

**WESSEX LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>Members</b>	Rev R Neill Mr B Kirkup Mr M Davey Mr R J Oliver
<b>Trustees</b>	Rev J E G Angle Mr G M Ball, Executive Headteacher Ms G F Briggs (resigned 5 February 2018) Mr A J Davies Mr S T Flavin Mr M F M Gethbridge (appointed 18 February 2018) Mr P Jacobs (appointed 30 November 2017) Mr P Kelson (resigned 30 April 2018) Mr B Kirkup, Chair of Board Mrs S A Moreman Ms T Raynes (resigned 16 February 2018) Mr G J Smith Mr K J Walke
<b>Company registered number</b>	07348580
<b>Company name</b>	Wessex Learning Trust
<b>Principal and Registered office</b>	The Kings of Wessex Academy Station Road Cheddar BS27 3AQ
<b>Company secretary</b>	Mr K Perry
<b>Accounting Officer</b>	Mr G M Ball
<b>Trust Leadership Group</b>	Mr G M Ball, Executive Headteacher (appointed 1 September 2017) Mr K Perry, Chief Operating Officer
<b>Independent auditors</b>	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER
<b>Bankers</b>	Lloyds Bank Bath Street Cheddar BS27 3AB

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

The Trust operates an academy for pupils aged 2 to 19 in Somerset. It has a pupil capacity of 2,560 and had a roll of 2,455 in the school census on 1 June 2018, with an additional 169 pupils in nursery provision.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Trust is a company limited by guarantee and an exempt charity. The charitable company and the Group's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of Wessex Learning Trust are also the directors of the charitable company and the Group for the purposes of company law.

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

**Members' liability**

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

**Trade union facility time**

The Trust purchases Trade union facility from Somerset County Council, there are no employees who are relevant union officials during the year.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees 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 Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £5,000,000.

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

**TRUSTEES**

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

Prior to 1 November 2016 all those Trustees that served the predecessor Trust (The Kings of Wessex Academy Trust) continued in their role. On 1 November 2016 the four Members of the Trust appointed new Trustees. These Trustees were selected from Governors of the schools joining the Trust so that each school was represented; First Schools each had one Trustee appointed whereas the Middle school had two Trustees. The Senior school was allocated four Trustees. Whilst each school was represented by a Trustee the associated skill of the Trustee was a key determinate on who was selected. These Trustees were appointed on a term of office of 4 years, save that this time limit shall not apply to the Executive Headteacher or the incumbent.

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

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

- no fewer than three Trustees but no more than sixteen Trustees.
- up to 11 Trustees can be appointed by the Members.
- no fewer than two trustees shall be appointed by the Diocesan Board of Education but no more than 25% of the total number of Trustees.
- the Executive Headteacher who is treated for all purposes as being a Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Executive Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. New Trustees are appointed on their skills and not on a basis of representation of a school within the Trust.

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

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

Trustees' visit days of the academes in the Trust are arranged where Trustees meet with staff and students and view facilities. When required specific training is offered to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

**Organisational Structure**

The Board of Trustees plans to meet once each term although additional meetings are called as and when required. The Board establishes an overall framework for the governance of the Trust and is responsible for delegating powers to Local Governing Bodies, the Executive Headteacher and others through an agreed scheme of delegation. The Board of Trustees is overall responsible for determining the strategy and the direction of the Trust, educational outcomes and finance. It receives reports including policies from its Committees for ratification. It monitors the activities of the Academies through the minutes of Local Governing Body meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

All academies within the Trust are required to establish a Local Governing Body which is to hold termly meetings and establish two committees as follows:

- Finance and Human Resources Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing performance in relation to financial management, compliance with reporting and regulatory requirements, including health and safety. It is required to draft the annual budget including setting staffing levels. It also incorporates the role of an audit committee for the Trust.
- School Standards and Improvement - this meets four times per year to monitor, evaluate and review practice and performance in relation to curriculum planning, communications, target setting and assessments, examinations and all pastoral issues.

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

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A separate management committee is established to oversee the operations of Kings Fitness & Leisure, a subsidiary business to the Trust:

- Kings Fitness & Leisure Management Board which meets four times per year and is responsible for monitoring and evaluating the performance of Kings Fitness and Leisure and receiving the Managers report and monthly budget reports. Regularly reviews membership fees and associated charges for the activities run at the Centre. Ensures compliance with reporting and regulatory requirements relating to the operation of as Leisure Centre.

The following decisions are reserved to the Members:

- Appoint and remove Members
- Appoint and remove Directors
- Appoint the Trust's Accountants
- Approve the Annual Accounts

The Board of Trustees have devolved responsibility for the day-to-day management of the academies to the respective Headteachers and the Local Governing Body. The delegation of these responsibilities is contained in the Scheme of Delegation. The academies will each in turn have their own leadership structure which will vary from academy to academy depending on its size.

The following decisions are reserved to the Board of Trustees:

- Agree Terms of Reference for the Local Governing Bodies
- Agree a Scheme of Delegation
- Agree future Academy applications and/or sponsorship to join the Trust
- Set the ethos and strategic direction of the Trust
- Uphold the distinctive Christian character of the Church of England academies
- Construct an annual Trust improvement plan to deliver the Trust's priorities
- Monitor the performance of the Trust and the academies in the Trust
- Provide support and challenge to the Headteachers for school improvement
- Hold the Executive Headteacher to account for the performance of the academies in the Trust
- Ensure arrangements are in place for the performance management of the Executive Headteacher and the central team
- Maintain an effective internal audit
- Ensure financial policies and procedures are in accordance with DfE requirements and best practice
- Agree the allocation of funds for central services
- Allocate funding to academies in accordance with their GAG funding statement
- Approve annual budgets for academies
- Approve staffing costs for academies where expenditure on staffing will exceed 80% of GAG
- Monitor the financial performance of the trust taking action where necessary
- Maintain a register of pecuniary and business interest of directors and staff
- Approve lease agreements
- Appoint the Executive Headteacher and other central staff
- Set Trust policies
- Act as the Admissions Authority

The Executive Headteacher is the Accounting Officer.

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

The Trustees consider the Board of Trustees and the academy senior leadership teams comprise the key management personnel of the Trust and the academies within the Trust who are in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year in respect of their role as a trustee.

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

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Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with recommendations made by the School Teachers' Review Body.

The Trustees benchmark against pay levels in other Trusts/Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles.

**Connected Organisations, including Related Party Relationships**

Kings of Wessex Fitness and Leisure Limited is a 100% controlled subsidiary that operates a sports centre on the site of The Kings of Wessex Academy.

There are no related parties which either control or significantly influence the decisions and operations of the Trust. There are no formal sponsors associated with the academies in the Trust.

All the Academies in the Trust have a number of organisations that work with them including PTAs and local Church groups which are invaluable to providing support. Overall, the Trust has strong collaborative links with other schools in the area who are not part of the Trust but form part of the wider Cheddar Valley community.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Trust is 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 Academies which shall offer broad and balanced curriculum, and which include:

- Academies other than those designated Church of England, whether with or without designated religious character;
- Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Board of Education.

But in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

In addition, the Trust looks to provide facilities for recreation or other leisure time occupation for the public at large in the interests of social welfare and with the object of improving their conditions of life.

The aims of the Trust during the year ended 31 August 2018 are summarised below:

- to provide the best education by working closely with each other to create a unique experience for all our children.
- to ensure every student is helped to achieve their full potential so that they can make a positive contribution to our society and realise their lifetime ambitions.
- to offer a world-class, 21st century education for all young people between the ages of 2 to 19, providing outstanding learning opportunities and creating centres of educational excellence that meet the needs of all children.
- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra-curricular activities.
- to develop students as more effective learners.
- to enhance the tertiary provision and outcomes.
- to develop the Academy sites so that they enable students to achieve their full potential.
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care.

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

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- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to maintain close links with our communities.
- to maintain close links with the industry and commerce.
  
- to develop the Trust's capacity to manage change.
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

Our core principles are:

- to ensure that all schools (including nurseries, pre-schools, schools, academies and sixth forms) are treated fairly and always acting in the best interests of all students.
- to work together to support leaders and staff in securing the best possible outcomes for all our students, including early intervention particularly for vulnerable pupils.
- to ensure a spirit of openness, trust and respect within the Trust.
- to be accountable to each other and to the Trust.
- to respect the distinctive ethos of schools within the Trust ensuring the Christian distinctiveness of Church of England Schools and respecting those that are non-denominational
- to ensure that maximum delegation is given to schools that are judged to be providing a good/outstanding education.
- to ensure that all schools are financially sustainable.
- to seek to share our excellence by seeking to grow the Trust with future partners.

**Objectives, Strategies and Activities**

Key priorities for the year are as follows:

- integrating the 8 schools/academies into the Trust.
- focusing on teaching, learning and progress across all schools in the Trust.
- raising achievement by closing the gaps in relation to boys and Pupil Premium students.
- improving attendance and reducing persistent absence.
- recruiting and retaining high quality staff.
- managing a year on year real terms cut in funding and achieving more for less.
- implementing reforms in line with curriculum and statutory changes.
- providing a safe learning environment.
- maintaining OFSTED readiness.
- preparing the Trust to grow and expand.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education within The Cheddar Valley and surrounding area.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community. As a Trust of schools, we have a duty to support other schools.



## **STRATEGIC REPORT**

### **Achievements and Performance Axbridge CofE First School Academy**

The school converted to academy status on 1 September 2012 and became part of the Trust in September 2016. The number of pupils at the end of August 2018 was 172. The current NOR is 172; 83 boys and 89 girls. Busy Bees Nursery had 52 on roll in August 2018 and currently has 37 on roll. This is the highest number for many years.

#### Early Years Foundation Stage (EYFS) 36 pupils

Outcomes were below national average for the first time with 64% achieving a Good Level of Development (GLD), whilst the national sat at 71% for 2018. The Supporting Measure (SLD) was 32.6 also below the national average of 34.5.

#### Phonic Screening (28 pupils)

The 2018 Year One Phonic Screening Check (28 pupils) result of 96% was well above national (81%) average. This was excellent. There were no children who needed to pass the re-take the test in Year 2.

#### Key Stage One (39 pupils)

Results were significantly higher than national averages in 2018 across Reading, Writing and Maths. 100% of pupils achieved at ARE in Reading, 97% in Maths and 100% in Writing. The GD results were particularly strong and well above LA & NA in reading at 45%, 34% in Writing and 45% in Maths. 97% of pupils achieved ARE in all three areas. 41% achieved GD across all areas.

#### Key Stage Two

In reading 97% of pupils achieved ARE which is above NA (no national data so compared to Year 6 outcomes). 87% achieved ARE in Writing and 87% in Maths. 48% achieved GD in reading, 29% in writing and 39% in Maths which is above NA. 90% achieved ARE or above for combined reading, writing and maths and 39% at GD. They performed very well in the GL assessments and their overall standardised score was above average.

#### Other Achievements

The academy gained Outstanding status in their Statutory Inspection of Anglican and Methodist Schools inspection in July 2018.

The academy was last inspected by OFSTED in 2008 and was judged to be Outstanding.

A WLT Safeguarding Audit in Nov 2016 concluded that safeguarding was extremely effective.

EYFS and KS1 moderation in 2016 fully supported our judgments and endorsed excellent provision in these areas of the school with outstanding results.

### **East Brent CofE Academy**

The school converted to academy status on 1st November 2016. The number of pupils at the end of August 2018 was 85. The current NOR is 83.

East Brent pre-school (not managed by the school) had 20 pupils in August 2018 but currently only has 14. The Pre-school doesn't offer extended opening hours which can cause their numbers to fluctuate. Some parents opt to use Lympsham Pre-school as an alternative which offers wrap around care.

#### Early Years Foundation Stage (EYFS) 21 pupils

Outcomes were 76% of pupils achieving a Good Level of Development (GLD), slightly lower than last year (80%) but above the LA (72%) and national (71.5%) averages for 2018. The Supporting Measure (SLD) was 34% close to the LA (34.7%) and national average (34.5%).

#### Phonic Screening

The 2018 Year One Phonic Screening Check (18 pupils) result of 89% was just below last year (91%) but above the LA (79%) and national (82%) averages. In Year Two 100% (4 pupils) passed the Phonic Screening Check re-take.

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

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Key Stage One (17 pupils)

Results were higher than LA and national averages for children reaching age-related expectations in 2018 in reading (academy 91%, LA 76.5%, NA 75%), writing (academy 72%, LA 70%, NA 70%) and slightly below in maths (academy 72%, LA 76.5%, NA 76%).

Key Stage Two

Pupils in Year 4 (15 pupils) achieving ARE or above: 93% in reading, 100% in writing and 93% in maths. (93%) achieved ARE or above in all areas combined – reading, writing and maths. (20%) achieved GDS in all 3 subjects.

SEND & PP (6 SEND & 13 PPM pupils)

SEND children make good progress from their starting points though their attainment overall is below their peers. Pupil Premium children made better than average progress in reading, writing and maths and are also working at a greater depth in reading and writing compared to non-pupil premium children.

Other Achievements

The academy was last inspected by OFSTED in December 2013 and was judged to be Good. In February 2017 the academy was inspected by the Diocese of Bath and Wells and was judged to be Good under the Statutory Inspection of Anglican and Methodist Schools. In 2018 the Year 3 and 4 children were successful in securing the winner's trophy for netball and swimming in the inter school sports festivals. The school was successful in an application for capital funding to replace the hall windows.

**Hugh Sexey CofE Middle School**

The school joined the Trust on 1 November 2016. Pupils on roll at the end of the academic year 2017-18 was 614, which represented a net gain of 26 pupils during the period. There is a small year 7 cohort moving into year 8 and this will have an impact on total number on roll. However, the school is predicted to be over PAN in the three other year groups.

Outcomes

There has been an improving trend in outcomes over the last 3 years, building on the excellent work of the first schools. These outcomes show that pupils are working significantly higher than their age-related counterparts across the country. Using the nationally recognised GL assessment the average standardised age score is 100. On exit, the Year 8 pupils' English score was 109.6 and maths was 114.4.

Key Stage 2 outcomes

There has been a year-on-year improvement in KS2 SAT outcomes. Hugh Sexey ranked first across all Middle Schools in Somerset for Reading, Writing, Mathematics and 'Gold standard' combined Reading, Writing and Maths (RWM). The RWM percentage was 10% better than last year and 11% better than the national outcomes. FFT Aspire attainment suggests that the RWM % at expected standard+, ranked significantly above the national average and around the top 25% of schools nationally.

Achievements

The school was inspected under the Statutory Inspection of Anglican and Methodist Schools in September 2017 and were graded as 'Outstanding'.

Due to parental preference and demand, the local authority funded an extra class in year 5.

The school joined with The Kings of Wessex and Fairlands Middle School at the Christmas service at Wells Cathedral.

A Multi Use Games Area was constructed and is used at active play and for curriculum activities/extra-curricular clubs.

U13 Girls reached the ESFA football national finals at the Ricoh Stadium in Coventry.

UKMT Year 9 maths challenge saw 36 out of 40 pupils achieve 11 Gold, 16 Silver and 11 Bronze awards with 5 reaching the Junior Kangaroo this placed them in the top 0.1 nationally of the 260,000 entries.

Supported numerous charitable events including providing the biggest single collection for the Burnham & Highbridge Food Bank.

### **Lympsham CofE Academy and Lympsham Pre-School**

The school assumed management responsibility of the Pre-school in July 2016 and both converted to academy status on 1st November 2016. The number of pupils in the school at the end of August 2018 was 117 which is 2 less than last year. The current NOR remains at 117. There are 57 boys and 58 girls.

The pre-school had 38 on roll in August 2018 and currently has 21 on roll. This number is likely to increase throughout the year.

#### **Early Years Foundation Stage (EYFS) 24 pupils**

Outcomes were 92% achieving a Good Level of Development (GLD), higher than last year 84% above the LA (72%) and national (71.5%) averages for 2018. The Supporting Measure (SLD) was 34.6% slightly below the LA (34.7%) but above national average (34.5%).

#### **Phonic Screening**

The 2017 Year One Phonic Screening Check (20 pupils) result of 95% above last year 92% and above LA (79%) and national (82%) averages and has remained consistent on previous results. In Year Two 100% (2 pupils) passed the Phonic Screening Check re-take.

#### **Key Stage One 22 pupils**

Results were significantly higher than LA and national averages for children reaching age-related expectations in 2018 in reading (academy 96%, LA 76.5%, NA 75%), writing (academy 86%, LA 70%, NA 70%) and maths (academy 91%, LA 76.5%, NA 76%). The Greater Depth results were particularly strong and well above LA & NA in reading (academy 50%, LA 29%, NA 26%), above in writing (academy 23%, LA 17%, NA 16%) and in just above in maths (academy 23%, LA 21%, NA 22%). (86%) achieved ARE or above in all areas combined – reading, writing and maths. 14% achieved GDS in all 3 subjects.

#### **Key Stage Two**

Pupils in Year 4 (25 pupils) achieving ARE or above: 84% in reading, 80% in writing and 76% in maths. (72%) achieved ARE or above in all areas combined – reading, writing and maths. (24%) achieved GDS in all 3 subjects.

#### **SEND & PP (8 SEND & 9 PP pupils)**

SEND children make good progress from their starting points though their attainment overall is below their peers. Pupil Premium children made better than average progress in reading and writing and achieved results in reading, writing and maths were higher than non-pupil premium children.

#### **Other Achievements**

The academy was last inspected by OFSTED in January 2014 and was judged to be Good  
In October 2014 the academy was inspected by the Diocese of Bath and Wells and was judged to be Outstanding under the Statutory Inspection of Anglican and Methodist Schools  
Olympic Champion Robert Mitchell visited the school in June 2018 to inspire the next generation of athletes and provided an excellent example of how it is possible to succeed however able you are.

### **Mark First & Pre-school CE Academy**

The school joined the Trust on 1 November 2016. NOR as at the Summer Census were 134, 74 boys and 60 girls. In the Preschool NOR were 35 and steadily increasing including 12x 2-year olds. An increasing number of families are taking up the government's 30 hours offer for 3-4 year olds. Our assessments for EYFS and Key Stage 1 were validated by external moderators in 2017.

#### **Early Years Foundation Stage (EYFS) 24 pupils**

Outcomes improved again on 2017 and remain well above the NA and LA average. 83% achieving a Good Level of Development (GLD), above the LA's (71%) and national (70.7%) averages for 2018. The Supporting Measure (SLD) was 39%, also above the LA (34.6%) and national average (34.5%).

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

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Phonic Screening Check 27 pupils

Year 1: Best results to date with 93% passing - well above LA (81%) and national (83%) averages. Average score was 36/40 with a pass mark of 32. 15/17 boys passed (88%) and 10/10 girls passed (100%). Year 2: 4 children did not pass the Phonic Screening Check re-take. These children have significant additional needs. They have received & will continue to receive tailored intervention and quality first teaching. They made small steps in progress from their starting points and remain a priority in tracking attainment and progress.

Key Stage 1 39 pupils, 23 boys/16 girls

Reading: 77%/30 achieved ARE or above, 74%/17 boys, 81%/13 girls, in line with NA 76%, 71% boys & 80% girls. Accelerated progress was evident especially for the lower prior attainment pupils. However, able children performed very well with strong Greater Depth results: academy 51%/20, 48%/11 boys, 56%/9 girls, NA 25% - 22% boys and 29% girls.

Writing: 72%/28 achieved ARE or above, 65%/15 boys, 81%/13 girls, in line with LA average of 72% and NA of 70%, 63% boys, 77% girls. Boys were below and girls were above NA. Strong outcomes for children achieving Greater Depth: academy 31%, 26%/6 boys & 38%/6 girls, LA 18%, NA 16%, 12% boys & 20% girls.

Maths: 77%/30 achieved ARE or above, 74%/17 boys, 81%/13 girls, in line with the LA, 77% & NA, 75%, 74% boys & 76% girls. Again, strong outcomes for those achieving Greater Depth: academy 41%/16, 39%/9 boys 44%/7 girls, LA 22% & NA 22% - 22% boys & 19% girls.

Combined RWM: 64% achieved ARE or above for combined reading, writing and maths, in line with 2017 NA of 64%. 61%/14 boys, 69%/11 girls. However, 38%/15 pupils achieved GD in RWM, well above NA of 11%. Girls 44%/7 and boys, 35%/9.

Key Stage Two/Year 4: 25 pupils, 11 boys/14 girls

Reading: Strong outcomes for ARE+ and GD. Progress across Y3 & 4 is above average at 7 points. Boys made slightly more progress than girls. 88%/22 pupils achieved ARE or above, 82%/9 boys, 93%/13 girls. Well above NA 2017 (71%). Strong GD performance with academy: 56%/14 pupils, 36%/4 boys, 64%/10 girls, NA 25%.

Writing: Overall ARE and above is in line with 2017 national, but pupils achieving at GD is well above national. 76%/19 achieved ARE or above, 64%/7 boys, 86%/12 girls. Overall, girls were in line with NA 2017 (83%) but one boy's outcome brought their total to below NA (70%). However, able children have performed well (academy 36%/18% NA), with GD being well above national for boys (academy 27%/NA 13%) and girls (academy 43%/23% NA). Progress across Y3 & 4 is above average (7.0 points). Boys made slightly more progress (7.1) than girls (6.9).

Maths: Strong outcomes for ARE+ and GD. 80%/20 pupils achieved ARE or above, 82%/9 boys, 86%/12 girls. Well above NA 2017 (75%). Strong GD performance with academy: 36%/9 pupils, 36%/4 boys, 36%/5 girls, NA 23%. Progress across Y3 & 4 was above average (6.7 pts) with no significant difference between boys and girls.

Combined RWM: 76% achieved ARE or above for combined reading, writing and maths, well above 2017 NA of 61%. Girls/86% performed better than boys/64% but both well above NA, 65% and 57% respectively. Strong GD outcomes with academy 28%/5 pupils achieved GD in RWM, 18%/2 boys & 36%/5 girls, well above NA 9%, boys 7% and girls 10%. Outcomes were strong in the GL reading comprehension and maths assessments.

SEND & PP 16 SEND (9 in Year 2) & 16 PPM pupils (9 in Year 2)

Attainment in reading is low – 56% of all SEND children are below ARE. This is due to specific needs, particularly in the girls. However, progress this year has improved on 2016 for both boys and girls. Similar for writing attainment with 69% below ARE. However, progress is very good and above average for ALL children – average tracking point progress is 3.5, above NA of 3.0. Very similar for maths with 69% below ARE but very good progress of 3.5TP has been made. 33% of SEND pupils are also PP.

For those without SEND in reading, writing and maths, attainment is in line with the rest of the school. Progress is at least good.

Other Achievements

In July 2016 the academy was inspected by the Diocese of Bath and Wells and was judged to be Outstanding under the National Society for Statutory Inspection of Anglican and Methodist Schools.

The academy was last inspected by OFSTED in October 2012 and was judged to be Good with Outstanding Behaviour & Safety of pupils.

### **The Kings of Wessex Academy**

The Academy is in its seventh year of operation having converted to an academy in 2011. The total number of students in the year ended 31 August 2018 totalled 994, a decrease of 61 on the previous year, mainly due to a smaller year 9 intake and the loss of a large year 11. The sixth form student population totalled 247, a similar size to the previous year.

#### **Outcomes**

Exam outcomes continued to be strong at Kings in 2018. This year saw the introduction of new, tougher GCSE exams in many subject areas and Kings students have risen to the challenge.

The core subjects of Mathematics, English and Science were among the many success stories. In Mathematics 86% of students achieved grades 9-4 (equivalent to the old grades A\*-C). 81% of students achieved 9-4 grades in English Literature with 80% achieving this in English Language. Additionally, 78% of students secured grades 9-4 in at least two Science GCSEs.

An impressive 76% of students achieved a grade 9-4 in both English and in Mathematics whilst 52% of students achieved the 'strong pass' in both English and Mathematics (a grade 5 or higher in both subjects). Very encouragingly, Kings had another strong result with the new Progress 8 measure. Progress 8 measures the progress students make from Year 6 to Year 11. In 2018 the Progress 8 figure is +0.47. This represents Kings students making, on average, almost half a grade more progress in every subject compared to students nationally. Furthermore, an impressive 27% of grades on the new-style GCSE courses were grades 9-7 (equivalent to A\*-A).

Kings offers a broad curriculum with students following a wide range of GCSE and vocational courses. BTEC courses performed particularly well at Kings with BTEC Business Studies and Performing Arts having the best value-added scores of all courses at the academy. Another success story was the Humanities subjects with 75% of Geography students, 76% of RE students and 68% of History students achieving grades 9-4.

Results for Pupil Premium students improved significantly with a positive Progress 8 score for this cohort (+0.16).

At A Level the overall pass rate was up slightly to 98.1% and the percentage of grades achieved at A\*-C increased from 2017 to 77.3% which is above the national average.

#### **Other Achievements**

The Academy received a Section 8 OFSTED Inspection in October 2017, in relation to the effectiveness of safeguarding at the Academy. Safeguarding was judged to be effective.

2018 saw the opening of the new astro pitch.

Cheddar Neighbourhood Policing Team moved to their new premises on the Academy site.

Girls' U15 handball team became County champions.

The Academy supported numerous charities, including the organisation of the first Cheddar Community Fun Day held at the Academy.

The Academy continued a broad range of extra-curricular events, trips and visits including visits to Athens, Poland and Dominica.

Showcased the first ever expressive arts show, including contributions from art, design, photography, music, performing arts and textiles.

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Weare Academy First School**

The total number of pupils in the year ended 31st August 2018 was 142. In April 2018, Denise Mawdsley was appointed by the Wessex Learning Trust as headteacher of Wedmore First School Academy, in addition to Weare Academy First School.

Outcomes

Weare Academy First School achieved a good set of National Comparative results.

At the end of Early Years Foundation Stage, 62% of our pupils achieved a Good Level of Development.

At the end of Year One, 100% of our pupils met the threshold for the Phonic Screening Test and at the end of Year Two 100% of our pupils retaking the screening test met the threshold.

At the end of Key Stage One 91% of our pupils achieved Age Related Expectation (ARE) for Reading and 66% achieved Greater Depth (GD), 86% achieved ARE for Writing and 64% achieved GD; and 86% achieved ARE for Maths and 50% achieved GD.

At the end of Year Four 89% of our pupils achieved Age Related Expectation (ARE) for Reading and 36% achieved Greater Depth (GD), 89% achieved ARE for Writing and 39% achieved GD; and 82% achieved ARE for Maths and 32% achieved GD. In addition, at the end of Year Four 100% of our pupils met or exceeded their chronological age for Reading and 96% met or exceeded their chronological age for Spelling.

SEND and Disadvantaged Pupils

Pupil Premium, Looked After Children and those Adopted made good progress from their starting points though their attainment varies to that of above and below that of their peers

Other Achievements

Weare Academy First School was judged as Outstanding by OFSTED in 2007 and in an interim inspection in 2011.

Weare Academy First School was judged to be an Outstanding Church School, in a SIAMS inspection, by the Diocese of Bath and Wells, in January 2018.

During 2017-18, the Academy improved the facility of its onsite swimming pool to provide increased tuition for its pupils and the community.

The Academy raised funds for a number of Charities during the year and these included Children in Need, Comic Relief, Secret World, the Royal British Legion, Save the Children, Weston Hospice and the Cheddar Foodbank. The total sum raised spread between these charities was: £900.

**Wedmore First School Academy**

The total number of pupils in the main school in the year ended 31 August 2018 was 209. The Nursery roll grew steadily through year with 22 starting on roll Sept 2017 compared to 14 in Sept 2016. The Nursery is currently open 50 weeks of the year.

In April 2018, Denise Mawdsley was appointed by the Wessex Learning Trust as headteacher of Wedmore First School Academy, in addition to Weare Academy First School.

Wedmore First School Academy achieved a good set of National Comparative results:

Outcomes

Early Years Foundation Stage (EYFS) outcomes continued to improve on the previous year with 85% achieving a Good Level of Development.

At the end of Year One, 98% of our pupils met the threshold for the Phonic Screening Test and at the end of Year Two 100% of our pupils retaking the screening test met the threshold.

At the end of Key Stage One 86% of our pupils achieved Age Related Expectations (ARE) for Reading and 46% achieved Greater Depth (GD), 83% achieved ARE for Writing and 20% achieved GD; and 86% achieved ARE

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

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for Maths and 37% achieved GD.

At the end of Year Four, 83% achieved AREs for Reading with 48% achieving Greater Depth. 71% achieved ARE in Writing with 38% at Greater Depth and 56% in Maths with 29% at Greater Depth. In addition, at the end of Year Four 90% of our pupils met or exceeded their chronological age for Reading and 62% met or exceeded their chronological age for Spelling.

**SEND and Disadvantaged Pupils**

Pupil Premium, Looked After Children, Adopted and Traveller make good progress from their starting points though their attainment varies to that of above and below their peers.

**Other Achievements**

Wedmore First School Academy was judged as Good in all areas by OFSTED in May 2018.

The Academy has raised funds for a number of Charities during the year and these have included Children in Need, Comic Relief, the Royal British Legion, Save the Children, Cheddar Foodbank and Cystic Fibrosis.

The Foundation Stage for Reception Class and Nursery provision has been improved through the installation of all-weather cover for outdoor play and a tarmacked area for the Nursery.

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review £16,093 was carried forward representing NIL% of GAG

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers in the Summer 2018 Census were:

	<b>Summer 2018 Census Roll</b>	<b>Nursery</b>	<b>Main School Capacity</b>	<b>Sixth Form</b>
Axbridge CofE First School Academy	179	43	175	
East Brent CofE Academy	83	21	80	
Hugh Sexey CofE Middle School	597		600	
Lymphsham CofE Academy	115	24	135	
Mark First & Pre-school CE Academy	138	35	150	
The Kings of Wessex Academy	995		810	250
Weare Academy First School	147	24	150	
Wedmore First School Academy	201	22	210	

Over the coming years, pupil numbers are set to decrease but then begin to increase slowly reflecting the projected demographic growth in the area.

Another key financial performance indicator for the Trust is educational and nursery staffing costs as a percentage of recurring educational and staffing income. During the year ended 31 August 2018 the Trust received £12,045,015 of recurring income from education and nursery provision (see note 3) and expended £10,392,075 on education and nursery staffing costs (see note 7), which is 86.3%.

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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 Going concern policy.

**WESSEX LEARNING TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academies in the Trust also receive grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2018, the SOFA shows that the Trust received total income of £14,044,924 (excluding fixed asset income of £19,943) against which the Trust incurred expenditure of £14,010,612 (excluding depreciation of £970,882 and LGPS pension valuation movements of £601,000, see note 22). The excess of income of expenditure in the year on this basis was £34,312.

At 31 August 2018 the net book value of fixed assets was £31,506,288 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The land, buildings and other assets of the academies were transferred to the Trust upon conversion. Where available, land and buildings valuations have been professionally valued. Where this is not available, a best estimate of the value has been made taking into account purchase price and remaining useful life.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff within the academies which transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details shown in the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial responsibilities of the Board, Executive Headteacher, Chief Operating Officer, Headteachers, budget holders and other staff as well as delegated authority for spending. Individual academies are responsible for their own policies regarding Charges and Lettings.

**Reserves Policy**

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

The Trustees have determined that the appropriate level of free reserves should be approximately £1,500,000. The reason for this is that the amount approximates to one month's expenditure and the increased risk from operating the sports and leisure centre within Kings Fitness and Leisure Limited. Reserves will provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition, the reserves are held in the knowledge that some academies set deficit budgets for 2018-19 and are likely to do so in the following year as the Trust adjusts its staffing levels and awaits the implementation of the Fair Funding Formula.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow on the fund, nor any direct impact on the free reserves of the Trust.



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

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**Investment Policy**

All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Trust are as follows:

- **Financial** - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 81% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- **Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- **Reputational** - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- **Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- **Staffing** - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- **Fraud and mismanagement of funds** - The Academy has appointed a Peer Observation Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst individual Academies pupil numbers are healthy, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs students and increasing employment and premises costs mean that budgets will be increasingly challenging in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Local Governing Finance and Human Resources Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient

**WESSEX LEARNING TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

**PLANS FOR FUTURE PERIODS**

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Trust hopes to attract other schools into the trust in the coming years. Brent Knoll CofE Primary School have been given permission to join the Trust in the spring of 2019 and discussions are ongoing with other interested parties.

Key priorities for the year are contained in the Trust's Improvement Plan which is available on the Trust's website or from the Company Secretary

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

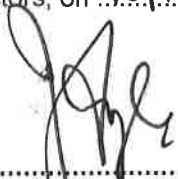
**AUDITORS**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable Group's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on ~~13/12/18~~ and signed on the board's behalf by:



.....  
**Rev J E G Angle**  
Vice Chair of Trustees

**WESSEX LEARNING TRUST  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive 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 Wessex Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year; 3 times at regular meetings and 4 additional at Emergency Meetings. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Rev J E G Angle	0	0
Mr G M Ball, Executive Headteacher	4	7
Ms G F Briggs	3	4
Mr A J Davies	0	0
Mr S T Flavin	6	7
Mr M F M Gethbridge	5	7
Mr P Jacobs	3	6
Mr P Kelson	6	7
Mr B Kirkup, Chair of Board	3	6
Mrs S A Moreman	2	6
Ms T Raynes	4	4
Mr G J Smith	5	7
Mr K J Walke	7	7

**Finance and Human Resources Committee**

All academies within the Trust continue to hold regular Local Governing Body meetings including sub-committee meetings focusing on Finance and Human Resources, and Teaching and Learning. This supports the Trust to ensure financial controls are embedded to individual academy level and focus is maintained on learning.

An internal review of the governance of the Trust during late 2017 noted that improvements were required. The formation of a Finance and Human Resources Committee at Trust Level and the undertaking of regular internal audit functions had not occurred since the full composition of the Trust came together on 1 November 2016. This is because resources had been focused on merging the separate accounting systems of the eight academies into a single system and developing a common Finance Policy.

This left the Trust vulnerable and measures were initiated to address this including the appointment of a dedicated Trust Finance Manager. In addition, work has been undertaken to centralise the financial operations of the Trust which have now been substantially completed. Furthermore, the Trust established the Finance and Human Resources Committee in early 2018 and commissioned a full programme of independently provided internal audit procedures, the results of which confirmed that substantial improvements had been made during Spring 2018 bringing financial governance standards up to the required level.

**WESSEX LEARNING TRUST  
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**GOVERNANCE STATEMENT (continued)**

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Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr S Flavin	2	5
Mr P Kelson	1	2
Mr B Kirkup	1	1
Mrs S A Moreman	5	5
Mr K Perry	5	5
Mr G J Smith	5	5
Mr K J Walke	4	5

**REVIEW OF VALUE FOR MONEY**

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

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

- Trustees reviewing the budget;
- Value for money purchasing;
- Seeking collective purchasing on a Trust wide basis wherever possible bringing economies of scale, improved efficiencies and greater value;
- Deploying staff effectively and robustly examining staffing costs at all levels so that the cost of staff as a percentage of academy's GAG remains at an acceptable level;
- Making comparisons with similar Academies using data provided by the ESFA, the Government and the Trust's accountants;
- Challenging staffing costs in excess of 80% of GAG;
- Challenging proposals and examining their effectiveness and efficiency;
- Reviewing the quality of curriculum provision and quality of teaching;
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote;
- Encouraging all academy Business Managers/Finance Managers to regularly meet both internally but also amongst peers at regional level to compare ideas, suppliers and good practice; and
- Ensuring that Local Governing Body Finance Committees are regularly reviewing and approving appropriate transactions in accordance with the Trust's agreed Finance Policy.

**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 ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wessex Learning Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**GOVERNANCE STATEMENT (continued)**

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**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 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 Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Bishop Fleming LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

On a semi-annual basis, the auditor reports to the Board of Trustees through the Finance and Human Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Executive 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 auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the external auditor and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 13/12/18 and signed on their behalf, by:

  
.....  
**Rev J E G Angle**  
**Vice Chair of Trustees**

  
.....  
**Mr G M Ball**  
**Accounting Officer**

**WESSEX LEARNING TRUST  
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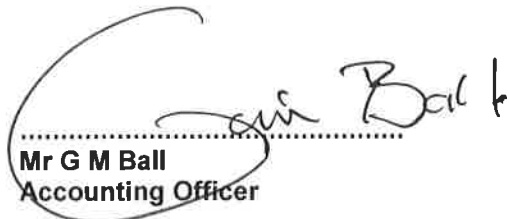
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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



.....  
**Mr G M Ball**  
Accounting Officer  
13.12.18

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

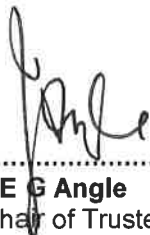
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the Group 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 the Group 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 and the Group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

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



.....  
**Rev J E G Angle**  
Vice Chair of Trustees

Date: 13.12.18



**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESSEX LEARNING TRUST**

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**OPINION**

We have audited the financial statements of Wessex Learning Trust (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2018 which comprise the Group Consolidated statement of financial activities incorporating income and expenditure account, the Group Consolidated balance sheet, the Group Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the 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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESSEX LEARNING TRUST**

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work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Group strategic report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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 Trust 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 Group's and the parent Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Trust or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

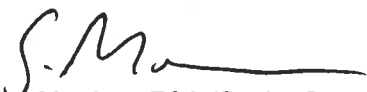
**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WESSEX  
LEARNING TRUST**

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**USE OF OUR REPORT**

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



Simon Morrison FCA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming Bath Limited**

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date:

14/12/2017

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WESSEX LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 12 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wessex Learning Trust during the year 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 Wessex Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Wessex Learning Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Wessex Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF WESSEX LEARNING TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Wessex Learning Trust's funding agreement with the Secretary of State for Education dated 1 June 2011, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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 Trust's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WESSEX  
LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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**CONCLUSION**

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



Simon Morrison FCA (Reporting Accountant)

**Bishop Fleming Bath Limited**  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

Date: 14/12/2018

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Note					
<b>INCOME FROM:</b>					
Donations & capital grants:					
Transfer from Local Authority on conversion	2	-	-	-	8,116,536
Transfer of existing academies in to the Trust	2	-	-	-	3,512,720
Other donations and capital grants	2	645,969	19,943	665,912	684,493
Charitable activities	3	1,089,750	10,955,265	12,045,015	11,804,483
Other trading activities	4,5	1,346,619	-	1,346,619	1,259,319
Investments	6	7,321	-	7,321	4,470
<b>TOTAL INCOME</b>		<b>2,443,690</b>	<b>11,601,234</b>	<b>14,064,867</b>	<b>25,382,021</b>
<b>EXPENDITURE ON:</b>					
Raising funds	5	1,096,036	-	1,096,036	1,022,646
Charitable activities		710,336	12,805,240	14,486,458	13,355,904
<b>TOTAL EXPENDITURE</b>	7	<b>1,806,372</b>	<b>12,805,240</b>	<b>15,582,494</b>	<b>14,378,550</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>					
Transfers between Funds	22	637,318	(1,204,006) (841,525)	(950,939) 841,525	(1,517,627) -
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
Actuarial gains on defined benefit pension schemes	29	637,318	(2,045,531)	(109,414)	(1,517,627)
<b>NET MOVEMENT IN FUNDS</b>		<b>637,318</b>	<b>(973,531)</b>	<b>(445,627)</b>	<b>11,003,471</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		1,947,658	(4,030,890)	31,477,827	29,394,595
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,584,976</b>	<b>(5,004,421)</b>	<b>31,368,413</b>	<b>28,948,968</b>

The notes on pages 32 to 60 form part of these financial statements.


**WESSEX LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07348580**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	15		<b>31,506,288</b>		31,574,507
<b>CURRENT ASSETS</b>					
Stocks	17	<b>2,307</b>		2,307	
Debtors	18	<b>347,895</b>		326,993	
Investments	19	<b>104,365</b>		100,000	
Cash at bank and in hand		<b>3,207,609</b>		3,908,539	
			<b>3,662,176</b>	<b>4,337,839</b>	
<b>CREDITORS:</b> amounts falling due within one year	20	<b>(896,496)</b>		<b>(723,751)</b>	
<b>NET CURRENT ASSETS</b>			<b>2,765,680</b>		3,614,088
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>34,271,968</b>		35,188,595
Defined benefit pension scheme liability	29		<b>(5,323,000)</b>		<b>(5,794,000)</b>
<b>NET ASSETS</b>			<b>28,948,968</b>		29,394,595
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
General funds	22	<b>318,579</b>		1,763,110	
Fixed asset funds	22	<b>31,368,413</b>		31,477,827	
Restricted funds excluding pension liability		<b>31,686,992</b>		33,240,937	
Pension reserve		<b>(5,323,000)</b>		<b>(5,794,000)</b>	
Total restricted funds			<b>26,363,992</b>		27,446,937
Unrestricted funds	22		<b>2,584,976</b>		1,947,658
<b>TOTAL FUNDS</b>			<b>28,948,968</b>		29,394,595

The financial statements on pages 28 to 60 were approved by the Trustees, and authorised for issue, on 13/12/18 and are signed on their behalf, by:

  
 .....  
**Rev J E G Angle**  
**Vice Chair of Trustees**

  
 .....  
**Mr G M Ball**  
**Accounting Officer**

The notes on pages 32 to 60 form part of these financial statements.

**WESSEX LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07348580**

**TRUST BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	15		<b>31,409,565</b>		31,497,032
Investments	16		<b>1</b>		1
			<b>31,409,566</b>		31,497,033
<b>CURRENT ASSETS</b>					
Stocks	17	<b>2,307</b>		2,307	
Debtors	18	<b>673,762</b>		542,502	
Cash at bank and in hand		<b>2,751,635</b>		3,421,219	
		<b>3,427,704</b>		3,966,028	
<b>CREDITORS:</b> amounts falling due within one year	20	<b>(781,910)</b>		(641,650)	
<b>NET CURRENT ASSETS</b>			<b>2,645,794</b>		3,324,378
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>34,055,360</b>		34,821,411
Defined benefit pension scheme liability	29		<b>(5,062,000)</b>		(5,492,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<b>28,993,360</b>		29,329,411
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
Restricted funds	22	<b>318,609</b>		1,638,585	
Restricted fixed asset funds	22	<b>31,390,360</b>		31,134,370	
Restricted funds excluding pension asset		<b>31,708,969</b>		32,772,955	
Pension reserve		<b>(5,062,000)</b>		(5,492,000)	
Total restricted funds			<b>26,646,969</b>		27,280,955
Unrestricted funds	22		<b>2,346,391</b>		2,048,456
<b>TOTAL FUNDS</b>			<b>28,993,360</b>		29,329,411

The financial statements were approved by the Trustees, and authorised for issue, on 13/12/18 and are signed on their behalf, by:

.....  
 Rev J E G Angle  
 Vice Chair of Trustees

.....  
 Mr G M Ball  
 Accounting Officer



**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	25	<b>(184,944)</b>	748,926
<b>Cash flows from investing activities:</b>			
Interest receivable		7,321	4,470
Purchase of tangible fixed assets		<b>(902,662)</b>	(1,081,724)
Capital grants		<b>383,720</b>	-
Cash on conversion		-	1,011,530
<b>Net cash used in investing activities</b>		<b>(511,621)</b>	(65,724)
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents brought forward		<b>4,008,539</b>	3,325,337
<b>Cash and cash equivalents carried forward</b>	26	<b>3,311,974</b>	4,008,539

The notes on pages 32 to 60 form part of these financial statements.

**WESSEX LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Trust alone as permitted by section 408 of the Companies Act 2006.

**1.2 BASIS OF CONSOLIDATION**

The financial statements consolidate the accounts of Wessex Learning Trust and all of its subsidiary undertakings ('subsidiaries').

The Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The net income and expenditure account for the year dealt with in the accounts of the Trust was £144,000 (2017: £140,000).

**1.3 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 INCOME**

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. 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 grant are reflected in the balance 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 are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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

**1.5 EXPENDITURE**

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

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

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

All expenditure is inclusive of irrecoverable VAT.

**WESSEX LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

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

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Where the Academy Trust occupies land and buildings owned by the Bath and Wells Diocese under a Church Supplemental Agreement, the Trust recognise these land and buildings as tangible fixed assets. The Supplemental Agreement includes the right for the Trustees of the Bath and Wells Diocese to give not less than two years written notice to the Academy Trust and the Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	2% straight line
Longterm Leasehold Land	-	125 years straight line
Furniture and fixtures	-	20% - 25% straight line
Motor vehicles	-	20% straight line
Computer equipment	-	25% straight line

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

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

**1.7 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.8 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**1.9 LIABILITIES AND PROVISIONS**

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

**1.10 TAXATION**

The 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 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.

**1.11 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 21. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

**WESSEX LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.12 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.13 FUND ACCOUNTING**

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**1.14 INVESTMENTS**

Investments in subsidiaries are valued at cost less provision for impairment.

**1.15 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

**1. ACCOUNTING POLICIES (continued)**

**1.16 OPERATING LEASES**

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

**1.17 AGENCY ARRANGEMENTS**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 32.

**1.18 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

**Critical accounting estimates and assumptions:**

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgment:**

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer from Local Authority on conversion	-	-	-	-	8,116,536
Transfer of existing academies in to the Trust	-	-	-	-	3,512,720
<b>Total income on conversion</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,629,256</b>
Trip income and other donations	-	255,496	19,943	275,439	253,771
Capital grants	-	390,473	-	390,473	430,722
	-	645,969	19,943	665,912	684,493
	-	645,969	19,943	665,912	12,313,749
<b>Total 2017</b>	<b>847,247</b>	<b>(2,595,279)</b>	<b>14,061,781</b>	<b>12,313,749</b>	

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Education	690,365	10,955,265	11,645,630	11,422,517
Nursery	399,385	-	399,385	381,966
	<b>1,089,750</b>	<b>10,955,265</b>	<b>12,045,015</b>	<b>11,804,483</b>
<b>Total 2017</b>	<b>1,126,439</b>	<b>10,678,044</b>	<b>11,804,483</b>	



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**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	10,123,759	10,123,759	9,803,714
Pupil Premium	-	320,184	320,184	257,822
Other DfE/ESFA grants	-	284,876	284,876	357,809
	-	10,728,819	10,728,819	10,419,345
<b>Other Government grants</b>				
High needs income	-	142,176	142,176	121,249
Other local authority grants	-	84,270	84,270	137,450
	-	226,446	226,446	258,699
<b>Other funding</b>				
Internal catering income	307,989	-	307,989	380,707
Sales to students	64,575	-	64,575	85,171
Trip income	286,738	-	286,738	206,850
Other income	31,063	-	31,063	71,744
	690,365	-	690,365	744,472
	690,365	10,955,265	11,645,630	11,422,516
Total 2017	744,472	10,678,044	11,422,516	

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	22,389	-	22,389	18,957
External Catering	-	-	-	3,356
Copy Shop	2,075	-	2,075	1,117
Consultancy	39,174	-	39,174	23,242
Fees received	73,783	-	73,783	66,432
	137,421	-	137,421	113,104
Total 2017	113,104	-	113,104	

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**5. TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>CHARITY TRADING INCOME</b>				
Leisure centre income	1,209,198	-	1,209,198	1,146,215
<b>FUNDRAISING TRADING EXPENSES</b>				
Leisure Centre expenditure	1,096,036	-	1,096,036	1,022,646
Net income from trading activities	113,162	-	113,162	123,569

**6. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	7,321	-	7,321	4,470
	7,321	-	7,321	4,470
Total 2017	4,470	-	4,470	

**7. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	455,335	21,947	618,754	1,096,036	1,022,646
Support costs	-	-	-	-	-
Education:					
Direct costs	8,067,641	684,973	625,444	9,378,058	8,994,286
Support costs	2,022,321	791,805	1,872,323	4,686,449	3,979,651
Nursery:					
Direct costs	283,149	63,331	5,363	351,843	298,451
Support costs	18,964	34,609	16,535	70,108	83,516
	10,847,410	1,596,665	3,138,419	15,582,494	13,355,904
Total 2017	10,190,603	1,159,410	3,028,537	14,378,550	

**WESSEX LEARNING TRUST**  
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**8. DIRECT COSTS**

	Education £	Nursery £	Total 2018 £	Total 2017 £
Pension finance costs	66,512	-	66,512	72,000
Educational supplies	213,627	5,363	218,990	244,770
Examination fees	145,500	-	145,500	177,529
Staff development	43,095	-	43,095	38,572
Other costs	89,760	-	89,760	60,757
Supply teachers	58,922	-	58,922	41,157
Wages and salaries	6,209,610	221,255	6,430,865	6,074,829
National insurance	585,832	12,074	597,906	585,681
Pension cost	1,246,266	49,820	1,296,086	1,294,135
Depreciation	718,934	63,331	782,265	703,307
	<u>9,378,058</u>	<u>351,843</u>	<u>9,729,901</u>	<u>9,292,737</u>
Total 2017	<u>8,994,286</u>	<u>298,451</u>	<u>9,292,737</u>	

**9. SUPPORT COSTS**

	Education £	Nursery £	Total 2018 £	Total 2017 £
Pension finance costs	86,488	-	86,488	79,000
Staff development	544	-	544	320
Other costs	540,807	13,827	554,634	537,003
Recruitment and support	18,063	-	18,063	30,689
Maintenance of premises and equipment	406,301	30,836	437,137	223,335
Cleaning	66,566	-	66,566	48,236
Rent and rates	91,934	-	91,934	81,824
Energy costs	242,274	1,137	243,411	173,796
Insurance	95,527	-	95,527	72,399
Security and transport	44,288	-	44,288	53,477
Catering	336,128	1,571	337,699	328,877
Technology costs	181,356	-	181,356	217,384
Office overheads	157,782	-	157,782	148,839
Legal and professional	247,508	-	247,508	187,289
Bank interest and charges	856	-	856	1,097
Wages and salaries	1,410,406	18,964	1,429,370	1,244,110
National insurance	89,255	-	89,255	74,449
Pension cost	499,923	-	499,923	476,183
Depreciation	170,443	3,773	174,216	84,860
	<u>4,686,449</u>	<u>70,108</u>	<u>4,756,557</u>	<u>4,063,167</u>
Total 2017	<u>3,979,651</u>	<u>83,516</u>	<u>4,063,167</u>	

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**10. TURNOVER**

The whole of the trading turnover is attributable to the provision of leisure facilities to the local community.

All turnover arose within the United Kingdom.

**11. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2018</b>	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charitable group	<b>970,882</b>	800,939
Auditors' remuneration - audit	<b>14,500</b>	14,000
Auditors' remuneration - other services	<b>8,200</b>	1,750
	<u><u>          </u></u>	<u><u>          </u></u>

Included within Auditors' remuneration is £13,000 (2017: £12,500) relating to the Academy and £1,500 (2017: £1,500) relating to the trading subsidiary.

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**12. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	8,259,419	7,617,968
Social security costs	705,568	676,981
Operating costs of defined benefit pension schemes	1,871,753	1,853,937
	<u>10,836,740</u>	<u>10,148,886</u>
Agency staff costs	-	41,157
Staff restructuring costs	10,670	560
	<u><u>10,847,410</u></u>	<u><u>10,190,603</u></u>

Staff restructuring costs comprise:

	2018 £	2017 £
Redundancy payments	<u>10,670</u>	<u>560</u>

**b. Staff numbers**

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

	2018 No.	2017 No.
Teaching staff	138	130
Teaching support staff	185	74
Administrative & technical	62	154
Leisure centre	19	16
Management	16	18
	<u>420</u>	<u>392</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teaching staff	121	119
Teaching support staff	112	48
Administrative & technical	41	82
Leisure centre	19	16
Management	14	16
	<u>307</u>	<u>281</u>

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**12. STAFF COSTS (continued)**

**c. Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>2</b>	<b>1</b>
In the band £70,001 - £80,000	<b>1</b>	<b>3</b>
In the band £100,001 - £110,000	<b>1</b>	<b>0</b>
In the band £110,001 - £120,000	<b>0</b>	<b>1</b>

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and certain members of the Academy Leadership Group as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by 6 (2017: 3) employees considered to be key management personnel for their services to the Academy Trust was £479,930 (2017: £348,639).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 13 has not been included in the total benefits received by key management personnel above.

**13. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: C Richardson: Remuneration £Nil (2017: £125,000 - £130,000), Employer's pension contributions £Nil (2017: £20,000 - £25,000). G Ball: Remuneration £100,000 - £115,000 (2017: £Nil) Employer's pension contributions £15,000 - £20,000 (2017: £Nil).

During the year, no Trustees received any benefits in kind (2017: £NIL).

**14. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 is included within insurance costs as stated in note 9.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Leasehold property £</b>	<b>Furniture and fixtures £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>COST</b>					
At 1 September 2017	33,207,815	856,791	23,454	486,351	34,574,411
Additions	722,875	113,119	5,179	61,490	902,663
At 31 August 2018	33,930,690	969,910	28,633	547,841	35,477,074
<b>DEPRECIATION</b>					
At 1 September 2017	2,231,193	491,272	18,246	259,193	2,999,904
Charge for the year	640,341	187,852	5,727	136,962	970,882
At 31 August 2018	2,871,534	679,124	23,973	396,155	3,970,786
<b>NET BOOK VALUE</b>					
At 31 August 2018	31,059,156	290,786	4,660	151,686	31,506,288
At 31 August 2017	30,976,622	365,519	5,208	227,158	31,574,507

Where the Trust occupies land and buildings owned by the Bath and Wells Diocese under a Church Supplemental Agreement, the Trust recognises these land and buildings as tangible fixed assets. The Supplemental Agreement includes the right for the Trustees of the Bath and Wells Diocese to give not less than two years written notice to the Trust and the Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

<b>TRUST</b>	<b>Leasehold property £</b>	<b>Furniture and fixtures £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>COST</b>					
At 1 September 2017	33,207,815	757,598	23,454	486,351	34,475,218
Additions	722,875	71,924	5,179	61,490	861,468
At 31 August 2018	33,930,690	829,522	28,633	547,841	35,336,686
<b>DEPRECIATION</b>					
At 1 September 2017	2,231,193	469,554	18,246	259,193	2,978,186
Charge for the year	640,341	165,905	5,727	136,962	948,935
At 31 August 2018	2,871,534	635,459	23,973	396,155	3,927,121
<b>NET BOOK VALUE</b>					
At 31 August 2018	31,059,156	194,063	4,660	151,686	31,409,565
At 31 August 2017	30,976,622	288,044	5,208	227,158	31,497,032

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**16. FIXED ASSET INVESTMENTS**

<b>Investment in subsidiary</b>	<b>Shares in group undertakings</b>
<b>Cost</b>	<b>£</b>
At 1 September 2017 and 31 August 2018	<b>1</b>

**17. STOCKS**

	<b>GROUP</b>		<b>TRUST</b>	
	<b>2018</b>	2017	<b>2018</b>	2017
	<b>£</b>	£	<b>£</b>	£
Finished goods and goods for resale	<b>2,307</b>	2,307	<b>2,307</b>	2,307

**18. DEBTORS**

	<b>GROUP</b>		<b>TRUST</b>	
	<b>2018</b>	2017	<b>2018</b>	2017
	<b>£</b>	£	<b>£</b>	£
Trade debtors	<b>2,724</b>	5,695	<b>2,724</b>	5,695
Amounts owed by group undertakings	-	-	<b>358,183</b>	226,733
VAT Recoverable	<b>47,102</b>	26,961	<b>47,102</b>	26,961
Other debtors	<b>26,920</b>	30,104	<b>3,687</b>	24,225
Prepayments and accrued income	<b>271,149</b>	264,233	<b>262,066</b>	258,888
	<b>347,895</b>	326,993	<b>673,762</b>	542,502

**19. CURRENT ASSET INVESTMENTS**

	<b>GROUP</b>		<b>TRUST</b>	
	<b>2018</b>	2017	<b>2018</b>	2017
	<b>£</b>	£	<b>£</b>	£
Fixed term deposits	<b>104,365</b>	100,000	-	-

Fixed term deposits represent cash funds held in unbreakable interest bearing fixed term accounts redeemable between three months and one year.



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**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>TRUST</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>127,106</b>	81,024	<b>90,900</b>	64,917
Other taxation and social security	<b>178,539</b>	170,064	<b>173,091</b>	166,598
Other creditors	<b>223,438</b>	211,228	<b>206,665</b>	191,871
Accruals and deferred income	<b>367,413</b>	261,435	<b>311,254</b>	218,264
	<b>896,496</b>	723,751	<b>781,910</b>	641,650

	<b>GROUP</b>		<b>TRUST</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>DEFERRED INCOME</b>				
Deferred income at 1 September 2017	<b>207,682</b>	<b>44,264</b>	<b>169,230</b>	-
Resources deferred during the year	<b>221,298</b>	<b>207,682</b>	<b>165,139</b>	<b>169,230</b>
Amounts released from previous years	<b>(207,682)</b>	<b>(44,264)</b>	<b>(169,230)</b>	-
Deferred income at 31 August 2018	<b>221,298</b>	<b>207,682</b>	<b>165,139</b>	<b>169,230</b>

£56,159 of deferred income (2017: £38,452) is in respect of annual memberships of the Leisure facilities. The remainder is in relation to funds received in advance from the ESFA for Universal Infant Free School Meals income and from parents for educational visits in the 2018/19 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. FINANCIAL INSTRUMENTS**

	2018 £	2017 £
Financial assets measured at amortised cost	<u>223,739</u>	<u>280,034</u>
Financial liabilities measured at amortised cost	<u>(496,785)</u>	<u>(526,300)</u>

Financial assets measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

**22. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
<b>DESIGNATED FUNDS</b>						
Designated Funds	<u>475,270</u>	-	-	<u>(475,270)</u>	-	-
<b>GENERAL FUNDS</b>						
General funds	599,773	1,230,127	(757,336)	475,270	-	1,547,834
Leisure centre	872,615	1,213,563	(1,049,036)	-	-	1,037,142
	<u>1,472,388</u>	<u>2,443,690</u>	<u>(1,806,372)</u>	<u>475,270</u>	-	<u>2,584,976</u>
Total Unrestricted funds	<u>1,947,658</u>	<u>2,443,690</u>	<u>(1,806,372)</u>	<u>-</u>	<u>-</u>	<u>2,584,976</u>

Designated funds of £110,000 towards the replacement of windows and cladding for the Business Services and Art Blocks and funds of £365,270 towards the replacement of the all-weather sports pitches have been released in the current year following both of the projects being financed from available GAG surpluses.

Leisure centre unrestricted funds represent the balance of accumulated income and expenditure both pre and post hive-down into Kings of Wessex Fitness and Leisure Limited. The defined benefit pension liability in Kings Fitness and Leisure Limited is disclosed in restricted funds below.

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**22. STATEMENT OF FUNDS (continued)**

**RESTRICTED FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
General Annual Grant (GAG)	1,763,110	10,123,749	(11,117,228)	(753,538)	-	16,093
Other DfE/ESFA income	-	284,876	(284,876)	-	-	-
Pupil premium	-	320,184	(320,184)	-	-	-
Condition Improvement fund income	-	305,492	-	(28,336)	-	277,156
Devolved formula capital	-	84,981	-	(59,651)	-	25,330
High needs income	-	142,176	(142,176)	-	-	-
Other local authority income	-	84,270	(84,270)	-	-	-
Trips income	-	155,969	(155,969)	-	-	-
Donations and other income	-	99,537	(99,537)	-	-	-
Pension reserve	(5,794,000)	-	(601,000)	-	1,072,000	(5,323,000)
	<u>(4,030,890)</u>	<u>11,601,234</u>	<u>(12,805,240)</u>	<u>(841,525)</u>	<u>1,072,000</u>	<u>(5,004,421)</u>

**RESTRICTED FIXED ASSET FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred into the Trust	27,773,032	-	(847,360)	-	-	26,925,672
Fixed assets purchased from GAG and other restricted funds	1,324,135	-	(50,534)	753,538	-	2,027,139
DfE/ESFA Capital grants	2,380,660	19,943	(72,988)	87,987	-	2,415,602
	<u>31,477,827</u>	<u>19,943</u>	<u>(970,882)</u>	<u>841,525</u>	<u>-</u>	<u>31,368,413</u>
Total restricted funds	<u>27,446,937</u>	<u>11,621,177</u>	<u>(13,776,122)</u>	<u>-</u>	<u>1,072,000</u>	<u>26,363,992</u>
Total of funds	<u>29,394,595</u>	<u>14,064,867</u>	<u>(15,582,494)</u>	<u>-</u>	<u>1,072,000</u>	<u>28,948,968</u>

**22. STATEMENT OF FUNDS (continued)**

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

**RESTRICTED FUNDS**

The General Annual Grant (GAG) - This represents Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs. During the year £841,525 (2017: £49,722) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

High Needs Funding - This represents funding received from the Local Authority to fund further support for students with additional needs.

Pupil Premium - This represents funding received from the ESFA for disadvantaged children to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Start-up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a single unit Academy to a Multi-Academy Trust.

Condition Improvement fund income - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Other DfE/ESFA Income - This represents funding received from the ESFA for the contribution to the Academy Trust's cost of business rates.

Other LA income - This represents funding received of in relation to PFSA and other grants from Somerset County Council

Donations - This represents donations received for a specific purpose by pupil parents and other fundraising activities by the Trust.

Trips income - This represents voluntary contributions made by parents for educational school trips that have taken place during the period.

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**22. STATEMENT OF FUNDS (continued)**

Pension reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust. The year end deficit balance is £5,323,000.

**RESTRICTED FIXED ASSET FUNDS**

Fixed assets transferred into the Trust - This represents the buildings and equipment donated to the School from the Local Authority and Bath and Wells Diocese on conversion to an Academy status; these have then been transferred into the Trust.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG funding received from the ESFA.

DfE/ESFA Capital grants represents funding received from the Capital Improvement Fund to cover the maintenance and purchase of the Trust's assets.

**OTHER INFORMATION**

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
The Kings of Wessex Academy	<b>692,237</b>	1,662,500
Wedmore First School Academy	<b>39,071</b>	69,008
Axbridge Church of England First School Academy	<b>290,888</b>	238,322
Hugh Sexey Church of England Middle School	<b>404,428</b>	231,894
Lympsham Church of England Academy	<b>183,110</b>	196,640
East Brent Church of England First School	<b>108,811</b>	56,998
Weare Academy First School	<b>108,631</b>	162,979
Mark First and Pre-School CE Academy	<b>186,290</b>	219,812
Central services	<b>(147,319)</b>	-
Kings of Wessex Fitness and Leisure - trading subsidiary	<b>1,037,408</b>	872,615
Total before fixed asset fund and pension reserve	<b>2,903,555</b>	3,710,768
Restricted fixed asset fund	<b>31,368,413</b>	31,477,827
Pension reserve	<b>(5,323,000)</b>	(5,794,000)
Total	<b>28,948,968</b>	29,394,595

The deficit in central services will be covered by a proportional recharge to the individual schools in 2018-19.

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**22. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY COST**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
The Kings of Wessex Academy	3,634,388	768,394	581,489	672,718	5,656,989	5,533,269
Wedmore First School Academy	688,811	191,956	33,148	131,337	1,045,252	1,020,737
Axbridge Church of England First School Academy	544,860	108,644	20,979	108,644	783,127	811,585
Hugh Sexey Church of England Middle School	1,759,895	323,629	123,747	449,082	2,656,353	2,198,410
Lympsham Church of England Academy	444,642	85,197	34,770	139,248	703,857	575,028
East Brent Church of England First School	251,885	49,614	20,200	99,144	420,843	288,809
Weare Academy First School	422,534	143,140	78,804	111,276	755,754	666,429
Mark First and Pre- School CE Academy	484,297	122,861	41,780	105,847	754,785	606,429
Central services	-	140,572	-	-	140,572	217,985
Kings of Wessex Fitness and Leisure - trading subsidiary	-	497,171	-	598,865	1,096,036	947,102
	<u>8,231,312</u>	<u>2,431,178</u>	<u>934,917</u>	<u>2,416,161</u>	<u>14,013,568</u>	<u>12,865,783</u>

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**22. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Designated Funds	475,270	-	-	-	-	475,270
<b>GENERAL FUNDS</b>						
General funds	152,865	2,091,259	(1,644,351)	-	-	599,773
Leisure centre	699,045	1,146,216	(972,646)	-	-	872,615
<b>RESTRICTED FUNDS</b>						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	1,003,188	9,803,714	(8,994,070)	(49,722)	-	1,763,110
Pupil premium	-	257,822	(257,822)	-	-	-
Other DfE/ESFA income	-	341,559	(341,559)	-	-	-
Start up grant	60,901	-	(60,901)	-	-	-
Condition Improvement fund income	-	369,931	-	(369,931)	-	-
Devolved formula capital	-	60,791	-	(60,791)	-	-
Transfer on conversion to multi-academy trust	-	188,196	(65,378)	(122,818)	-	-
High needs income	-	137,499	(137,499)	-	-	-
Other local authority income	-	137,450	(137,450)	-	-	-
Trips income	34,904	141,678	(176,582)	-	-	-
Donations and other income	-	76,125	(76,125)	-	-	-
Pension reserve	(3,328,000)	(3,432,000)	(726,000)	-	1,692,000	(5,794,000)
	<u>(2,229,007)</u>	<u>8,082,765</u>	<u>(10,973,386)</u>	<u>(603,262)</u>	<u>1,692,000</u>	<u>(4,030,890)</u>

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**22. STATEMENT OF FUNDS (continued)**

**RESTRICTED FIXED ASSET FUNDS**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred into the Trust	14,390,269	14,061,781	(679,018)	-	-	27,773,032
Fixed assets purchased from GAG and other restricted funds	1,193,906	-	(42,311)	172,540	-	1,324,135
DfE/ESFA Capital grants	2,016,776	-	(66,838)	430,722	-	2,380,660
	<u>17,600,951</u>	<u>14,061,781</u>	<u>(788,167)</u>	<u>603,262</u>	<u>-</u>	<u>31,477,827</u>
Total restricted funds	<u>15,371,944</u>	<u>22,144,546</u>	<u>(11,761,553)</u>	<u>-</u>	<u>1,692,000</u>	<u>27,446,937</u>
Total of funds	<u>16,699,124</u>	<u>25,382,021</u>	<u>(14,378,550)</u>	<u>-</u>	<u>1,692,000</u>	<u>29,394,595</u>

**23. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	137,875	-	31,368,413	31,506,288
Current assets	2,591,687	1,070,489	-	3,662,176
Creditors due within one year	(144,586)	(751,910)	-	(896,496)
Pension scheme liability	-	(5,323,000)	-	(5,323,000)
	<u>2,584,976</u>	<u>(5,004,421)</u>	<u>31,368,413</u>	<u>28,948,968</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	96,680	-	31,477,827	31,574,507
Current assets	1,936,689	2,401,150	-	4,337,675
Creditors due within one year	(85,711)	(638,040)	-	(723,751)
Provisions for liabilities and charges	-	(5,794,000)	-	(5,794,000)
	<u>1,947,658</u>	<u>(4,030,890)</u>	<u>31,477,827</u>	<u>29,394,595</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. CENTRAL SERVICES**

The Trust has provided the following central services to its academies during the year:

The Trust charges for these services on the following basis: 3% of GAG.

There were no central recharges made during 2016-17.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Axbridge Primary School	17,467	-
East Brent First School	10,109	-
Hugh Sexey Middle School	66,099	-
Kings of Wessex School	142,941	-
Lympsham First School	13,867	-
Mark First & Preschool CE Academy	15,402	-
Weare Academy	16,450	-
Wedmore Free School	22,167	-
	<u>304,502</u>	<u>          </u>
Total	<u>          </u>	<u>          </u>

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

	<u>GROUP</u>	
	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,517,627)	11,003,471
<b>Adjustment for:</b>		
Depreciation charges	970,882	800,939
Interest received	(2,956)	-
Dividends, interest and rents from investments	(4,365)	(4,470)
Increase in stocks	-	(876)
(Increase)/decrease in debtors	(20,902)	51,666
Increase/(decrease) in creditors	172,745	(198,548)
Capital grants	(383,721)	-
Defined benefit pension scheme obligation on conversion	-	3,432,000
Defined benefit pension scheme cost less contributions payable	505,000	582,000
Defined benefit pension scheme finance cost	96,000	144,000
Assets and liabilities acquired on conversion	-	(15,061,256)
	<u>(184,944)</u>	<u>748,926</u>
<b>Net cash (used in)/provided by operating activities</b>	<u>          </u>	<u>          </u>

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**26. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>GROUP</b>	
	<b>2018</b>	2017
	<b>£</b>	£
Cash at bank and in hand	<b>3,207,609</b>	3,908,539
Current asset investments	<b>104,365</b>	100,000
	<b>3,311,974</b>	4,008,539

**27. MEMBERS' LIABILITY**

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

**28. GENERAL INFORMATION**

Wessex Learning Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Station Road, Cheddar, Somerset, BS27 3AQ.

**29. PENSION COMMITMENTS**

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

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

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

**Teachers' Pension Scheme**

**Introduction**

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

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

**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

**29. PENSION COMMITMENTS (continued)**

valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £847,180 (2017: £763,812).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £743,000 (2017: £557,000), of which employer's contributions totalled £569,000 (2017: £421,000) and employees' contributions totalled £174,000 (2017: £136,000). The agreed contribution rates for future years are 20.9% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	<b>2018</b>	2017
Discount rate for scheme liabilities	<b>2.80 %</b>	2.60 %
Expected return on scheme assets at 31 August	<b>3.75 %</b>	2.20 %
Rate of increase in salaries	<b>2.25 %</b>	3.90 %
Rate of increase for pensions in payment / inflation	<b>2.25 %</b>	2.40 %
Inflation assumption (CPI)	<b>2.25 %</b>	2.40 %

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**29. PENSION COMMITMENTS (continued)**

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

	<b>2018</b>	2017
Retiring today		
Males	<b>24.0 years</b>	23.9 years
Females	<b>25.1 years</b>	25.0 years
Retiring in 20 years		
Males	<b>26.2 years</b>	26.1 years
Females	<b>27.4 years</b>	27.3 years

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

	<b>Fair value at 31 August 2018 £</b>	Fair value at 31 August 2017 £
Equities	<b>3,855,000</b>	3,031,278
Debt instruments	-	422,475
Property	<b>467,000</b>	385,073
Government bonds	<b>784,000</b>	244,814
Cash	<b>280,000</b>	3,825
Other	<b>6,000</b>	384,000
<b>Total market value of assets</b>	<b>5,392,000</b>	4,471,465

The actual return on scheme assets was £984,000 (2017: £611,000).

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

	<b>2018 £</b>	2017 £
Current service cost	<b>(1,017,000)</b>	(1,028,000)
Interest income	<b>117,000</b>	74,000
Interest cost	<b>(270,000)</b>	(225,000)
<b>Total</b>	<b>(1,170,000)</b>	(1,179,000)
<b>Actual return on scheme assets</b>	<b>219,000</b>	611,000

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**29. PENSION COMMITMENTS (continued)**

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

	2018 £	2017 £
Opening defined benefit obligation	10,405,000	5,000,000
Transferred into multi-academy trust	-	5,184,000
Current service cost	1,017,000	1,028,000
Interest cost	270,000	225,000
Employee contributions	174,000	150,000
Actuarial gains	(955,000)	(1,119,000)
Benefits paid	(198,000)	(63,000)
	<u>10,713,000</u>	<u>10,405,000</u>
Closing defined benefit obligation	<u>10,713,000</u>	<u>10,405,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	4,611,000	1,672,000
Transferred into multi-academy trust	-	1,752,000
Interest income	126,000	82,000
Actuarial gains/(losses)	117,000	573,000
Employer contributions	569,000	454,000
Employee contributions	174,000	150,000
Benefits paid	(198,000)	(63,000)
Administration expenses	(9,000)	(9,000)
	<u>5,390,000</u>	<u>4,611,000</u>
Closing fair value of scheme assets	<u>5,390,000</u>	<u>4,611,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**30. OPERATING LEASE COMMITMENTS**

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

<b>GROUP</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	<b>61,586</b>	38,289
Between 1 and 5 years	<b>82,229</b>	29,337
Total	<b>143,815</b>	67,626

At 31 August 2018 the Trust had annual commitments under non-cancellable operating leases as follows:

<b>TRUST</b>		
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	<b>61,586</b>	36,849
Between 1 and 5 years	<b>82,229</b>	29,217
Total	<b>143,815</b>	66,066

**31. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisation, it is likely that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

No such transactions have occurred during the period.

Included within debtors due within one year is £358,183 (2017: £226,733) due from Kings of Wessex Fitness and Leisure Limited, a wholly owned subsidiary of the Trust.

**32. AGENCY ARRANGEMENTS**

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2018 the Trust received £27,537 and disbursed £800 from the fund. An amount of £26,737 included in other creditors relating to undistributed funds that is repayable to the ESFA.

The Trust receives cash from students as an agent for several travel agents. In the accounting period ended 31 August 2018 the Trust received £113,666 and disbursed £113,666 from the fund for trips.