28</u></b>	<b><u>36</u></b>	<b><u>154</u></b>
<b>Net Book Values</b>				
<b>At 31 Aug 2017</b>	<b><u>1,860</u></b>	<b><u>9</u></b>	<b><u>33</u></b>	<b><u>1,902</u></b>
At 31 Aug 2016	<u>1,875</u>	<u>7</u>	<u>28</u>	<u>1,910</u>

Land & buildings owned by the Local Authority are leased to the Academy on a 125 year lease. In accordance with recommended accounting practice, the Academy has recognised the value of the land & buildings in the balance sheet and charges depreciation on it over the life of the lease.

Land & buildings are included on the balance sheet at a depreciated replacement cost as recommended by the Education Funding Agency. A valuation was undertaken by Mouchel, as commissioned by the Education Funding Agency, on 31<sup>st</sup> March 2013 when land & buildings were valued at £1,732,000.

**11. Debtors**

	2017	2016
	£000	£000
Trade debtors	4	—
VAT recoverable	10	5
Prepayments and accrued income	35	23
	<b><u>49</u></b>	<b><u>28</u></b>

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Notes to the Financial Statements (continued)**

**Year Ended 31<sup>st</sup> August 2017**

---

**12. Creditors: Amounts Falling Due Within One Year**

	<b>2017</b>	2016
	<b>£000</b>	£000
Trade creditors	<b>12</b>	90
Accruals and deferred income	<b>49</b>	48
	<u><b>61</b></u>	<u>138</u>

**Deferred Income**

	<b>2017</b>	2016
	<b>£000</b>	£000
At 1 Sep 2016	<b>30</b>	31
Released from previous years	<b>(30)</b>	(31)
Resources deferred in the year	<b>29</b>	30
At 31 Aug 2017	<u><b>29</b></u>	<u>30</u>

At the balance sheet date the Trust was holding funds received in advance in respect of Universal Free School Meals.

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

Notes to the Financial Statements *(continued)*

Year Ended 31<sup>st</sup> August 2017

**13. Funds**

	At 1 Sep 2016	Income	Expenses	Gains, losses and transfers	At 31 Aug 2017
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	–	939	(1,050)	111	–
Other DfE /ESFA	57	23	(23)	–	57
Pupil Premium	–	48	(48)	–	–
Pension reserve	(392)	–	(77)	150	(319)
Other grants	–	18	(18)	–	–
	<u>(335)</u>	<u>1,028</u>	<u>(1,216)</u>	<u>261</u>	<u>(262)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	1,830	–	(40)	–	1,790
DfE/ESFA capital grants	80	7	(2)	–	85
Capital expenditure from GAG	–	–	–	27	27
	<u>1,910</u>	<u>7</u>	<u>(42)</u>	<u>27</u>	<u>1,902</u>
<b>Total restricted funds</b>	<u>1,575</u>	<u>1,035</u>	<u>(1,258)</u>	<u>288</u>	<u>1,640</u>
<b>Total unrestricted funds</b>	<u>53</u>	<u>171</u>	<u>(50)</u>	<u>(138)</u>	<u>36</u>
<b>Total funds</b>	<u>1,628</u>	<u>1,206</u>	<u>(1,308)</u>	<u>150</u>	<u>1,676</u>

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 13. Funds *(continued)*

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

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Other DfE/ESFA grants, Local Authority grants and other income include Pupil Premium, insurance refund, PE grant, sponsorship grants and staff development grant.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to LGPS, and the pension liability has therefore been aligned with these funds.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion

The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

Unrestricted funds can be used for any purpose at the discretion of the Academy.

#### 14. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	1,902	1,902
Current assets	97	57	-	154
Current liabilities	(61)	-	-	(61)
Pension scheme liability	-	(319)	-	(319)
Total net assets	<u>36</u>	<u>(262)</u>	<u>1,902</u>	<u>1,676</u>

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 15. Operating Lease Commitments

As at 31 August 2017, the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£000	£000
Amounts due within one year	5	8
Amounts due between one and five years	3	20
	<u>8</u>	<u>28</u>

#### 16. Reconciliation of Net Income/(Expenditure) To Net Cash Flow from Operating Activities

	2017	2016
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(102)	93
Adjusted for:		
Depreciation (note 10)	42	38
Capital grants from DfE and other capital income	(7)	(7)
Defined benefit pension scheme cost less contributions payable (note 20)	70	15
Defined benefit pension scheme finance cost (note 20)	7	3
(Increase)/decrease in debtors	(21)	7
Increase/(decrease) in creditors	(77)	(41)
<b>Net cash provided by/(used in) Operating Activities</b>	<u>(88)</u>	<u>108</u>

#### 17. Cash Flows from Investing Activities

	2017	2016
	£000	£000
Purchase of tangible fixed assets	(34)	(71)
Capital grants from DfE/ESFA	7	7
<b>Net cash provided by/(used in) investing activities</b>	<u>(27)</u>	<u>(64)</u>

#### 18. Analysis of Cash and Cash Equivalents

	2017	2016
	£000	£000
Cash in hand and at bank	105	220
<b>Total cash and cash equivalents</b>	<u>105</u>	<u>220</u>

---

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 19. Members Liabilities

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 may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

#### 20. 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 South Tyneside Council. Both are multi-employer defined benefit pension schemes.

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

Contributions amounting to £nil (2016: £nil) were payable to the schemes at 31 August 2017 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. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers in Academies and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

###### The teachers' pension budgeting and valuation account

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

###### The teachers' pension budgeting and valuation account

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

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

Year Ended 31<sup>st</sup> August 2017

---

#### 20. Pension and Similar Obligations *(continued)*

##### Valuation of the Teachers' Pension Scheme

The latest actuarial review 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 on 9 June 2014. The key results of the valuation are:

- employer contribution rates were set at 16.4% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for services to the effective date of £191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £15.0 billion;
- an employer cost cap of 10.9% of pensionable pay;
- Actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2015.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>

##### Scheme Changes

Lord Hutton, who chaired the Independent Public Services Pensions Commission, published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on the reform of the TPS. Those discussions concluded on 9 March 2012, and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57<sup>th</sup>; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those with 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012.

# ACER LEARNING TRUST

## Company Limited By Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31<sup>st</sup> August 2017

---

#### 20. Pension and Similar Obligations *(continued)*

##### Scheme Changes *(continued)*

The arrangements for a reformed Teachers' Pension Scheme, in line with the remainder of the recommendations made by Lord Hutton, have now been implemented. The Career Average Revalued Earnings (CARE) scheme was implemented from 1 April 2015, whereby benefits will accrue on a career average basis and there is a normal pension age aligned to the state pension age.<sup>3</sup>

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds.

The total contribution made for the year ended 31 August 2017 was £67,000 (2016: £53,000), of which employer's contributions totalled £51,000 (2016: £38,000) and employees' contributions totalled £16,000 (2016: £15,000). The agreed contribution rates for future years are 18.4 per cent for employers and 5.5 – 12.5 per cent for employees.

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

##### Principal actuarial assumptions

	<b>At 31 August 2017</b>	At 31 August 2016
Rate of increase in salaries	<b>3.40%</b>	3.40%
Rate of increase for pensions in payment/inflation	<b>1.90%</b>	1.90%
Discount rate for scheme liabilities	<b>2.50%</b>	2.00%
Inflation assumption (CPI)	<b>1.90%</b>	1.90%

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

	<b>At 31 August 2017</b>	At 31 August 2016
<i>Retiring today</i>		
Males	<b>22.80</b>	23.20
Females	<b>26.30</b>	24.80
<i>Retiring in 20 years</i>		
Males	<b>25.00</b>	25.30
Females	<b>28.60</b>	27.10



**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Notes to the Financial Statements (continued)**

**Year Ended 31<sup>st</sup> August 2017**

---

**20. Pension and Similar Obligations (continued)**

**Sensitivity analysis**

	<b>At 31 August 2017</b>	At 31 August 2016
Discount rate +0.1%	<b>861</b>	814
Discount rate -0.1%	<b>920</b>	863
Mortality assumption – 1 year increase	<b>868</b>	811
Mortality assumption – 1 year decrease	<b>920</b>	865
CPI rate +0.1%	<b>908</b>	851
CPI rate -0.1%	<b>880</b>	826

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

	<b>Fair value at 31 August 2017 £000</b>	Fair value at 31 August 2016 £000
Equity instruments	<b>380</b>	296
Government bonds	<b>22</b>	17
Corporate bonds	<b>66</b>	51
Property	<b>52</b>	45
Cash	<b>22</b>	13
Other	<b>33</b>	24
Total market value of assets	<b><u>585</u></b>	<u>446</u>

The actual return on scheme assets was £65,000 (2016: £66,000).

**Amounts recognised in the statement of financial activities**

	<b>2017 £000</b>	2016 £000
Current service cost (net of employee contributions)	<b>121</b>	58
Net interest cost	<b>7</b>	3
Total operating charge	<b><u>128</u></b>	<u>61</u>

**ACER LEARNING TRUST**  
**Company Limited By Guarantee**

**Notes to the Financial Statements (continued)**

**Year Ended 31<sup>st</sup> August 2017**

**20. Pension and Similar Obligations (continued)**

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

	2017 £000	2016 £000
At 1 September	838	445
Current service cost	121	58
Interest cost	17	17
Employee contributions	16	15
Actuarial (gain)/loss	(95)	316
Benefits paid	(3)	(13)
<b>At 31 August</b>	<b><u>894</u></b>	<b><u>838</u></b>

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

	2017 £000	2016 £000
At 1 September	446	335
Return on plan assets (excluding net interest on the net defined pension liability)	10	14
Actuarial gain/(loss)	55	52
Employer contributions	51	43
Employee contributions	16	15
Benefits paid	(3)	(13)
<b>At 31 August</b>	<b><u>575</u></b>	<b><u>446</u></b>

**21. Related Party Transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Mr R Chamberlain is a Trustee, his wife Mrs J Chamberlain is employed by the school as a Teaching Assistant and is paid in line with the national pay scales.