

Company Registration number: 08313108 (England and Wales)

Great Sankey High School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2017

Great Sankey High School

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Great Sankey High School

Reference and Administrative Details

Members

Mr A J Bent, Chair

Mr A Earps, Vice Chair

Trustees (Directors)

Mr A J Bent, Chair

Mr A Earps, Vice Chair

Mrs J Ankers

Mrs C E Boyd

Mrs P Crawley

Ms C E Cunningham

Mr D A McClelland

Mr D Mathews (appointed 1 September 2016 and Resigned 31 March 2017)

Mr J Morris

Mr A Openshaw

Mr M D Platt

Mr S Ryder (appointed 1 September 2016)

Mr D Shaw (appointed 1 September 2016 and Resigned 31 August 2017)

Ms K A Steele

Mr M Walshe

Mr J Wright

Chief Executive Officer

Mr J Wright

Company Secretary

Mr A Keating

Senior Executive Team

Mr J Wright, Executive Head Teacher

Mrs P Crawley, Head Teacher

Ms K Beswick, Deputy Head Teacher

Mr A Keating, Director of Finance

Great Sankey High School

Reference and Administrative Details (continued)

Principal and Registered Office

Great Sankey High School
Barrow Hall Lane
Great Sankey
Warrington
Cheshire
WA5 3AA

Company Registration Number

08313108 (England and Wales)

Independent Auditors

Jackson Stephen LLP
James House
Stonccross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Bankers

Lloyds Bank PLC
Horsemarket Street
Warrington
Cheshire
WA1 1TP

Solicitors

Browne Jacobson LLP
5th Floor, Tower 12
18-22 Bridge Street
Spinningfields
Manchester
M3 3BZ

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 18 serving a catchment area in Great Sankey. It has a pupil capacity of 1,936 and had a roll of 1,842 in the school census in September 2016.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors are the trustees of Great Sankey High School and are also the directors of the charitable company for the purposes of company law.

Details of the governors 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

Subject to the provisions of the Companies Act 2006, every Governor or other officer of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust. From 1 January 2017 to 31 August 2017 cover was provided up to £1,000,000 on any one claim and the costs for this period was £667.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Governors who are elected and co-opted under the terms set out in the Articles of Association.

The Governors are Directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the charity legislation. Governors are appointed by Members.

Governors are appointed as and when vacancies occur or when individuals with the skills required are identified.

Parent Governors shall be elected by parents of the registered pupils at the Academy Trust, using the procedures set out in the Articles of Association. The Secretary of State retains the power to appoint additional Governors.

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Executive Head Teacher or Head Teacher. Subject to remaining eligible to be a particular type of Governor any Governor may be reappointed or re-elected.

The Governors who were in office at 31 August 2017 and who served during the period are included in the Reference and Administrative section of the financial statements found on page 1.

Policies and procedures adopted for the induction and training of Trustees

Training and induction for new Governors is given on an individual basis and includes one to one meetings with key staff and Governors, visits to the School and a Governors' Handbook.

Where necessary induction will include training on educational, legal and financial matters. All new Governors are provided with copies of key documents such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Governors.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Organisational structure

The Academy Trust has been trading since 1 January 2013 (having been incorporated on 29 November 2012) and has developed a governance and management structure deemed appropriate to the Academy Trust's constitution and objectives. In September 2013, the Governors appointed a new position, Head of School (Head Teacher), reporting to the Executive Head Teacher. The Academy Trust's organisational structure consists of four levels - the Governors, the Senior Executive Team (SET), the Senior Leadership Team (SLT) and Middle Leaders.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operating performance and making strategic decisions about the direction of the Academy Trust, approving major items of expenditure and making senior staff appointments.

The Governing Body operates a committee structure reporting to the main Governing Body. The committees, which meet regularly, include Executive Governors Group, Finance & Resources (termly), Quality Assurance (termly), Internal Audit (termly) and Remuneration (annually). Other committees meet as required across the year. All committees have approved terms of reference.

During the course of the period to 31 August 2017 the full Governing Body met three times and one AGM was held.

The Governors have approved a scheme of financial and decision making delegation which clearly sets out the level of authority delegated to the Executive Head Teacher, SET and members of the SLT.

Members of SET are set out on page 1. They are responsible for developing and implementing Academy Trust plans that seek to deliver the best possible outcomes for its students within the agreed budget and scheme of delegation approved by Governors. The Director of Finance is responsible for supporting the trust's plans, premises, HR infrastructure and financial management. The Senior Leadership Team and the Heads of Department are responsible for the day to day delivery of teaching and learning at the Academy Trust, in particular the teaching staff and students.

Arrangements for setting pay and remuneration of key management personnel

The Executive Governors Group (consisting of the Chair of Trustees, Vice Chair of Trustees and Chairs of the Committees) conduct the performance management and remuneration of the Executive Head Teacher, who in turn will carry out the performance management of the Senior Executive Team. The board of governors also has a Remuneration Committee, which meets once a year to review the remuneration proposals for all staff below senior management.

Following the annual Appraisal Review cycle, performance against all objectives is reviewed and new objectives set by 31 October. Mid year reviews take place in February and May. There is robust quality assurance of both the process and the objectives set to ensure quality and parity. Teachers eligible for performance-related pay progression submit an evidenced application, which is judged against Teacher's Standards, career stage expectations and the reviews' outcomes and recommendations.

Connected organisations, including related party relationships

Due to the nature of the Academy's operations and the composition of the board of governors (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving organisations in which a member of the board of governors may have an interest are conducted at arm's length and in accordance with the School's financial regulations and procedures. Any transactions are disclosed in note 21.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is set out in the Articles of Association. In summary it is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

In addition the Academy Trust aims, as a Teaching School, to improve teaching and learning on a wider basis across school communities through partnership arrangements.

In accordance with the Articles of Association of the Academy Trust, the trust has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, among other things, the basis for admitting students to the Academy Trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum.

Objectives, strategies and activities

The Academy exists to advance the education in the Great Sankey area of Warrington, Cheshire offering a broad based curriculum.

The Governing Body is determined to maintain the ethos, values, standards and achievements of the school whilst continuing to work to fulfil the medium and longer term development plans.

Principles and objectives for the period September 2016-August 2017:

To secure high outcomes for all students and to narrow all gaps

To secure consistently outstanding teaching on a daily basis

To secure consistently outstanding behaviour and high attendance by all groups of students

To relentlessly embed ambition and secure continuous improvement at all levels

To secure outstanding value for money and to ensure that the school continues to be the local school for children in the community.

Priorities for the period

Effectiveness of leadership and management

The quality of teaching, learning and assessment

Personal development, behaviour and welfare

Outcomes for pupils

Equal Opportunities Policy

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace.

The Academy Trust aims to establish equal opportunities in all areas of its activities including creating a workplace environment in which the contribution and needs of all people are fully valued.

Disabled Persons

The Governors recognise their responsibility under disability legislation in relation to disabled students and employees and accessibility, in order to ensure that disabled students and employees do not receive less favourable treatment.

The policy of the Academy Trust is to support the recruitment and retention of pupils and employees with disabilities by making resources available and through training and career development, and supports this by adapting the physical environment where practicable and reasonable.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Public benefit

In setting the Academy Trust's objectives and planning activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit. There are a wide range of extra-curricular activities, educational trips, visits and foreign trips offered and undertaken.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Achievements and performance

The trustees receive a report from the Executive Head Teacher and the Head Teacher each term, documenting progress made against the objectives of the School Improvement Plan (SIP). Wherever possible performance is benchmarked against similar schools and/or national averages.

Headline figures:

KS4 Attainment and Progress:

	2016 School	2016 National	2017 School	2017 National
5+ A*-C inc E+M %	68.3	53.8	73.2	n/a
Basics (C+ E+M) %	72.7	58.7	77.0	63.3
Basics, strong pass, 5+ E and M	n/a	n/a	54.0	39.1
Achieving E-Bac %	32.0	22.9	13.0	23.5
P8	-0.14	-0.03	0.18	0.0

KS5 Attainment and Progress:

	2016 School	2016 National	2017 School
Average Points score (Academic)	28.27	31.79	29.72
Average score per entry (Academic)	C-	C+	C
Level 3 VA (Academic)	-0.23	0.0	-0.01
Average Points score in best 3 A levels	31.94	34.97	33.67
Average grade in best 3 A levels	C+	C+	C+
% achieving AAB+ in at least 2 facilitating subjects	11%	17%	8.8
Average Points (Applied General)	39.64	34.69	41.05
Level 3 VA (Applied General)	0.5	0.0	0.26
Level 2 English progress	0.74	-0.18	0.53
Level 2 Maths progress	0.49	-0.1	0.12

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Key Financial Performance Indicators

The Academy Trust complies with all the terms and conditions of its Funding Agreement.

Going concern

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

Financial review

These financial statements reflect a 12 month period of operation. The majority of income received is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent General Annual Grant (GAG) funding, the use of which is restricted for the day to day running of the Academy Trust. Total grants received from the ESFA are set out in the statement of financial activities.

During the period the Academy Trust received £9,758k of income, of which £8,263k was GAG funding. Other ESFA and Local Authority grants amounted to £450k, Teaching School amounted to £244k and other income totalled £801k.

Expenditure for the period totalled £9,752k (excluding depreciation and other fixed asset costs). This includes £7,594k of staff related costs supporting the day to day running of the Academy Trust and its Teaching School.

In aggregate, during the period, the excess of total income over total expenditure was £6k (excluding restricted fixed asset funds and before transfers).

As at 31 August 2017 the net book value of fixed assets is £19,625k, as shown in note 10 of the financial statements. The assets were used for providing education and the associated support services to the pupils of the Academy Trust.

Reserves policy

The Governors determine what the appropriate level of uncommitted reserves should be. The aims are:

- to provide sufficient working capital to cover delays between spending and receipt of grants;
- to provide contingency funding for unexpected emergencies;
- to remain appropriately funded over the medium term in order to deliver the Academy Trust's Plan; and
- to provide funding capacity for future estate maintenance and planned capital investment.

The Governors have reviewed these reserve levels and believe that they should provide sufficient working capital to cover its above stated aims. Under normal circumstances the Governors would aim to maintain available reserves (combining GAG related and unrestricted reserves) of £500,000, a level equivalent to 5% of the budgeted annual expenditure.

This level will be reviewed annually in light of prevailing risks and planned developments.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Investment policy

The Academy plans to invest only in low risk bank deposit accounts, aligned to the Academy Trust's reserves policy, with the flexibility to invest across a range of account terms in order to balance liquidity and return.

Principal risks and uncertainties

As an Academy Trust funded directly by the Department for Education, funding streams are considered to be relatively secure subject to the management of pupil numbers, although the Governors recognise government policy and overall funding levels present an external risk to be managed.

The Governors have a risk management strategy and policy which is managed and reviewed on a regular basis. The Academy Trust manages its finances to ensure a healthy level of reserves adequate to cover unforeseen circumstances and to make planned use of these reserves as a part of its medium term financial plan.

Plans for future periods

The trustees' strategic vision for the school is clearly stated in the SIP (Schools Integration Project) and has agreed objectives for continued improvement and targets for intended outcomes. These include: leadership and resources; teaching and learning; assessment and student outcomes; personal development, behaviour, welfare and safeguarding; and enrichment and community.

As an over-subscribed school serving an increasing population in West Warrington, the Warrington Borough Council has requested the school increase its Published Admission Number (PAN) from 315 to 375 for September 2018. Trustees are supportive of this need and are detailing an expansion programme, which includes the acquisition of the vacant, adjacent primary school site and the development of improved science facilities. The school is seeking to commit up to £2m of its reserves to contribute to the building of a new science block of 12 laboratories and a new examination/sports hall as part of this programme. £1m has already been designated. Plans for an internal refurbishment programme will be considered as part of this process..

The school is cognisant of the constraints of projected school budgets and the government's change agenda, including changes to the LA's role. Trustees are committed to establishing a cross-phase Multi-Academy Trust (MAT), which will bring economies of scale for central services and further development of the Teaching School.

Great Sankey High School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Auditor

In so far as the Trustees are aware:

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

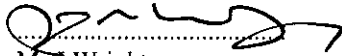
Reappointment of auditor

The auditors Jackson Stephen LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body as the company directors, on 12/12/2017 and signed on its behalf by:



Mr A J Bent
Trustee



Mr J Wright
Chief Executive Officer

Great Sankey High School

Governance Statement

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to Mr J Wright, 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 Great Sankey High School and the Secretary of State for Education. They are also responsible for reporting to the board of governors 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 governors has formally met 4 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Trustee	Meetings attended	Out of a possible
Mr A J Bent	4	4
Mr A Earps	4	4
Mrs J Ankers	4	4
Mrs C E Boyd	4	4
Mrs P Crawley	4	4
Ms C E Cunningham	3	4
Mr D A McClelland	4	4
Mr D Mathews	0	4
Mr J Morris	2	4
Mr A Openshaw	2	4
Mr M D Platt	4	4
Mr S Ryder	3	4
Mr D Shaw	2	4
Ms K A Steele	4	4
Mr M Walshe	4	4
Mr J Wright	4	4

The Chair of Trustees was appointed as a National Leader of Governance (NLG), in February 2016, by the National College for Teaching and Leadership, and has been using NLG training to undertake a review of the governing body. As the school is in the process of a transition to a Multi-Academy Trust (MAT), the structure of the governing body will change again during the next academic year.

Great Sankey High School

Governance Statement (continued)

Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of the main board of governors. Its purpose is to discuss key aspects of the financial management of the Academy Trust and to review the audit arrangements applied. During the period the committee did not have a defined number of members. All members of the board were invited to attend with a view to restructuring the committees. A joint Finance and Resources and Audit Committee meeting was held on 29 November 2016.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Bent	4	4
Mr A Earps	1	1
Mrs J Ankers	1	1
Mrs P Crawley	4	4
Mr D McClelland	4	4
Mr S Ryder	4	4
Ms K Steele	3	4
Mr M Walshe	3	4
Mr J Wright	4	4

Audit Committee

The Audit Committee is a sub-committee of the main board of governors. Its purpose is to review the adequacy and effectiveness of the school's systems of internal control and its arrangements for risk management, control, data protection and governance processes, and securing economy, efficiency and effectiveness (value for money). Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
	2	3
	3	3
Mrs J Ankers	2	3
Mrs C E Boyd	1	3
Mrs P Crawley	3	3
Mr D A McClelland	1	3
Mr J Morris	1	3
Mr A Openshaw	1	3
Mr M D Platt	1	3
Mr D Shaw	1	3
Mr M Walshe	1	3
Mr J Wright	3	3

Great Sankey High School

Governance Statement (continued)

The Quality Assurance Committee is a sub-committee of the main Board, which meets to discuss and review key aspects of the academic quality, standards and performance of the Academy Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Bent	2	3
Mr A Earps	3	3
Mrs P Crawley	3	3
Ms C Cunningham	2	3
Mr J Morris	2	3
Mr M Platt	3	3
Mr D Shaw	2	3
Mr J Wright	2	3

Review of value for money

As accounting officer, the Executive Head Teacher 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 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, the impact should then also be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Sankey High School 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.

Capacity to handle risk

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

Great Sankey High School

Governance Statement (continued)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Resources 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;
- delegation of authority and segregation of duties.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint RSM Risk Assurance Services LLP as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial and other systems. The Internal Auditor has undertaken two internal audits during this financial year covering the areas of Safeguarding and Post 16 Recruitment and Retention, reporting to the board. An Internal Audit Strategy 2016/17 to 2018/19 has been agreed.

Great Sankey High School

Governance Statement (continued)

Review of effectiveness

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

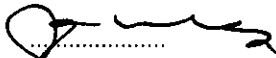
- the work of the external auditor;
- the work of the internal auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

Moving forward the accounting officer will continue to be advised of the implications of the results of the review of system of internal control by the Audit Committee and will plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 12.12.2017 and signed on its behalf by:



.....
Mr A Bent
Chair of Trustees



.....
Mr J Wright
Accounting Officer

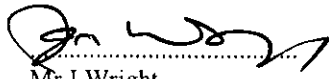
Great Sankey High School

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Great Sankey High School I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Governing Body 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 Governing Body and ESFA.



Mr J Wright
Accounting officer

Date: 12/12/2017

Great Sankey High School

Statement of Trustees' Responsibilities

The governors (who act as trustees for Great Sankey High School and are also the directors of Great Sankey High School for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The governors 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 accounts 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 governors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of governors on 12 December 2017 and signed on its behalf by:



Mr A J Bent
Chair

Great Sankey High School

Independent Auditor's Report on the Financial Statements to the Members of Great Sankey High School

Opinion

We have audited the accounts of Great Sankey High School (the 'Academy') for the year ended 31 August 2017, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the notes to the accounts, 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), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 the fact.

We have nothing to report in this regard.

Great Sankey High School

Independent Auditor's Report on the Financial Statements to the Members of Great Sankey High School (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report including the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company 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 accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Great Sankey High School

Independent Auditor's Report on the Financial Statements to the Members of Great Sankey High School (continued)

This report is made solely to 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.

Jackson Steffen LLP

.....
Mr Peter Atkinson F.C.A.
(Senior Statutory Auditor)

For and on behalf of Jackson Stephen LLP, Chartered Accountants, Statutory Auditor

James House
Stonccross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Date: *19 December 2017*
.....

Great Sankey High School

Independent Reporting Accountant's Assurance Report on Regularity to Great Sankey High School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 19 October 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 Great Sankey High School 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 Great Sankey High School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Great Sankey High School 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 Great Sankey High School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Great Sankey High School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Great Sankey High School's funding agreement with the Secretary of State for Education dated 27 December 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.

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:

- A review of the systems in place that govern income, expenditure and payroll as outlined in the financial procedure manual
- Substantive testing of income and expenditure
- Analytical review
- Obtaining evidence relevant to the regulatory and propriety of the academy's income and expenditure.

Great Sankey High School

Independent Reporting Accountant's Report on Regularity to Great Sankey High School and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the 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.

Jackson Stephen LLP

Reporting Accountant

For and on behalf of Jackson Stephen LLP

Date: *19 December 2017*

Great Sankey High School

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

		Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2017 £ 000
	Note				
Income and endowments from:					
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	2	-	8,713	-	8,713
Teaching schools		-	244	-	244
Other trading activities	3	791	-	-	791
Investments	4	10	-	-	10
Total		801	8,957	-	9,758
Expenditure on:					
Raising funds	5	714	-	-	714
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	8,821	517	9,338
Teaching schools		-	217	-	217
Total		714	9,038	517	10,269
Net income/(expenditure)		87	(81)	(517)	(511)
Transfers between funds		-	(282)	282	-
Net movement in funds/(deficit)		87	(363)	(235)	(511)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		1,410	(886)	19,860	20,384
Total funds/(deficit) carried forward at 31 August 2017		1,497	(1,249)	19,625	19,873

Great Sankey High School

Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000 As restated	Restricted General Funds £ 000 As restated	Restricted Fixed Asset Funds £ 000	Total 2016 £ 000
Income and endowments from:					
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	2	-	8,727	-	8,727
Teaching schools		-	137	-	137
Other trading activities	3	561	-	-	561
Investments	4	12	-	-	12
Total		573	8,864	-	9,437
Expenditure on:					
Raising funds	5	223	-	-	223
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	8,862	787	9,649
Teaching schools		-	170	-	170
Total		223	9,032	787	10,042
Net income/(expenditure)		350	(168)	(787)	(605)
Transfers between funds		-	(117)	117	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	20	-	(966)	-	(966)
Net movement in funds/(deficit)		350	(1,251)	(670)	(1,571)
Reconciliation of funds					
Total funds brought forward at 1 September 2015		1,060	365	20,530	21,955
Total funds/(deficit) carried forward at 31 August 2016		1,410	(886)	19,860	20,384

Great Sankey High School

(Registration number: 08313108 (England and Wales))

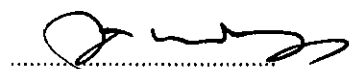
Balance Sheet as at 31 August 2017

	Note	2017 £ 000	2016 £ 000
Fixed assets			
Tangible assets	10	19,625	19,860
Current assets			
Stocks	11	4	-
Debtors	12	183	659
Cash at bank and in hand		<u>2,945</u>	<u>2,733</u>
		3,132	3,392
Creditors: Amounts falling due within one year	13	<u>(778)</u>	<u>(762)</u>
Net current assets		<u>2,354</u>	<u>2,630</u>
Total assets less current liabilities		<u>21,979</u>	<u>22,490</u>
Net assets excluding pension liability		21,979	22,490
Pension scheme liability	20	<u>(2,106)</u>	<u>(2,106)</u>
Net assets including pension liability		<u>19,873</u>	<u>20,384</u>
Funds of the Academy:			
Restricted funds			
	15		
Restricted general fund		857	1,220
Restricted fixed asset fund		19,625	19,860
Restricted pension fund		<u>(2,106)</u>	<u>(2,106)</u>
		<u>18,376</u>	<u>18,974</u>
Unrestricted funds			
Unrestricted general fund		497	410
Unrestricted designated fund		<u>1,000</u>	<u>1,000</u>
		1,497	1,410
Total funds		<u>19,873</u>	<u>20,384</u>

The financial statements on pages 24 to 45 were approved by the Trustees, and authorised for issue on 12.12.17 and signed on their behalf by:



Mr A J Bent
Trustee



Mr J Wright
Chief Executive Officer

Great Sankey High School

Statement of Cash Flows for the Year Ended 31 August 2017

	Note	2017 £ 000	2016 £ 000
Net cash provided by operating activities	18	483	9
Cash flows from financing activities		10	12
Cash flows from investing activities		(281)	(118)
Proceeds from sale of tangible fixed assets		-	1
Change in cash and cash equivalents in the reporting period		212	(96)
Cash and cash equivalents at 1 September 2016		<u>2,733</u>	<u>2,829</u>
Cash and cash equivalents at 31 August 2017		<u>2,945</u>	<u>2,733</u>

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017

1 Accounting policies

Statement of 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 accounts 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.

Great Sankey High School meets the definition of a public benefit entity under FRS 102.

Going concern

The governors 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 charitable company to continue as a going concern. The governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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.

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Other income

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

Donated goods, facilities and services

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

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.

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.

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

Asset class	Depreciation rate
Long leasehold buildings	2% per annum
Computer Equipment	33.3% per annum
Fixtures, fittings and equipment	10%-25% per annum

Liabilities

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

Leasing

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

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

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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

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 governors.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

Critical areas of judgement

All areas requiring judgement are considered on a case by case basis by the governors. None are considered critical, however they are monitored on at least an annual basis to ensure that this is still the case.

Prior period adjustment

Following the requirements of the Accounts Direction 2016 to 2017, the Teaching School income and expenditure have been disclosed separately on the Statement of Financial Activities. This has resulted in a prior period adjustment to more fairly show the income and expenditure as part of restricted funds in the comparative period, rather than in both restricted and unrestricted funds. This has not affected the total income and expenditure for the comparative period.

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

2 Funding for Academy's educational operations

	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	8,263	8,263	8,359
Other DfE/ESFA grants	334	334	230
	8,597	8,597	8,589
Other government grants			
Local authority grants	116	116	138
Total grants	8,713	8,713	8,727

3 Other trading activities

	Unrestricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
			As restated
Hire of facilities	7	7	15
Catering income	476	476	146
School shop sales	11	11	10
Recharges and reimbursements	26	26	22
School trips and other income	271	271	368
	791	791	561

4 Investment income

	Unrestricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
Short term deposits	10	10	12
	10	10	12

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

5 Resources expended

	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2017 £ 000	Total 2016 £ 000
					As restated
Expenditure on raising funds	232	-	482	714	223
Academy's educational operations					
Direct costs	6,338	-	412	6,750	6,639
Allocated support costs	908	1,043	637	2,588	3,010
	<u>7,246</u>	<u>1,043</u>	<u>1,049</u>	<u>9,338</u>	<u>9,649</u>
Teaching School					
Direct costs	116	-	101	217	170
	<u>116</u>	<u>-</u>	<u>101</u>	<u>217</u>	<u>170</u>
	<u>7,594</u>	<u>1,043</u>	<u>1,632</u>	<u>10,269</u>	<u>10,042</u>

Net income/(expenditure)for the year includes:

	2017 £ 000	2016 £ 000
Operating lease rentals	15	10
Depreciation	517	534
Loss on disposal of fixed assets	-	253
Fees payable to the auditor for:		
- Audit	12	11
- Other services	11	4
	<u>555</u>	<u>812</u>

6 Charitable activities

	Restricted funds 2017 £ 000	Total 2017 £ 000	Total 2016 £ 000
			As restated
Direct costs - educational operations	6,750	6,750	6,639
Support costs - educational operations	2,588	2,588	3,010
	<u>9,338</u>	<u>9,338</u>	<u>9,649</u>

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

6 Charitable activities (continued)

	Educational operations £ 000	Total 2017 £ 000	Total 2016 £ 000 As restated
Analysis of support costs			
Support staff costs	908	908	944
Depreciation	517	517	787
Technology costs	94	94	88
Premises costs	526	526	651
Other support costs	302	302	363
Legal & Professional Services	93	93	35
WBC - Service Level Agreements	103	103	115
External Audit/Accountancy Services	16	16	17
Internal Audit/Responsible Officer Fees	6	6	10
Expenditure on Academy Conversion	23	23	-
	2,588	2,588	3,010

7 Staff

Staff costs

	2017 £ 000	2016 £ 000
Staff costs during the year were:		
Wages and salaries	5,843	5,776
Social security costs	568	476
Pension costs	964	969
Supply teacher costs	201	98
Staff restructuring costs	18	17
	7,594	7,336

	2017 £ 000	2016 £ 000
Staff restructuring costs comprise:		
Severance payments	18	17

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £18k (2016: £17k).

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

7 Staff (continued)

Staff numbers

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

	2017 No	2016 No
Charitable Activities		
Management	10	10
Teachers	106	109
Administration and support	44	49
Catering	10	-
Teaching School	2	2
	<u>172</u>	<u>170</u>

Higher paid staff

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

	2017 No	2016 No
£60,001 - £70,000	3	4
£80,001 - £90,000	1	2
£130,001 - £140,000	1	-

The key management personnel of the Academy Trust comprise the senior executive 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 £421,127.

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

8 Related party transactions - trustees' remuneration and expenses

The Executive Head Teacher, Head Teacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Executive Head Teacher, Head Teacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

Mr J Wright (Executive Head Teacher):

Remuneration: £130,000 - £135,000 (2016 - £85,000 - £90,000)

Employer's pension contributions: £20,000 - £25,000 (2016 - £10,000 - £15,000)

Mrs P Crawley (Head Teacher):

Remuneration: £85,000 - £90,000 (2016 - £85,000 - £90,000)

Employer's pension contributions: £10,000 - £15,000 (2016 - £10,000 - £15,000)

Ms K A Steele (Head of House):

Remuneration: £45,000 - £50,000 (2016 - £40,000 - £45,000)

Employer's pension contributions: £5,000 - £10,000 (2016 - £5,000 - £10,000)

Ms C E Cunningham (Head of Department):

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

Employer's pension contributions: £5,000 - £10,000 (2016 - £5,000 - £10,000)

Mrs C E Boyd (Teaching Assistant):

Remuneration: £15,000 - £20,000 (2016 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2016 - £0 - £5,000)

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

9 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 (2016: £5,000,000) on any one claim and the costs for this period was £667 (2016: £2,700).

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

10 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost				
At 1 September 2016	20,969	555	364	21,888
Additions	78	39	165	282
At 31 August 2017	21,047	594	529	22,170
Depreciation				
At 1 September 2016	1,388	379	261	2,028
Charge for the year	379	64	74	517
At 31 August 2017	1,767	443	335	2,545
Net book value				
At 31 August 2017	19,280	151	194	19,625
At 31 August 2016	19,581	176	103	19,860

11 Stock

	2017 £ 000	2016 £ 000
Catering	4	-

12 Debtors

	2017 £ 000	2016 £ 000
Trade debtors	59	12
VAT recoverable	10	52
Other debtors	4	398
Prepayments	110	197
	183	659

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

13 Creditors: amounts falling due within one year

	2017	2016
	£ 000	£ 000
Trade creditors	74	214
Other taxation and social security	154	149
Other creditors	268	227
Accruals	235	71
Deferred income	47	101
	<u>778</u>	<u>762</u>

14 Deferred Income

	2017	2016
	£ 000	£ 000
Deferred income at 1 September 2016	101	34
Resources deferred in the period	47	101
Amounts released from previous periods	(101)	(34)
Deferred income at 31 August 2017	<u>47</u>	<u>101</u>

The closing balance on the Deferred Income account relates to £36,587 High Needs funding (2016: £40,108), £5,511, Teaching School Alliance (2016: £8,315), Teaching School core grants £nil (2016: £40,000), NSS bursary £nil (2016 £6,000), NLG grant £nil (2016: £2,000) and £4,954 monies collected on behalf of School Charities (2016: £4,395).

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

15 Funds

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted general funds					
General Annual Grant	1,235	8,263	(8,385)	(282)	831
Other DfE/ESFA Grants	18	334	(320)	-	32
Other government grants	-	116	(116)	-	-
Teaching School	(33)	244	(217)	-	(6)
Funds excluding pensions	1,220	8,957	(9,038)	(282)	857
Pension reserve	(2,106)	-	-	-	(2,106)
Total restricted general funds	(886)	8,957	(9,038)	(282)	(1,249)
Restricted fixed asset funds					
Fixed asset fund	19,860	-	(517)	282	19,625
Total restricted funds	18,974	8,957	(9,555)	-	18,376
Unrestricted funds					
Unrestricted general funds	410	801	(714)	-	497
Unrestricted designated funds	1,000	-	-	-	1,000
Total unrestricted funds	1,410	801	(714)	-	1,497
Total funds	20,384	9,758	(10,269)	-	19,873

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 Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Other DfE/EFA grants include Pupil Premium, Year 7 grant and Post 16 Bursary, all relating to funding to assist pupils within the academy.

Other local authority grants relates to SEN and Looked After Children funding received.

Funds have been designated to the school laboratories project fund as the academy intends on building a new science block with 12 laboratories on school premises to enhance the teaching facilities in this area.

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

16 Analysis of net assets between funds

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	19,625	19,625
Current assets	2,275	857	-	3,132
Current liabilities	(778)	-	-	(778)
Pension scheme liability	-	(2,106)	-	(2,106)
Total net assets	1,497	(1,249)	19,625	19,873

17 Commitments under operating leases

Operating leases

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

	2017 £ 000	2016 £ 000
Amounts due within one year	15	17
Amounts due between one and five years	45	61
	60	78

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

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

	2017	2016
	£ 000	£ 000
Net expenditure	(511)	(605)
Depreciation	517	534
Loss on disposal of tangible fixed assets	-	253
Interest receivable	(10)	(12)
Defined benefit pension costs less contributions payable	-	41
Defined benefit pension net finance costs	-	41
Increase in stocks	(4)	-
Decrease/(increase) in debtors	475	(369)
Increase in creditors	16	126
Net cash inflow from operating activities	483	9

19 Members' liability

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

20 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

20 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £1,153,349 (2016: £1,156,996).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for the year was 22.4% for employers and ranging from 5.5% to 12.5% for employees dependent upon the level of pay.

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.

Total contributions made in 2017 were £305,000 (2016: £256,000) consisting of Employer's contributions of £237,000 (2016: £198,000) and Employee's contributions of £68,000 (2016: £58,000)

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

20 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2017	At 31 August 2016
	%	%
Rate of increase in salaries	3.10	3.10
Rate of increase for pensions in payment/inflation	2.10	2.10
Discount rate for scheme liabilities	2.10	2.10

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males retiring today	22.30	22.30
Females retiring today	24.40	24.40
Retiring in 20 years		
Males retiring in 20 years	24.10	24.10
Females retiring in 20 years	26.70	26.70

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

	At 31 August 2017	At 31 August 2016
	£ 000	£ 000
Equities	1,228	1,228
Corporate bonds	904	904
Property	162	162
Cash and other liquid assets	23	23
Total market value of assets	2,317	2,317

The actual return on scheme assets was £Nil (2016 - £283,000).

Great Sankey High School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

20 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2017	2016
	£ 000	£ 000
Current service cost	-	239
Interest cost	-	41
Total amount recognized in the SOFA	-	280

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

	2017	2016
	£ 000	£ 000
At start of period	4,423	2,777
Current service cost	-	239
Interest cost	-	111
Employee contributions	-	58
Actuarial (gains)/losses	-	1,249
Benefits paid	-	(11)
At 31 August	4,423	4,423

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

	2017	2016
	£ 000	£ 000
At start of period	2,317	1,719
Interest income	-	70
Actuarial gains/(losses)	-	283
Employer contributions	-	198
Employee contributions	-	58
Benefits paid	-	(11)
At 31 August	2,317	2,317

21 Related party transactions

No related party transactions took place in the period of account other than certain governors' remuneration and expenses already disclosed in note 8.

