REGISTERED COMPANY NUMBER: 08918836

Report of the Trustees and Financial Statements for the Year Ended 31 August 2018 for WOLVERHAMPTON GIRLS' HIGH SCHOOL

WOLVERHAMPTON GIRLS' HIGH SCHOOL

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for the Year Ended 31 August 2018

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WOLVERHAMPTON GIRLS' HIGH SCHOOL

Reference and Administrative Details for the Year Ended 31 August 2018

Members	Mrs A R Ward Miss S M Aston Mr M A Jones
Trustees	Mr R D Anderson Mr G R Anderson Miss S M Aston Mr P N Beech Mrs M K Bhogal Mr C J H Cook Rt. Revd. C Gregory Mrs K B Harrison Ms J K Jaspal Mr M A Jones (Chair until 17/10/2018) Mr M Kelay (elected on 10/10/2017) Mrs C King (elected on 09/10/2018) Mrs S Malhotra (term of office ended 31/8/2017 but was subsequently re-elected on 10/10/2017) Mrs K MacDonald Mr J S Randhawa Mrs A Saul (elected on 10/10/2017) Mrs W E M Thompson Mrs A R Ward (Chair from 17/10/2018) Mrs T Young
Company Secretary	Mrs J Tench
Senior Leadership Team	Mrs T Young (Headteacher) Mrs J E Tench (School Business Manager) Mr D S Bowdler (Deputy Headteacher) Mr A M Jones (Deputy Headteacher) Mrs R A Brett (Assistant Headteacher) Mrs L Freeman (Director of Sixth Form from 1/09/2017 to 30/4/2018) Mrs J Stanway (Assistant Headteacher from 1/9/2017 to 31/08/2018, Senior Assistant Headteacher from 1/9/2018)
Registered office	Wolverhampton Girls' High School Tettenhall Road Wolverhampton WV6 0BY
Registered company number	08918836
Auditors	Haines Watts Birmingham LLP Sterling House 71 Francis Road Edgbaston Birmingham B16 8SP

Report of the Trustees for the Year Ended 31 August 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The Trust operates an Academy for students aged 11 to 18. Entrance to the School in Year 7 is via an Entrance Test that is operated in consortium with grammar schools in Walsall and Shropshire. The top 145 students who apply to the School are offered places. Students travel to School from Wolverhampton, Walsall, Telford, Shropshire, Dudley, Worcestershire, Sandwell and Staffordshire. The vast majority of students continue their studies from Year 11 into the Sixth Form. We also welcome students new to the School in the Sixth Form. The School has a capacity of 1015 and had a roll of 960 in the School Census in October 2018.

Incorporation
The charitable company was incorporated on 3 March 2014.

Objectives and activities
Objectives and aims
The Academy Trust's object is specifically restricted to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum ("the Academy").

Vision
The School vision summarises the main objectives of our School in providing a high quality, well-rounded education in our selective environment.

The School vision aims to develop:

- happy young women who enjoy their time at School;
- confident and resilient students who believe in their own abilities to achieve and see mistakes and failure as a part of the learning journey and are equipped with the skills for lifelong success; and
- students who achieve fantastic personal results, enabling them to access the next steps of their choice and go on to become the leaders of the future in their chosen fields.

The above outcomes are achieved as a result of the focused and supportive learning environment, enabling all students to flourish with the support of outstanding teaching and pastoral care.

Significant activities
To these ends, the activities provided by the Academy include the following:

- teaching and learning opportunities across a broad and balanced curriculum to enable all students to achieve their personal best in terms of academic standards and other achievements;
- a strong focus on community through the house system in School, developing the students as responsible citizens;
- an extensive range of extra-curricular/enrichment activities, adding both depth and breadth to learning and developing cultural awareness; and
- continuing professional development opportunities for all staff to encourage them to be reflective and to provide the best possible education for the students.

Public benefit
We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Structure, governance and management
Constitution
The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Wolverhampton Girls' High School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Wolverhampton Girls' High School.

Details of the Trustees who served during the period up to the date of approval of the Report of the Trustees 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
Governors benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as directors of the Academy Trust.

The liability insurance is provided by Zurich Municipal and provides cover up to £5,000,000 on any one claim.

Recruitment and appointment of new Trustees
The Board of Trustees refers to all Trustees by the name of Governor.

Staff Governors are appointed through such process as determined by the Governing Body. The current arrangements are to seek nominations for Staff Governors from both teaching and support staff. Where multiple nominations arise, a ballot amongst the appropriate group (i.e. support staff or teaching staff) is held. The total number of Governors (including the Headteacher) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

Parent Governors are elected by parents of registered students at the Academy. A Parent Governor must be a parent of a student at the Academy at the time when he or she is elected. Parents are invited to complete a nomination form outlining what they have to offer to the Board of Governors in response to the requirements outlined. Any election of Parent Governors which is contested is held by secret ballot. The Governing Body takes steps to ensure that every person who is known to them to be a parent of a registered student at the Academy is informed of the vacancy and that it is required to be filled by election, informed that s/he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. Where insufficient parents put themselves forward for election, the Governing Body shall appoint a person who is the parent of a child of compulsory School age.

The Community Governors are appointed by the Governing Body provided that the person who is appointed as a Community Governor is:
(a) a person who lives or works in the community served by the Academy; or
(b) a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

The Articles of Association outlined that the Members (Mr M A Jones, Miss S M Aston and Mrs A R Ward) may also appoint up to 1 additional Governor.

The Governors may appoint Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.

Induction and training of new Governors
Newly appointed Governors meet with the Headteacher, Chair of Governors and Clerk to the Governing Body to discuss the role. In addition such Governors are invited in for a separate meeting with the Headteacher and tour of the School. The School subscribes to a training package for Governors enabling them to access training of interest/need. In addition Policy/Project Governors receive specific training pertinent to their role, for example the Safeguarding Governor. Development events focusing upon a specific issue/theme are also provided to ensure Governors have the knowledge and skills required to support and challenge the School.

Organisational structure
The leadership and management structure of the Academy comprises of the Governors, Senior Leadership Team and Middle Leaders. The aim of the structure is to devolve responsibility where appropriate and encourage decision-making at all levels.

The Governors are responsible for the strategic development of the Academy, adopting an annual School Development Plan and budget, monitoring the Academy by use of budgets and management accounts and making major decisions about the direction of the Academy, capital expenditure and procedures for staff appointments.

The Governors have delegated decision making and monitoring to a range of governor committees - Finance and General Purposes (incorporating Audit), Personnel and Pay, Curriculum and Development and Admissions.

Organisational structure - continued
The Headteacher is the Accounting Officer of the Academy Trust.

The Senior Leadership Team (SLT) consists of the Headteacher, two Deputy Headteachers, one Senior Assistant Headteacher, one Assistant Headteacher and the Business Manager. The SLT is responsible for the day to day running of the School and for spending within certain agreed limits. The SLT manages the Academy Trust at an operational level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Leadership Team always contain a minimum of two Governors. Some spending and day to day operating decisions are further devolved to Heads of Department and other Middle Leaders.

Arrangements for setting pay and remuneration of key management personnel
The Academy Trust follows the School Teachers' Pay and Conditions Document (STPCD). The Trust's Pay Policy, (which is reviewed each year), outlines the arrangements for setting and reviewing pay of all members of staff including the Senior Leadership Team. The Headteacher's pay range is determined on the point of appointment by consideration of the three stage process outlined in the STPCD, taking into account the number on roll. In a similar way at the point of advertisement the pay range for Deputy and Assistant Headteachers is determined.

The Headteacher's Performance Management Committee, with the support of an external adviser, sets annual appraisal objectives for the Headteacher. These are reviewed alongside the Job Description and contractual obligations in order to determine whether or not pay progression is due.

Performance for all other staff is also reviewed each year, through the setting of objectives as part of the appraisal process. Performance against success criteria is assessed by the Headteacher and members of the Pay and Personnel Committee to determine whether or not pay progression is due. The Business Manager's salary range was set through the Wolverhampton City Council Single Status Job Evaluation scheme, taking into account the responsibilities in comparison to other roles across the city.

Trade Union Facility Time
The Academy Trust had more than 49 full time equivalent employees throughout the reporting period and therefore includes the following information, in line with the Use of Trade Union Facility Time Publication Regulations.
Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on union facility time

Provide the total cost of union facility time	£5,160
Provide the total pay bill	£3,469,087
Provide the percentage of the total pay bill spent on facilty time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.15%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	100%

Related parties
The Academy Trust is not part of a wider network.

The Trust cooperates with the Parents' Guild, Friends' Association and Old Girls' Union in pursuit of charitable activities.

The Wolverhampton Girls' High School Fund is an unincorporated entity and a separate registered charity (charity number 1115406). It is a connected charity by virtue of all of its Trustees also being Trustees and Directors of the Academy Trust; the funds of the Wolverhampton Girls' High School Fund therefore effectively falling under the control of the Academy Trust. These financial statements present the information of the Academy Trust as an individual entity only and do not consolidate the financial statements of the Wolverhampton Girls' High School Fund. Exemption has been taken from the requirement to prepare consolidated group accounts on the grounds that the connected charity is immaterial to the Academy Trust. The funds of the Wolverhampton Girls' High School Fund were £20,005 as at 31 August 2018 (2017: £68,490) and its net movement in funds for the year was a deficit of £48,485 (2017: surplus of £4,963).

The Board of Governors maintains a register of business interests, and "declarations of interest" is a standard agenda item at all Governors' meetings.

Risk management
The Governors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Strategic report
Achievement and performance
Charitable activities
The School has a long and established history of providing outstanding education for girls for over 100 years; maintaining traditions, but not standing still and constantly striving for continuous improvement.

The School offers a broad and rich curriculum where all students are encouraged and supported to achieve their personal best in all aspects of School life. The combination of high expectations and support, tailored to meeting individual needs, leads to academic excellence. Students are highly motivated to learn and personalised learning lies at the heart of our provision. The School is respected as one of the best state schools in the country, regularly achieving examination results which place it near the top of national league tables.

GCSE Results 2018

- In the new style examination, 25% of entries were awarded the new grade 9 and nearly half of all entries were 8/9/A*.
- 70% of entries were awarded A/A*/7/8/9.
- The overall pass rate was 99.2% (in line with last year's results).
- Thirty nine girls achieved A/A*/7/8/9 in all of their subjects.
- An outstanding 54 students achieved 5 or more A*/8/9 grades.
- Progress 8 is estimated at 0.67, this places the School in the top 14% of schools nationally.
- Attainment 8 is estimated at 74.70.

A Level Results 2018

- 16% of entries (18% in 2017) were awarded A*.
- 48% of entries (51% in 2017) were awarded A/A*.
- 76% (79% in 2017) of entries were awarded A*-B.
- Twenty seven students achieved all A/A* grades.

The School's success has also been recognised by Ofsted, with the School achieving four successive "Outstanding" inspections. In November 2017, the school received a Section 8 Inspection without formal designation with a specific focus upon safeguarding where the school was praised in the following ways:

"Arrangements to ensure safe recruitment of staff are robust and accurate."
"Leaders' approach to managing referrals of concerns about pupils is rigorous. Detailed, high quality records are kept."
"Governors are well informed about the school's approach to ensuring pupils' safety. They routinely ask questions of leaders to challenge and support this important aspect of the school's provision."
"The school has a track record of high pupil academic achievement and success."
"Leaders' actions to address this (Post 16 attainment) have been highly effective."
"Pupils are pleasant and responsible young adults who support the school well through taking on a wide range of leadership opportunities."
"Pupils value highly their education... They display very positive attitudes towards learning in lessons. "
"Leaders have recently reviewed thoroughly and comprehensively the school's pastoral provision."
"Pupils receive high quality careers information, advice and guidance. They are able to make informed choices about their option choices and career aspirations. "

Achievement and performance - continued

"Leaders make sure that an extremely wide range of extra-curricular opportunities is provided for pupils."
"They enjoy participating in inter-house competitions. Pupils recognise and appreciate the range of experiences they have, and that these opportunities benefit their personal development. "

Whilst academic achievements are an important part of life at Wolverhampton Girls' High School, students enjoy a wide range of other opportunities. These include participation in the thriving house system and opportunities in the fields of sport, music and drama. Sixth Formers are an integral part of the School, taking on various leadership posts and acting as role models for the younger students. There is a plethora of activities for the students to engage in from leading whole School events, to organising charity fundraising activities, participating in debating competitions and taking part in expeditions abroad.

The School's team of dedicated staff all ensure that students are well supported to achieve academic success, within a caring community. Pastoral care is exceptional focusing upon student wellbeing. High quality advice and support is provided to ensure that students are well informed to make their choices when preparing for higher education and their future careers. The School has an impressive record of students going on to read a variety of degree courses including Medicine and Law; and at some of the best institutions in the country including Oxford and Cambridge.

The School's motto: Ludus Supra Praemium (the game before the prize), emphasises the value of taking part as a member of the School community. Students are encouraged to develop skills for life long success in terms of understanding themselves as learners and developing as responsible citizens, demonstrating care and respect for all members of the community. As a result they leave with fond memories, and equipped as confident and independent minded young women ready to take on the challenges ahead and enjoy success in their chosen fields.

Four key priorities were identified in the School Development Plan for 2017-18 to contribute towards achieving the School vision.

1. **To reflect, evaluate and develop provision to ensure continuous improvement**
   This included a focus upon developing provision at Post 16 and targeted areas at GCSE. In addition, it involved actively recruiting more students to the Sixth Form, alongside reviewing the School's approach to assessment and tracking.

   As a result of this focus, there has been sustained good performance at A Level with 76% of results A-B, results in line with the previous year. At GCSE the results have been maintained at the highest level with 25% of entries being awarded the new grade 9. In addition, the school's unvalidated Progress 8 score is estimated at +0.67, roughly in line with last year and in the top 14% of schools nationally. Methods of tracking student progress were also refined.*

   The school has also seen an increase in the level of interest in the school with more applications to join the school in the Sixth Form than previously experienced, leading to over fifty new students joining the School for Year 12 in 2018.

2. **To support students by enhancing pastoral care**
   This included implementing a new pastoral structure, vertical tutoring, and changes to the Behaviour and attendance systems in school.

   As a result of these developments the new structure has improved pastoral care in the school with an increased role for the Form Tutor, the creation of the Hub and more accessible staff providing support to the students. The House Point system has been strengthened and there has been an improvement in overall levels of attendance.

3. **To extend and challenge ourselves to remain forward looking**
   This area of work has focused upon reviewing our admission arrangements, developing an extensive outreach programme, and delivering our new build.

   As a result of these actions, we have implemented a new Admissions Policy, delivered several familiarisation sessions on site and at local schools, offered community activities and consequently seen an increase from 1100 to nearly 1300 registering to take our test.

4. **To celebrate success and further develop a risk taking culture**
   This has focused upon staff development activities in a variety of different ways.

   As a result of these developments, additional methods of self evaluation alongside working groups looking at different aspects of teaching and learning and in particular piloting a new approach to developing students' learning skills by focusing upon VESPA (Vision, Effort, Systems, Practice and Attitude) have all secured a positive impact.

Going concern
After making appropriate enquiries, the Board of Governors 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.

Key financial performance indicators
These are covered throughout the Report of the Trustees.

Financial review
Current year review
The Statement of Financial Activities on page 19 presents the income, expenditure and any other recognised gains or losses of the Academy Trust for the year ended 31 August 2018.

In terms of the School's educational operations, the main source of funding during the year continued to be the General Annual Grant (GAG) received from the Education and Skills Funding Agency, which represented 80% of the Academy Trust's total income (2017: 78%). The use of this funding is restricted to furthering the objectives of the Academy Trust and therefore the grant income and the associated expenditure during the year are shown as restricted funds in the Statement of Financial Activities.

The total funding received for the Academy's educational operations increased by 0.58% on the prior year, however the corresponding expenditure increased by 3.7%, reflecting the School's decision to make use of some of the reserves brought forward from previous years by setting a budget which showed a relatively small in-year deficit. The Academy Trust reported a deficit for the year on Restricted funds of £175,351 (2017: deficit of £5,615). This, however, is after notional pension charges in respect of the Local Government Pension Scheme which were some £85,000 higher than the cash contributions paid in the year (2017: £150,000 higher). Excluding these excess notional costs, the underlying result was a deficit of £90,351 on Restricted funds (2017 surplus of £144,385) broadly in line with the Trust's budget for the year.

The General Restricted Fund (excluding the Pension Reserve), together with the Unrestricted Fund, show a total surplus carry forward position at 31 August 2018 of £249,961 (2017: £590,085). The detailed breakdown of the fund balances is included in note 20 to the financial statements.

In terms of the School's capital funding, the Academy Trust also received grants totalling £699,824, including £679,995 from the Education and Skills Funding Agency's Capital Improvement Fund (CIF) and £19,829 devolved capital grant. These grants are shown in the Statement of Financial Activities as restricted fixed asset funds. The restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets in accordance with the Trust's Fixed Asset Policy.

At 31 August 2018, the net book value of fixed assets was £14.8 m and movements in tangible fixed assets are shown in Note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Reserves policy
The Governing Body regularly reviews the levels of reserves as part of the medium to long term budget planning process. The approach taken is to ensure the level of reserves set is informed by the School's risks at any given time. The aim is always to set a balanced budget of income and expenditure within each financial year, with reserves being used for the funding of particular projects or developments as well as providing for unforeseen circumstances. The Academy Trust will always act within the ESFA guidelines on levels and appropriate use of reserves.

Investment policy and objectives
It is the Academy Trust's policy not to hold realisable investments, other than the cash held for the operation of the School. An investment policy has been approved by the Governing Body of the Trust, which adopts a low risk strategy. A current account and a linked business premium account are maintained with the Academy Trust's bankers. In accordance with the policy, when a reliable cash flow pattern has been established the Academy Trust will consider investing any surplus funds, whilst ensuring that adequate liquid funds are available to meet the day to day requirements of the School. In accordance with the policy the aim is to invest surplus cash funds to optimise returns, but ensuring that the investments are risk free and easily accessible.

Principal risks and uncertainties
The School has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Governors and include the financial risks to the School.

Financial review - continued

The Governing Body has utilised a Risk Register to identify and monitor the potential risks faced by the Academy Trust. The risks considered have encompassed strategic, operational, compliance and financial risks. Where necessary measures have been put in place to mitigate risks and the Risk Register is regularly reviewed by the Governing Body's Finance and General Purposes Committee. The projected deficit on the Local Government Pension Scheme has been identified as the principal financial risk. This deficit has the effect of reducing the reserves shown in the total funds but it should be noted that there is no current liquidity problem and additional payments are being made with the aim of reducing the deficit.

The School has categorised its risks into the following areas:

- Strategic Risks;
- Operational Risks;
- Compliance Risks; and
- Financial Risks.

For each risk the School has considered the control measures in place.

The following risks have been identified as the most significant risks to the School.

Category	Sub category	Specific	Control Measure
Strategic Risk	Natural Disaster Risk	Risk of the impact an uncontrollable event will have on the School e.g. fire, flood	Insurance policy is reviewed every year. Regular Fire/Health and Safety checks in place.
Financial Systems Risk	Disaster Risk	Risk that financial information cannot be recovered in the event of a disaster (e.g. fire, theft, vandalism)	A back-up procedure is in place. Disaster Recovery plan is in place.
Pension Risk	Funding Risk	Risk that scheme is in significant deficit	Reports from pension fund are reported to the Governors' Finance and General Purposes Committee (F&GP), inform the financial accounts and are monitored.
Human resources Risk	Management Risk	Key person loss/succession risk	Procedures manuals in place. Succession procedure in place. Headteacher reports to Pay and Personnel on an annual basis.
Treasury Risk	Cash flow Risk	Risk that cash flow requirements are not forecast	Annual budget signed off by F&GP. Cash flow forecasting to be undertaken by Business Manager. Internal audit checks.
Overall financial control risk	Budget Risk	Risk that the budget will be in deficit	Ensure that a 3 year budget plan is in place to highlight potential problems in the future. F&GP to monitor Income and Expenditure reports. Headteacher, Chair of F&GP and Chair of Governing Body to monitor monthly management accounts. Savings to be made where possible. Redundancy Policy in place and redundancies to take place where necessary.
Financial Risk	National Funding Formula (NFF)	Risk that NFF implementation leads to overall decrease in school budget	NFF built into projections and other areas of savings identified to account for shortfall.
Financial Risk	Pay Award	Uncertainty regarding the funding of the increase to teachers' pay award beyond 2019/20	Careful monitoring and modelling of increases for 2020/21 onwards are built into the long term budget plan.
Financial Risk	Pay Award	Uncertainty regarding the increases to support staff salaries beyond 2019	Careful monitoring and modelling of increases for 2020/21 onwards are built into the long term budget plan.
Income Risk	Pupil Number Risk	Risk that Year 12 cohort falls short of PAN of 135	Careful monitoring of projected numbers by Admissions Committee and SLT.
Financial Risk	Contingency Risk	Risk that new build project is running on low contingency, final accounts may present overspend.	Project closely monitored by design team and appointed Project Governors. Procedures in place to ensure that additional costs are authorised appropriately and reported to governors. Alternative funds identified and potential future savings also identified.

Principal risks and uncertainties- continued
The Risk Register is reviewed on an annual basis and the highest residual risks are reported on, once per term, to the Finance and General Purposes Committee as a standing item, to monitor the control measures in place.

Financial and risk management objectives and policies
The key controls used by the Academy include:

- Detailed terms of reference for all committees.
- Formal agendas for the Academy Board and committees.
- Schemes of delegation and formal financial regulations.
- Formal written policies.
- Clear authorisation and approval levels.
- Policies and procedures required by law to protect the vulnerable.
- Preparation of monthly management accounts.

Fundraising
The amount of fundraising carried out directly by the Academy Trust is limited. A separate registered charity, the Wolverhampton Girls' High School Fund, does receive voluntary donations from parents, the proceeds of which are then used to benefit the Academy's educational operations. Similarly, the Parents' Guild, the Friends' Association and the Old Girls' Union all raise funds which are used for the benefit of the Academy. The Academy Trust does not work with any commercial partners or professional fundraisers. Minutes and reports of the Parents' Guild, the Friends' Association and the Old Girls' Union are received by the Academy in order that the Accounting Officer has an oversight of the activities being undertaken by those bodies, and can ensure that they conform to the charitable pursuits of the Academy Trust. All of the fundraising activities are voluntary in nature, ensuring that there is no undue pressure on parents and stakeholders to donate. No complaints regarding fundraising activities have been received by the Academy Trust.

Plans for future periods
The Academy Trust will continue to deliver and provide education for students between the ages of 11 and 18.

The Academy Trust operates a selective exam entry process and will continue to do so in the future.

The Trust has a long term plan to expand the School. The fourth year group of five forms joined the School in September 2018. In addition the School aims to increase the Sixth Form cohort. In September 2018, 136 students commenced their studies at Post 16 level, meaning that the school is at the Pupil Admission Number. Governors receive regular income and expenditure reports alongside long term financial plans incorporating the impact of the increased number on roll.

Following the Academy Trust's successful application to the Selective Schools Expansion Fund, plans are now in place to prepare for a further increase from 145 to 180 in Year 7 from September 2020, incorporating a £3.5 million building project.

Auditors
Insofar 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.

The auditors, Haines Watts Birmingham LLP, will be considered for reappointment.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 12.12.18. and signed on its behalf by:

A R Ward
.....
Mrs A R Ward - Chair

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Governance Statement
for the Year Ended 31 August 2018

Scope of responsibility
The Trustees acknowledge they have overall responsibility for ensuring that Wolverhampton Girls' 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 the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Wolverhampton Girls' High School and the Secretary of State for Education. The Accounting Officer is 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 Report of the Trustees and in the Statement of Trustees' Responsibilities. The Board of Governors met four times and the Finance and General Purposes Committee met six times during the period. Attendance during the period at meetings of the Board of Governors and the Finance and General Purposes Committee were as follows:

		Full Board		F&GP	
Governor	**Category of Membership**	**Meetings Attended**	**Out of a possible**	**Meetings Attended**	**Out of a possible**
Graeme Anderson	Community Governor	2	4	4	6
David Anderson	Community Governor	4	4	5	6
Sue Aston	Community Governor (Vice Chair)	4	4	6	6
Neil Beech	Parent Governor	2	4	2	6
Manjit Bhogal	Parent Governor (a)	3	4	-	-
Chris Cook	Parent Governor	3	4	4	6
Rt Revd. Clive Gregory	Parent Governor	3	4	-	-
Kaye Harrison	Community Governor	4	4	-	-
Jasbir Jaspal	Community Governor	1	4	-	-
Mark Jones	Community Governor (Chair up until 17/10/2018)	4	4	6	6
Manny Kelay	Parent Governor (b)	4	4	-	-
Kay MacDonald	Staff Governor	3	4	3	6
Shila Malhotra	Parent Governor (c)	2	4	-	-
Jas Randhawa	Co-opted Governor/ Parent Governor (d)	4	4	6	6
Adelle Saul	Staff Governor (e)	4	4	-	-
Wendy Thompson	Community Governor	4	4	-	-
Anne Ward	Parent Governor/ Community Governor (f) (Chair from 17/10/2018)	3	4	5	6
Trudi Young	Headteacher and Accounting Officer	4	4	6	6

(a) Term of office as Parent Governor ended 31/8/2018 but was re-appointed as Co-opted Governor with effect from 1/9/2018
(b) Appointed 10/10/2017
(c) Term of office as Parent Governor ended 31/8/2017 but was subsequently re-elected from 10/10/17
(d) Term of office as Co-opted Governor was due to end on 22/10/2018 but was elected as Parent Governor from 9/10/2018
(e) Appointed 10/10/2017
(f) Term of office as Parent Governor ended 31/8/2018 but was appointed as Community Governor with effect from 1/9/2018

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Governance Statement
for the Year Ended 31 August 2018

Appointments

Governor	Category of Membership	Appointed
Graeme Anderson	Community Governor	Appointed from 3rd March 2014 Term of office ended 31st August 2016 Re-appointed from1st September 2016
David Anderson	Community Governor	Appointed from 3rd March 2014 Term of office ended 31st August 2017 Re-appointed from 1st September 2017
Sue Aston	Community Governor (Vice Chair)	Appointed from 3rd March 2014 Term of office ended 31st August 2017 Re-appointed from 1st September 2017
Neil Beech	Parent Governor	Appointed from 3rd March 2014 Term of office ended 31st August 2016 Re-elected from 12th October 2016
Manjit Bhogal	Parent Governor Co-opted Governor	Elected from 8th October 2014 as a Parent Governor Term of office as Parent Governor ended 31st August 2018 Appointed from 1st September 2018 as a Co-opted Governor
Chris Cook	Parent Governor	Appointed from 3rd March 2014 Term of office ended on 31st August 2015 Re-elected from 8th October 2015
Rt Revd. Clive Gregory	Parent Governor	Elected from 8th October 2015
Kaye Harrison	Community Governor	Appointed from 3rd March 2014 Term of office ended 31st August 2016 Re-appointed from 1st September 2016
Jasbir Jaspal	Community Governor	Appointed from 3rd March 2014 Term of office ended 9th February 2018 Re-appointed from 21st March 2018
Mark Jones	Community Governor (Chair up until 17th October 2018)	Appointed from 3rd March 2014 Term of office ended 31st August 2017 Re-appointed from 1st September 2017
Manjinder Kelay	Parent Governor	Elected from 10th October 2017
Clare King	Parent Governor	Elected from 9th October 2018
Kay MacDonald	Staff Governor	Elected from 12th October 2016
Shila Malhotra	Parent Governor	Appointed from 3rd March 2014 Term of office ended on 31st August 2017 Re—elected from 10th October 2017
Jas Randhawa	Co-opted Governor Parent Governor	Appointed from 3rd March 2014 Term of office ended on 31st August 2014 as a Parent Governor Appointed from 22nd October 2014 as Co-opted Governor Term of office as a Co-opted Governor was due to end on 21st October 2018 Elected from 9th October 2018 as a Parent Governor
Adelle Saul	Staff Governor	Elected from 10th October 2017
Wendy Thompson	Community Governor	Appointed from 3rd March 2014 Term of office ended on 31st August 2014 Re-appointed from 8th October 2014 Term of office was due to end on 7th October 2018 Re-appointed from 1st September 2018
Anne Ward	Parent Governor Community Governor (Chair from 17th October 2018)	Appointed from 3rd March 2014 Term of office ended as Parent Governor on 31st August 2014 Re-elected from 8th October 2014 as a Parent Governor Term of office as a Parent Governor ended on 31st August 2018 Appointed from 1st September 2018 as a Community Governor
Trudi Young	Headteacher and Accounting Officer	Appointed from 3rd March 2014

In the Spring Term 2014, in the lead up to conversion to Academy Status, the Governing Body considered at length the future composition of the Board. It was determined that the Board operates successfully in offering both challenge and support to the School in the strategic areas identified in the Governors' Handbook and that the Board of Trustees would therefore reflect that of the former Governing Body. Partnership, Foundation and Local Authority Governors were re-classified as Community Governors. The numbers of Parent and Staff Governors were kept the same.

Governance - continued
In June 2014, the Academy Trust completed the Financial Management and Governance Self Assessment to help to assess areas of development which have subsequently been incorporated into the Terms of Reference of the Finance and General Purposes Committee and led to additional Policies and Procedures being developed by the Trust. For example, a Business Continuity Plan and Risk Register were developed, along with accounting policies. In addition, the Terms of Reference of the Finance and General Purposes Committee were extended to incorporate the functions of an Audit Committee.

The Academy Trust appointed M3 Audit as Internal Auditors for the academic year 2017-18. Work undertaken by the internal auditors encompassed a review of governance arrangements.

The Academy Trust keeps its composition under regular review.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee and scrutinise the financial procedures, regulations and management of the Academy Trust's financial budget. The Committee has met six times during the accounting period. The most significant strategic decisions taken by the Committee have concerned pastoral changes following a review of the Academy Trust's pastoral arrangements and the development of new Sixth Form facilities as part of a building programme.

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

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

- Taking positive action to increase the number of students joining the Sixth Form, thus ensuring improved value for money in terms of the cost of each Sixth Form class to the School.
- Devising governance procedures to ensure careful monitoring of the new build project remains within anticipated timelines and budget.

In addition:

- Competitive quotations and tenders are routinely sought as part of the Academy Trust's procurement processes.
- Contracts for services are kept under regular review to ensure competitive prices.
- Annual Service Level Agreements are discussed by the Senior Leadership Team and the Finance and General Purposes Committee, to ensure the appropriate services are procured to meet the needs of the Academy Trust.

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 charitable company 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 Wolverhampton Girls' High School for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk
The Finance and General Purposes Committees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Finance and General Purposes Committees.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Governance Statement
for the Year Ended 31 August 2018

The Risk and Control Framework

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

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

The Board of Governors considered the need for a specific internal audit function and decided to appoint M3 Audit as The Academy Trust's internal auditors for the 2017/18 academic year.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks are carried out to provide both an independent oversight of Wolverhampton Girls' High School's financial affairs and also on-going assurance to the Board / Governing Body that:

- the financial responsibilities of the Board / Governing Body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner; and
- sound systems of internal financial control are being maintained.

The checks carried out in the current period included:

- Governance
- Payroll
- Purchasing
- Income
- Budget planning and control
- Assets
- Banking
- Accounting system

The auditor reports to the Board of Governors, through the Finance and General Purposes Committee, twice per year, on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

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

The Finance and General Purposes Committee has monitored the effectiveness of systems of control and ensured that a plan to address weaknesses and ensure continuous improvement is in place.

Approved by order of the members of the Board of Governors on 12.12.18 and signed on its behalf by:

.....
Mrs A R Ward - Chair

.....
Mrs T Young - Accounting Officer

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2018

As Accounting Officer of Wolverhampton Girls' High School 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 2017.

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 2017.

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

.....
Mrs T Young - Accounting Officer

Date: 12.12.18

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2018

The Trustees (who act as Governors of Wolverhampton Girls' High School 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- 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 charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education and Skills Funding Agency and Department for Education 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 12.12.18 and signed on its behalf by:

.....
Mrs A R Ward - Chair

Opinion
We have audited the financial statements of Wolverhampton Girls' High School (the 'charitable company') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency (ESFA).

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

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 to cease operations, or have no realistic alternative but to do so.

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

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

Use of our report
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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Hodgetts (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
Sterling House
71 Francis Road
Edgbaston
Birmingham
B16 8SP

Date: 18 December 2018

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

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wolverhampton Girls' High School during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Wolverhampton Girls' High School accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Wolverhampton Girls' High School's funding agreement with the Secretary of State for Education dated 30 September 2014 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- A review of governance procedures, including board composition, structure, and review of minutes of meetings
- A review of financial budgeting and monitoring procedures, including content and regularity of management accounts and distribution to board
- A review of related / connected party transactions in accordance with internal processes and the Academies Financial Handbook
- A review and sample testing of internal financial controls, including the trust's own internal scrutiny procedures
- A review and sample testing of procurement procedures

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 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haines Watts Birmingham LLP
Sterling House
71 Francis Road
Edgbaston
Birmingham
B16 8SP

Date: 18 December 2018

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Statement of Financial Activities
for the year ended 31 August 2018

	Notes	Unrestricted fund £	Restricted funds £	Fixed Asset Fund £	2018 Total funds £	2017 Total funds £
Income and endowments from						
Donations and capital grants	2	101,341	-	762,623	863,964	983,034
Charitable activities						
Funding for the Academy's educational operations	3	-	4,131,537	-	4,131,537	4,107,836
		-				
Other trading activities	4	133,902	-	-	133,902	102,936
Investment income	5	3,118	-	-	3,118	796
Total		238,361	4,131,537	762,623	5,132,521	5,194,602
Expenditure on						
Raising funds		224,853	-	-	224,853	205,661
Charitable activities						
Academy's educational operations	7	-	4,306,888	408,968	4,715,856	4,546,745
Total	6	224,853	4,306,888	408,968	4,940,709	4,752,406
Net income/(expenditure)		13,508	(175,351)	353,655	191,812	442,196
Transfers between funds	20	(313,138)	49,857	263,281	-	-
Other recognised gains/(losses)						
Actuarial gains/ (losses) on defined benefit pension schemes	21	-	295,000	-	295,000	635,000
Net movement in funds		(299,630)	169,506	616,936	486,812	1,077,196
Reconciliation of funds						
Total funds brought forward		549,591	(2,068,506)	14,176,208	12,657,293	11,580,097
Total funds carried forward		249,961	(1,899,000)	14,793,144	13,144,105	12,657,293

Continuing operations
All income and expenditure has arisen from continuing activities.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Statement of Financial Position
At 31 August 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	13	**14,793,144**	13,075,440
Current assets			
Stocks	14	**3,364**	3,712
Debtors	15	**378,974**	180,803
Cash at bank		**425,754**	1,749,815
		808,092	1,934,330
Creditors			
Amounts falling due within one year	16	**(531,393)**	(210,797)
Net current assets		**276,699**	1,723,533
Total assets less current liabilities		**15,069,843**	14,798,973
Creditors			
Amounts falling due after more than one year	17	**(26,738)**	(32,680)
Pension liability	21	**(1,899,000)**	(2,109,000)
Net assets		**13,144,105**	12,657,293
Funds	20		
Unrestricted funds:			
General fund		**249,961**	549,591
Restricted funds:			
Restricted general fund		**0**	40,494
Pension fund		**(1,899,000)**	(2,109,000)
Fixed Asset Fund		**14,793,144**	14,176,208
		12,894,144	12,107,702
Total funds		**13,144,105**	12,657,293

The financial statements were approved by the Board of Trustees on ...12th December 2018... and were signed on its behalf by:

.....A R Ward.....
Mrs AR Ward -Chair

Company Number: 08918836

The notes form part of these financial statements

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Statement of Cash Flows
for the year ended 31 August 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	25	**42,812**	274,736
Net cash provided by (used in) operating activities		**42,812**	274,736
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(2,126,672)**	(400,721)
Capital grants from DfE/ESFA and other capital income		**762,623**	875,832
Interest received		**3,118**	766
Net cash provided by (used in) investing activities		**(1,360,931)**	475,877
Cash flows from financing activities:			
Loan repayments in year		**(5,942)**	(5,940)
Net cash provided by (used in) financing activities		**(5,942)**	(5,940)
Change in cash and cash equivalents in the reporting period		**(1,324,061)**	744,673
Cash and cash equivalents at the beginning of the reporting period		**1,749,815**	1,005,142
Cash and cash equivalents at the end of the reporting period		**425,754**	1,749,815

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under Financial Reporting Standard 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Connected charities and subsidiary undertakings
The Wolverhampton Girls' High School Fund is an unincorporated entity and a separate registered charity (charity number 1115406). It is a connected charity by virtue of all of its Trustees also being Trustees and Directors of the Academy Trust; the funds of the Wolverhampton Girls' High School Fund therefore effectively falling under the control of the Academy Trust. These financial statements present the information of the Academy Trust as an individual entity only and do not consolidate the financial statements of the Wolverhampton Girls' High School Fund. Exemption has been taken from the requirement to prepare consolidated group accounts on the grounds that the connected charity is immaterial to the Academy Trust. The funds of the Wolverhampton Girls' High School Fund were £20,005 as at 31 August 2018 and its net movement in funds for the year then ended was a deficit of £48,485.

Going concern
The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of 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 it continues to adopt the going concern basis of accounting in preparing the financial statements.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received 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 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.

Donations
Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

1. **Accounting policies - continued**

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'.

Resources expended
All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs. All resources expended are inclusive of irrecoverable VAT.

Raising funds
Raising funds includes all expenditure incurred by the charity 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's educational operations.

Governance costs
These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

Freehold buildings	50 years straight line method
Freehold land	not depreciated
Furniture, fittings and equipment	7 years straight line method
ICT equipment	5 years straight line method

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 or services it must provide.

1. **Accounting policies - continued**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks
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.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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

1. **Accounting policies - continued**

Pension costs and other post-retirement benefits
Retirement benefits to employees of the Academy 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 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. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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 gains and losses.

Critical accounting judgements and key sources of estimation uncertainty
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:

LGPS

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 21, will impact upon the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Donations and capital grants

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Donations	-	62,799	62,799	-
Grants	-	699,824	699,824	875,832
Music income	101,341	-	101,341	107,202
	101,341	762,623	863,964	983,034

Grants received, included in the above, are as follows:

	2018 £	2017 £
Capital Grant	699,824	875,832

3. Funding for the Academy's educational operations

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
DfE/ESFA Revenue Grant (GAG)	-	4,082,562	4,082,562	4,045,290
Other DfE/ESFA Grants	-	48,975	48,975	62,546
	-	4,131,537	4,131,537	4,107,836

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Examination income	17,222	-	17,222	16,636
Hire of facilities	639	-	639	1,357
Other income	31,562	-	31,562	25,733
School fund income	84,479	-	84,479	59,211
	133,902	-	133,902	102,937

5. Investment income

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Bank interest received	3,118	-	3,118	796

6. Expenditure

	Staff costs	Non-pay expenditure Premises	Other costs	2018 Total	2017 Total
	£	£	£	£	£
Raising funds					
Direct Costs	115,796	-	106,844	222,640	205,661
Allocated support costs	-	339	1,874	2,213	-
Charitable activities Academy's educational operations					
Direct costs	2,946,293	364,729	288,743	3,599,765	3,386,698
Allocated support costs	600,089	300,284	215,718	1,116,091	1,160,047
	3,662,178	665,352	613,179	4,940,709	4,752,406

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Auditors' remuneration	10,010	10,350
Audit-related assurance services	4,159	4,429
Internal audit	1,400	1,000
Depreciation - owned assets	408,968	433,294
Operating lease rentals	12,621	12,306

7. Charitable activities - Academy's educational operations

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Direct costs	-	3,599,765	3,599,765	3,386,698
Support costs	-	1,116,091	1,116,091	1,160,047
	-	4,715,856	4,715,856	4,546,745

	2018 Total	2017 Total
	£	£
Analysis of support costs		
Support staff costs	600,089	653,893
Depreciation	44,239	41,257
Technology costs	19,729	17,526
Premises costs	256,045	265,049
Other support costs	169,552	154,839
Governance costs	26,437	27,483
Total support costs	1,116,091	1,160,047

8. Trustees' remuneration and benefits

Headteacher and staff Trustees only received remuneration in respect of services they provided undertaking the roles of Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

	2018 Remuneration	2017 Remuneration
T Young (Headteacher and Trustee)	£80,000 - £85,000	£75,000 - £80,000
K MacDonald (Staff Trustee)	£40,000 - £45,000	£40,000 - £45,000
A Saul (Staff Trustee) see note 1	£30,000 - £35,000	Nil

	2018 Employer's pension contributions	2017 Employer's pension contributions
T Young (Headteacher and Trustee)	£10,000 - £15,000	£10,000 - £15,000
K MacDonald (Staff Trustee)	£5,000 - £10,000	£5,000 - £10,000
A Saul (Staff Trustee)	£5,000 - £10,000	Nil

Note 1: Term of office commenced on 9 October 2017

Trustees' expenses

During the period ended 31 August 2018, travel and subsistence expenses totalling £810 (2017: £783) were reimbursed to 2 Trustees.

9. Staff costs

	2018	2017
	£	£
Wages and salaries	2,710,143	2,589,637
Social security costs	253,184	241,329
Operating costs of defined benefit pension schemes	585,669	619,412
	3,548,996	3,450,378
Supply teacher costs	83,182	57,122
Staff restructuring costs	30,000	-
	3,662,178	3,507,500

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2018	2017
Teachers	54	55
Administration	43	45
Management	7	6
	104	106

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

	2018	2017
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	2	2

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2018 pension contributions for the member of staff earning between £80,001 - £90,000 amounted to £13,899 (2017: £13,055). During the period ended 31 August 2018 pension contributions for the member of staff earning between £60,001 - £70,000 amounted to £10,360 (2017: £10,009).

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership 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 £543,988 (2017: £448,470).

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £30,000 (2017: Nil).

Individually, the payments were: £30,000 in May 2018 (2017: Nil).

11. Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions accruing whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £179 (2017: £895).

The cost of this insurance is included in the total insurance cost.

12. Comparatives for the statement of financial activities for the year ended 31 August 2017

	Unrestricted fund £	Restricted funds £	Fixed Asset Fund £	Total funds £
Income and endowments from				
Donations and capital grants	107,202	-	875,832	983,034
Charitable activities				
Funding for the Academy's educational operations	-	4,107,836	-	4,107,836
Other trading activities	102,936	-	-	102,936
Investment income	796	-	-	796
Total	210,934	4,107,836	875,832	5,194,602
Expenditure on				
Raising funds	205,661	-	-	205,661
Charitable activities				
Academy's educational operations	-	4,113,451	433,294	4,546,745
Total	205,661	4,113,451	433,294	4,752,406
Net income/(expenditure)	5,273	(5,615)	442,538	442,196
Transfers between funds		(103,891)	103,891	-
Other recognised gains/(losses)				
Actuarial gains/ (losses) on defined benefit pension schemes	-	635,000	-	635,000
Net movement in funds	5,273	525,494	546,429	1,077,196
Reconciliation of funds				
Total funds brought forward	544,318	(2,594,000)	13,629,779	11,580,097
Total funds carried forward	549,591	(2,068,506)	14,176,208	12,657,293

13. Tangible fixed assets

	Freehold property £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1 September 2017	13,040,980	327,431	427,097	707,300	14,502,808
Additions	-	1,955,268	106,147	65,257	2,126,672
At 31 August 2018	13,040,980	2,282,699	533,244	772,557	16,629,480
Depreciation					
At 1 September 2017	787,020	-	194,154	446,194	1,427,368
Charge for year	230,820	-	76,176	101,972	408,968
At 31 August 2018	1,017,840	-	270,330	548,166	1,836,336
Net book value					
At 31 August 2018	12,023,140	2,282,699	262,914	224,391	14,793,144
At 31 August 2017	12,253,960	327,431	232,943	261,106	13,075,440

Included in cost or valuation of Freehold Property is freehold land of £1,500,000, which is not depreciated.

14. Stocks

	2018 £	2017 £
Catering stocks	3,364	3,712

15. Debtors: amounts falling due within one year

	2018 £	2017 £
Trade debtors	138,656	18,872
VAT recoverable	100,928	72,849
Prepayments and accrued income	139,390	89,082
	378,974	180,803

16. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	369,713	77,095
Social security and other taxes	61,370	60,887
CIF loan	5,940	5,940
Accruals and deferred income	94,370	66,875
	531,393	210,797

Deferred Income

	2018	2017
	£	£
Deferred income at 1 September 2017	11.973	12,234
Resources deferred in the year	12,079	11,973
Amounts released from previous years	(11,973)	(12,234)
Deferred income at 31 August 2018	12,079	11,973

At the balance sheet date the Academy was holding funds received in advance of £12,079 that relate to rates grant received from the Education and Skills Funding Agency for the 2018/19 academic year.

17. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
CIF loan	26,738	32,680

Included within other creditors is a Salix loan of £32,678 from the Education and Skills Funding Agency which is provided on the following terms:

Loan duration (years): 8
First repayment date: March 2016
Last repayment date: September 2023
Interest rate (p.a.): 0%
Six monthly loan repayment: £2,970
Annual loan repayment: £5,940
Total loan repayment: £47,532

18. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	12,799	11,194
Between one and five years	33,590	40,630
	46,389	51,824

19. Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted fund £	Restricted funds £	Fixed Asset Fund £	2018 Total funds £	2017 Total funds £
Fixed assets	-	-	14,793,144	14,793,144	13,075,440
Current assets	292,141	187,089	328,862	808,092	1,934,330
Current liabilities	(42,180)	(187,089)	(302,124)	(531,393)	(210,797)
Long term liabilities	-	-	(26,738)	(26,738)	(32,680)
Pension liability	-	(1,899,000)	-	(1,899,000)	(2,109,000)
	249,961	(1,899,000)	14,793,144	13,144,105	12,657,293

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

	Unrestricted fund £	Restricted funds £	Fixed Asset Fund £	2017 Total funds £	2016 Total funds £
Fixed assets	-	-	13,075,440	13,075,440	13,108,013
Current assets	549,591	241,751	1,142,988	1,934,330	1,300,044
Current liabilities	-	(201,257)	(9,540)	(210,797)	(195,339)
Long term liabilities	-	-	(32,680)	(32,680)	(38,621)
Pension liability	-	(2,109,000)	-	(2,109,000)	(2,594,000)
	549,591	(2,068,506)	14,176,208	12,657,293	11,580,097

20. Movement in funds

	Balance at 1 September 2017 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	40,494	4,082,562	(4,172,913)	49,857	-
Other DfE/ESFA Grants	-	48,975	(48,975)	-	-
	40,494	4,131,537	(4,221,888)	49,857	0
Restricted Pension Fund					
Pension reserve	(2,109,000)	-	(85,000)	295,000	(1,899,000)
	(2,109,000)	-	(85,000)	295,000	(1,899,000)
Restricted fixed asset funds					
DfE/ESFA capital grants	1,454,311	699,824	(52,220)	-	2,101,915
Capital expenditure from GAG	103,891	-	(13,908)	12,196	102,179
Transfer on conversion	12,618,006	-	(333,266)	251,085	12,535,825
Other activities	-	62,799	(9,574)	-	53,225
	14,176,208	762,623	(408,968)	263,281	14,793,144
Total restricted funds	12,107,702	4,894,160	(4,715,856)	608,138	12,894,144
Unrestricted funds	549,591	238,361	(224,853)	(313,138)	249,961
Total funds	12,657,293	5,132,521	(4,940,709)	295,000	13,144,105

20. Movement in funds - continued

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

General Annual Grant (GAG): must be used for the normal running costs of the Academy. 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 2018.

Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.

Other Restricted General Funds: include payments made towards Academy trips.

The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.

Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.

Unrestricted Funds: are all those income and expenses for general use in the Academy.

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

	Balance at 1 September 2016 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	-	4,045,290	(3,900,905)	(103,891)	40,494
Other DfE/ESFA Grants	-	62,546	(62,546)	-	-
	-	4,107,836	(3,963,451)	(103,891)	40,494
Restricted Pension Fund					
Pension reserve	(2,594,000)	-	(150,000)	635,000	(2,109,000)
	(2,594,000)	-	(150,000)	635,000	(2,109,000)
Restricted fixed asset funds					
DfE/ESFA capital grants	626,328	875,832	(47,849)	-	1,454,311
Capital expenditure from GAG	-	-	-	103,891	103,891
Transfer on conversion	13,003,451	-	(385,445)	-	12,618,006
	13,629,779	875,832	(433,294)	103,891	14,176,208
Total restricted funds	11,035,779	4,983,668	(4,546,745)	635,000	12,107,702
Unrestricted funds	544,318	210,935	(205,662)	-	549,591
Total funds	11,580,097	5,194,603	(4,752,407)	635,000	12,657,293

20. Movement in funds - continued

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	8,127,852	(8,073,818)	(54,034)	-
Other DfE/ESFA Grants	-	111,521	(111,521)	-	-
	-	8,239,373	(8,185,339)	(54,034)	-
Restricted Pension Fund					
Pension reserve	(2,594,000)	-	(235,000)	930,000	(1,899,000)
	(2,594,000)	-	(235,000)	930,000	(1,899,000)
Restricted fixed asset funds					
DfE/ESFA capital grants	626,328	1,575,656	(100,069)	-	2,101,915
Capital expenditure from GAG	-	-	(13,908)	116,087	102,179
Transfer on conversion	13,003,451	-	(718,711)	251,085	12,535,825
Other activities	-	62,799	(9,574)	-	53,225
	13,629,779	1,638,455	(842,262)	367,172	14,793,144
Total restricted funds	11,035,779	9,877,828	(9,262,601)	1,243,138	12,894,144
Unrestricted funds	544,318	449,296	(430,515)	(313,138)	249,961
Total funds	11,580,097	10,327,124	(9,693,116)	930,000	13,144,105

21. 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 Wolverhampton City Council. Both are multi-employer defined benefit schemes.

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

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

Teachers' pension scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to employer's contributions of £333,463 (2017: £320,576) and employees' contributions of £190,995 (2017: £185,960).

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

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

21. Pension and similar obligations - continued

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2018 was £144,993 (2017: £131,078), of which employer's contributions totalled £109,991 (2017: £96,942), and employees' contributions totalled £35,002 (2017: £34,136). The agreed contribution rates for future years are 19.1% for employers and a range of 5.5% to 8.5% for employees.

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

The LGPS is in deficit and the Trust has entered into an agreement with the Trustees to make additional contributions in addition to normal funding levels. The past service deficit is being recovered over a maximum of 22 years.

Sensitivity analysis as at 31 August 2018

	Sensitivity 1 £000s	Sensitivity 2 £000s	Sensitivity 3 £000s
Adjustment to discount rate:	+0.1 %	0.0%	-0.1%
Present value of total obligation	3,317	3,383	3,450
Projected service cost	189	193	197
Adjustment to long term salary increase	+0.1 %	0.0%	-0.1%
Present value of total obligation	3,394	3,383	3,372
Projected service cost	193	193	193
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	3,440	3,383	3,327
Projected service cost	197	193	189
Adjustment to life expectancy assumptions	+1 Year	None	- 1 Year
Present value of total obligation	3,495	3,383	3,274
Projected service cost	199	193	187

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2018 £	2017 £
Present value of funded obligations	(3,383,000)	(3,371,000)
Fair value of plan assets	1,484,000	1,262,000
	(1,899,000)	(2,109,000)
Deficit	(1,899,000)	(2,109,000)
Liability	(1,899,000)	(2,109,000)

21. Pension and similar obligations - continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Current service cost	**215,000**	244,000
Net interest from net defined benefit asset/liability	**88,000**	79,000
Administration expenses	**1,000**	-
	304,000	323,000
Interest return on plan assets	**35,000**	23,000

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

	Defined benefit pension plans	
	2018	2017
	£	£
Defined benefit obligation - brought forward	**3,371,000**	3,580,000
Current service cost	**215,000**	244,000
Contributions by scheme participants	**38,000**	33,000
Interest cost	**88,000**	79,000
Benefits paid	**(16,000)**	(18,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	**-**	(34,000)
Actuarial (gains)/losses from changes in financial assumptions	**(313,000)**	83,000
Experience gain/(loss) on defined benefit obligation	**-**	(596,000)
	3,383,000	3,371,000

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Fair value of scheme assets - brought forward	**1,262,000**	986,000
Contributions by employer	**184,000**	150,000
Contributions by scheme participants	**38,000**	33,000
Interest on assets	**35,000**	23,000
Actuarial gains/(losses)	**-**	(71,000)
Benefits paid	**(16,000)**	(18,000)
Return on assets less interest	**(18,000)**	159,000
Administration expenses	**(1,000)**	-
	1,484,000	1,262,000

21. Pension and similar obligations
- continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	**-**	34,000
Actuarial (gains)/losses from changes in financial assumptions	**313,000**	(83,000)
Experience gain/(loss) on defined benefit obligation	**-**	596,000
Other actuarial gains/(losses)	**-**	(71,000)
Return on Fund assets in excess of interest	**(18,000)**	159,000
	295,000	635,000

The Academy's share of the assets in the scheme are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Equities	**939,000**	798,000
Gilts	**107,000**	92,000
Other bonds	**55,000**	49,000
Cash/liquidity	**56,000**	63,000
Property	**120,000**	92,000
Other	**207,000**	168,000
	1,484,000	1,262,000

The actual return on scheme assets was £17,000 (2017: £182,000).

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate	**2.65%**	2.6%
Future salary increases	**3.8%**	4.2%
Future pension increases	**2.3%**	2.7%

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

	At 31 August 2018 (years)	At 31 August 2017 (years)
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24
Females	26.7	26.6

22. Capital commitments

At 31 August 2018 there were no capital commitments contracted for, but not provided in the financial statements.

23. Contingent assets

Early in 2017, the school received notification of a legacy from a former pupil. In accordance with guidance contained in the Academy Accounts Direction and Charity SORP, the legacy has not yet been recognised in the financial statements as the school's interest is a residual one and, until the donor's estate is realised, there remains uncertainty as to the amount that is receivable. Early indications suggest it could be in the region of £125,000. The legacy will be recognised in the financial statements, under donations and legacies, in the year in which the recognition criteria are satisfied in full.

24. Related party disclosures

Owing to the nature of the Academy Trust's operations 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, the Academies Financial Handbook and normal procurement procedures.

In the year ended 31 August 2018 donations shown in note 2 have been received from the School Fund specifically to fund the purchase of fixed asset equipment for the school.

There were no other related party transactions for the year ended 31 August 2018 other than certain Trustees' remuneration and expenses already disclosed in note 8.

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

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**191,812**	442,196
Adjustments for:		
Depreciation	**408,968**	433,294
Capital grants from DfE/ESFA	**(762,623)**	(875,832)
Interest received	**(3,118)**	(796)
Decrease in stocks	**348**	(434)
Decrease/(increase) in debtors	**(198,171)**	110,821
Increase/(decrease) in creditors	**320,596**	15,487
Difference between pension charge and cash contributions	**85,000**	150,000
Net cash provided by (used in) operating activities	**42,812**	274,736