

# Westcountry Schools Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018

Registration number: 07398467

# Westcountry Schools Trust

## Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 20
Governance Statement	21 to 24
Statement on Regularity, Propriety and Compliance	25
Statement of Trustees' Responsibilities	26
Independent Auditor's Report on the Financial Statements	27 to 28
Independent Reporting Accountant's Report on Regularity	29 to 30
Statement of Financial Activities incorporating Income and Expenditure Account	31 to 32
Balance Sheet	33
Statement of Cash Flows	34
Notes to the Financial Statements	35 to 69

## **Westcountry Schools Trust**

### **Reference and Administrative Details**

#### **Members**

Mrs M Alderson (appointed 10 September 2018)  
Mr I Grafton  
Mrs J Green (appointed 13 December 2017, resigned 19 May 2018)  
Mr D C Madge  
Mr I McFadzen (resigned 22 October 2017)  
Mr T Mitchell

#### **Trustees (Directors)**

Mr I Grafton (Chair of Trustees)  
Mr J Atkins (resigned 9 October 2018)  
Mr C Atkinson (appointed 12 September 2017)  
Mr S Bruce (resigned 4 October 2018)  
Mr K Bunt (appointed 3 October 2017)  
Mr P Cox (appointed 3 October 2017, resigned 18 September 2018)  
Mrs C Farrin (Vice Chair)  
Mr A Flay (appointed 4 October 2017)  
Mr T Godwin (appointed 9 October 2018)  
Mrs S Jenkins (appointed 3 October 2017)  
Mrs C Milton (resigned 11 July 2018)  
Mrs A Newall (appointed 9 October 2018)  
Mr M Pollard (appointed 6 December 2017)  
Mr M Saltern  
Mr S Scott (appointed 13 December 2018)  
Mrs P Tuckett (term ended 4 December 2017, re-appointed 12 December 2017)  
Mr A Whish (resigned 6 December 2017)  
Mrs R Wood (appointed 9 October 2018)

#### **Company Secretary**

Mr P Gregory

#### **Senior Management Team**

Mr R Haring, Chief Executive Officer  
Mr P Gregory, Chief Financial Officer  
Mrs D Smith, Director of Human Resources  
Mrs H Tipping, Executive Primary Principal  
Mr J M Ackers, Plym Cluster Executive  
Mr N Appleby, Director, The Learning Institute  
Mr R Diment, Principal, Plymstock School  
Mrs R Hutchinson, Principal, Ivybridge Community College  
Mrs K Hocking, Principal, Callington Community College  
Mrs J Mason, Principal, Hele's School  
Mr R Woodland, Principal, Coombe Dean School  
Mrs D Ackers, Head of School, Oreston Community Academy  
Mr S Bone, Head Teacher, Woodlands Park Primary (from 16 April 2018)  
Mrs K Patrick, Head Teacher, Dunstone Primary School  
Mrs S Evans, Head Teacher, Wembury Primary School  
Mrs S Williams, Head Teacher, Stowford School  
Mrs L Young, Head Teacher, Yealmpton Primary School

#### **Principal and Registered Office**

Ivybridge Community College  
Harford Road  
Ivybridge  
PL21 0AJ

#### **Company Registration Number**

07398467

## **Westcountry Schools Trust**

### **Reference and Administrative Details**

**Independent Auditor** PKF Francis Clark, Chartered Accountants & Statutory Auditor  
Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF

**Bankers** Lloyds TSB Bank plc  
Fore Street  
Ivybridge  
PL21 9AD

**Solicitors** Browne Jacobson LLP  
1 Manor Court  
Dix's Field  
Exeter  
EX1 1UP

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

The trustees of Westcountry Schools Trust (WeST) present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018.

Throughout the year, the Trust operated six primary and five secondary academies in Plymouth, South Devon and Cornwall. This included three secondary academies and two primary schools who merged with the existing Trust schools on 1 September 2017 and one further primary (Wembury Primary School) which joined on 1 October 2017. Numbers on roll at each academy per the school census undertaken in October 2018 compared to capacity were as follows:

	2018 No.	2017 No.	Capacity No.
Callington Community College	997	1,100	1,350
Coombe Dean School	1,026	-	1,180
Dunstone Primary	198	-	210
Hele's School	1,221	-	1,349
Ivybridge Community College	2,464	2,439	2,300
Oreston Community Academy	397	-	375
Plymstock School	1,516	-	1,650
Stowford School	392	392	420
Wembury Primary School	196	-	210
Woodlands Park Primary	301	308	315
Yealmpton Primary School	167	172	210
<b>Total</b>	<b>8,875</b>	<b>4,411</b>	<b>9,569</b>

In addition, both Stowford School and Oreston Community Academy operate a nursery. At census date Stowford School had 34 children on roll in the nursery and Oreston 27 children. Also transferring with Callington Community College was its School Centred Initial Teacher Training (SCITT) operation and The Learning Institute (TLI) which delivers higher education foundation degrees in association with the University of Worcester. During the 2017/18 academic year, 25 students completed their teacher training and assessment with the SCITT (19 primary, 6 secondary), whilst 443 students completed foundation degree courses delivered by TLI.

On 1 September 2018, a new free school primary sponsored by the Trust (Sherford Vale School) joined as did Holbeton Primary School, previously a Devon maintained school. This increased the number of students on roll at schools in the Trust at the October 2018 census by 98 to 8,973 as set out below:

	2018 No.	2017 No.	Capacity No.
Holbeton Primary	38	-	210
Sherford Vale School	60	-	210
<b>Total</b>	<b>98</b>	<b>-</b>	<b>420</b>

### Structure, Governance and Management

#### *Constitution*

WeST is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association together with its academies' Funding Agreements entered into with the Secretary of State for Education are the primary governing documents of the Academy Trust. The company was incorporated on 6 October 2010 as Ivybridge Academy Trust, but changed its name to recognise its growth and wider geography to Westcountry Schools Trust on 1 August 2017.

The company has up to five members who appoint the trustees. The trustees of WeST are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Westcountry Schools Trust, and as previously mentioned is an amalgamation of Ivybridge Community College (from 1 November 2010), Yealmpton Primary School (from 1 April 2011), Stowford School and Woodlands Park Primary (both from 1 September 2016), Callington Community College (from 1 October 2016), Coombe Dean School, Dunstone Primary, Hele's School, Oreston Community Academy and Plymstock School (all from 1 September 2017) and Wembury Primary School (from 1 October 2017). Post year end, two further schools have joined the Trust as referred to above.

## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

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

The trustees appoint a Local Governing Board at each school which serves throughout the year to assist the trustees and the school in accordance with an approved Scheme of Delegation.

#### ***Members' Liability***

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a member.

#### ***Trustees' and Governors' Indemnities***

The Trust through its articles has indemnified its trustees and governors to the fullest extent permissible by law. During the period the Trust also purchased and maintained liability insurance for its trustees and governors (see note 13 to the Financial Statements).

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

On 12 September 2016 the members adopted new articles of association to reflect the changing demands of the expanding multi-academy trust and latest DfE recommended best governance practice. In accordance with these amended articles, the members of the Academy Trust shall comprise:

- the signatories to the Memorandum;
- the Chair of the trustees; and
- any person appointed by the members under the passing of a special resolution

Provided that at any time the minimum number of members shall not be less than three. An employee of WeST cannot be a member of the Academy Trust.

The company must have at least three trustees. Trustees can comprise as follows:

- up to 3 trustees may be appointed by ordinary resolution of the members;
- the CEO if he/she agrees to act;
- up to 2 Executive Principals if he/she agree to act;
- the Chair of the Local Governing Body appointed by Ivybridge Community College;
- up to 6 other Chairs of the Local Governing Bodies of academies in the Trust; and
- co-opted trustees appointed by trustees who themselves have not been co-opted.

The trustees may not co-opt an employee of the Academy Trust as a co-opted trustee if thereby the number of trustees who are employees of the Academy Trust would exceed one third of the total number of trustees including the CEO to the extent he/ she is a trustee.

The term of office for any trustee is four years save that this limit does not apply to any post which is held ex-officio including the CEO and Executive Principal/s. 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 Trust's development.

The Chairman and Vice Chairman of the trustees are elected from among their number at the first meeting of each school year. A trustee who is employed by the Academy Trust is not eligible for election as Chairman or Vice Chairman.

## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

#### ***Policies and procedures adopted for the induction and training of Trustees***

The Trust promotes trustee and local governor training and a specific budget is set aside for this purpose. An induction and training resources pack is made available to all new trustees who are encouraged to attend training events on a local, regional and national basis.

At least one trustees' and governors' away-day is organised each year which includes where appropriate training sessions to keep trustees updated on all relevant developments impacting on their role and responsibilities. Trustees and governors also participate in Trust-wide staff training sessions on core issues such as occurred this year with the Trust's Prevent and Safeguarding training.

The Trust is a member of the Devon Association of Governors who can provide both advice and guidance; and a service level agreement is maintained with Devon County Council's Governor Services and Babcock LDP for further advice on policy matters. The Chair of the Trust is a National Leader of Governance and therefore well placed to inform trustees of latest governance developments.

#### ***Organisational Structure***

The Board of trustees is constituted as described above. The Board provides the strategic direction overall on Trust matters and is seen as a critical friend for the Trust's Accounting Officer. It is responsible for setting general policy, adopting an annual plan and budget, monitoring performance against this plan and budget, and determining the key strategic direction of the Trust. The Board meets at least once each term to undertake its business and to receive reports from its sub-committees and the Local Governing Boards.

During the financial year there were six sub-committees of the Board of trustees. These are the Finance Committee, together with the Remuneration, Human Resources, Audit, Estates and Education Standards Committees. Trustees sit on the sub-committee best suited to their skill mix, where they are supported by governor representatives from the Local Governing Boards with the exception of the Remuneration Committee.

The Local Governing Boards of each school in the Trust are primarily responsible for teaching and learning delivery in their schools, with their responsibilities set out in a Scheme of Delegation.

With effect from 1 September 2016, Rob Haring (the former Principal of Ivybridge Community College) was appointed Chief Executive Officer (CEO) of the Trust and its Accounting Officer. The CEO is tasked with the operational running of the Trust on a day to day basis, implementing the policies laid down by the Board of trustees and reporting back to them on performance.

The CEO is supported in his/her role by the Senior Management Team comprising of the Executive Primary Principal, the Plym Cluster Executive, the Chief Financial Officer, the Director of Human Resources, the Director of TLI and the Principals/Heads of each of the academies in the Trust. In April 2018 Mr S Bone took up post as the Head of Woodlands Park Primary replacing Mrs S Rogers who had left in the previous June, with the Executive Primary Principal supporting the deputy, Mrs E Pipe, in the interim. Likewise the Principals of Hele's School and, since September 2018, Plymstock School have supported Callington Community College during the sickness absence of the substantive Principal. She has resigned her position this autumn, and the Trust will advertise for a suitable replacement at Callington next year to start no later than September 2019. Mrs D Ackers will retire on 31 December 2018, with Mrs E Best assuming her role as Head Teacher at Oreston Community Academy following a competitive interview process. Mr J M Ackers, the Plym Cluster Executive, will also retire in February 2019.

The Trust promotes a leadership structure that seeks to devolve responsibility and encourage involvement in decision making at all levels. Each school within the Trust has its own Leadership Team headed by its respective Principal or Head Teacher. The school's Leadership Team is responsible for the day to day operation of their school, in particular, managing and quality assuring the performance of staff, students and resources. The Trust's CEO holds to account the Leadership Teams for the performance and outcomes of their schools, via the report of the Executive Primary Principal and the Plym Cluster Executive in the case of the primary schools.

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

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

All roles on the Trust Board are unpaid. The remuneration of the CEO and the other members of the senior leadership team is determined through the Trust's performance management process. This is presented to the Trust Board via its Remuneration Committee for approval.

#### *Trade union facility time.*

In accordance with Statutory Instrument 2017 No. 328, The Trade Union (Facility Time Publication Requirements) Regulations 2017, the information the Trust is required to publish regarding trade union facility time is as follows:

#### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
16	15.4

#### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	13
1% - 50%	3
51% - 99%	-
100%	-

#### *Percentage of pay bill spent on facility time*

Provide the total cost of facility time	£778
Provide the total pay bill	£38,846,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.002%

#### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
--	----

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

Ivybridge Community College (ICC) is a founding member of Leading Schools South West which is a not-for-profit organisation originally comprising seven schools in the South West and Southern Education Leadership Trust (a charitable not-for-profit company specialising in school leadership). The CEO of the Trust is a director of LSSW.

ICC is a designated National Teaching School (Cohort 1) entitling it to lead the training and professional development for staff. As a National Teaching School, the college works in close partnership with Education South West and the University of Exeter to lead an alliance of secondary, primary and special schools in the South West in order to raise standards for all students.



## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

Callington Community College (CCC) remains a member of the South East Cornwall Learning Partnership, which is an organisation of secondary schools which works collaboratively to raise standards for all pupils in member schools and to deliver opportunities for learning to over 5,000 students across the partnership.

Cornwall County Council rent an office from CCC in its Hambly Centre on an arms-length basis whilst the YMCA runs the community sports facilities at the CCC out of school hours.

The Trust has entered into a formal, non-exclusive partnership agreement with the University of Worcester to develop an institutional relationship whereby the two parties recognise each other as partner institutions. The commercial terms on which TLI delivers educational training programmes for the University are set out in individual course agreements. 2017-18 also saw TLI begin a relationship with Newman University with the potential of delivering a suite of Foundation Degrees in an innovative fashion with certain core elements from September 2019. The SCITT has also entered into a commercial arrangement with Parc Eglos School in Helston for the delivery of services again on an arms-length basis.

During 2016-2017 TLI established a partnership with Operation Encompass, a charity which links police and schools to reduce the trauma children suffer when they experience domestic violence. This has prepared a new field of work in training key adults in schools to support a national agenda for ensuring the mental health and well-being of children. This partnership has continued in 2017/18.

At Plymstock School, the Football Federation have sponsored the 3G pitch at the Academy which required submittal of an annual Monitoring and Evaluation report. Goals have use of the school's leisure facilities and there is a shared use agreement between them and the school.

The wife of the Chair of Governors at Woodlands Park Primary (who is also a trustee) is director and 50% owner in a business that rents accommodation from the school to provide an after-school club. The arrangement was in place prior to conversion and the governor/trustee was not in his current position at the time this commercial rental was negotiated.

All primaries in the Trust and Hele's School have a parents association whose objectives are to raise funds to be donated to the school to support the education of its pupils.

That apart, WeST has no formal operating relationships with other charities or organisations. It does however work with a number of other schools, colleges, and educational bodies on particular collaborative projects. There are no other related parties which either control or significantly influence the decisions and operations of the Trust. There are no sponsors of the Trust

## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

#### **Objectives and Activities**

##### ***Objects and Aims***

The principal object and activity of the charitable company is to advance for the public benefit education in the United Kingdom by maintaining, managing and developing schools offering a broad and balanced curriculum.

WeST aims to provide outstanding inclusive education, constantly striving to meet the needs of all its children regardless of socio- economic background or ability. It seeks to deliver high quality education to a local family of schools working towards this common goal whilst each retains their individuality. It is confident that its schools are stronger together.

In its secondary academies the Trust aims to deliver a carefully engineered curriculum that is both broad and balanced, provides a rigorous academic pathway to future success whilst encompassing many opportunities to learn in different ways. It is determined to ensure that WeST students are able to enter the adult world with confidence, and with established skills and qualifications that enable them to flourish in the workplace. Similarly, in its primaries WeST seeks to provide its local community with high quality primary education allowing children to make a secure start to their learning journey. It is important to the Trust that all WeST schools are at the heart of their community, promoting community cohesion, high quality education and sharing facilities and expertise with other schools and the wider community.

##### ***Objectives, Strategies and Activities***

The main strategic objectives and activities of the Trust during the year were:

- the constant pursuit of providing exceptional education, in which all children are valued, recognised as individuals, given every opportunity to succeed and move in an assured fashion to their next phase of learning or employment;
- to further strengthen the curriculum offer and experience such that the classroom environment is supplemented with a flourishing extra-curricular programme that enables pupils to gain new experiences whilst developing individual and team skills;
- ensuring as smooth and seamless a transition as possible into the multi-academy trust for the six schools which joined in the Autumn 2017;
- establishing collaborative practices that enable effective school-to-school support and challenge that drives improvement at all schools within the Trust;
- continuing our school-to-school support, with the backing of the Regional Schools Commissioner (RSC);
- ensuring that public examination results securely place pupils on a route to further success and adult life;
- development of a WeST approach to Teaching and Learning in order to achieve standards above national average in all schools in the Trust;
- ensuring that our Teaching School work continues to flourish. This includes the key areas of school to school support, leadership programmes, Initial Teacher Training (ITT) and supporting the improvement of Teaching and Learning;
- consolidating and expanding the higher education courses delivered through the TLI; and
- having been approved by the DfE as the successful sponsor for the new primary school at Sherford, working in effective partnership with the DfE and Devon County Council to open the new school on time and provide first-class education from day one ensuring that it makes a secure start as a new school in the South Hams as part of WeST. This was achieved with the new school opening in September 2018 with 60 children which has already increased to over 70.

## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

#### ***Public Benefit***

The purpose of the WeST is to work together for the good of its member schools and this depends essentially on trust and an understanding of a common purpose. WeST has adopted a code of conduct which gives the common purpose and understanding of "governorship", benefitting the education of all students, parents, legal guardians and the community at large.

With this in mind, the trustees have given careful consideration to, and complied with, the Charity Commission's general guidance on public benefit. In particular, through the provision of incidental educational and other activities including the use of the Trust's sports and other facilities and resources, WeST aims to contribute a considerable benefit to its local community.

#### **Strategic Report**

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

###### *Callington Community College*

Despite a period of significant turbulence over the last 12-months, Callington has seen some real green shoots of progress.

- The strength of the multi-academy trust has ensured that leadership capacity has been increased. A 'flatter' and more distributed leadership structure has been introduced.
- Staff morale and determination to drive college priorities has improved significantly. Staff have really bought in to the challenge, including the priorities articulated in the school development plan. Leaders have reviewed many aspects of the school's work. This has re-energised staff, clarified roles and responsibilities and heightened accountability. There is a real sense of purpose and collective spirit in the school.
- Throughout this very turbulent period, leaders, staff, governors and the Trust have ensured that overall student outcomes remain broadly in-line with national averages.
- As a consequence of a focused improvement priority in 2017/18, outcomes at Post-16 improved dramatically in the summer 2018 results. The Post-16 Value-Added Score for this academic year is the highest in the Westcountry Schools Trust, and one of the strongest in Cornwall.
- The college is delighted that every single student who left at the end of Year 13 has continued into education, employment or training.
- The college's new 'Ready to Learn' approach to behaviour management has had a dramatic effect on the quality of the learning environment.

###### *Coombe Dean School*

The school enjoyed another positive year with students involved in many activities.

- The use of 'ClassCharts' has been developed and embedded over the last three years. It is now used across the school to organise student grouping in classes, administrate positive and negative behaviour points and to communicate independent learning (homework).
- In 2017-18 we introduced a programme of rewards, celebration assemblies and parents' celebration evenings to further develop a positive culture across the school.
- Standards of behaviour have been improved through the adoption of consistent practices, based around a series of catch-phrases: "Silent Starter", "On time, Every time", "Dressed to Impress", "Pride and Presentation" and "Corridor Culture."
- The Headteacher has been Chair of the PLT Inclusion Committee, and as such a member of PLT Exec. since Sept. 2017.
- Capital funding, received via WeST in 2017-18, has allowed the refurbishment of the astro-turf, tennis courts and fire alarm system.

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

#### *Hele's School*

- The 3-year strategic improvement plan known as the o20 Strategy (outstanding by 2020) continues to be a strong driver for school improvement.
- The Senior Leadership Team has undergone a restructure to build capacity for pace towards securing the ambition of the o20 Strategy.
- The Principal was seconded to Callington Community College for 8 weeks in the summer term to provide leadership cover in the absence of the substantive Principal of CCC.
- The school is 'outward facing' and networks effectively across its LA, through Teaching School alliances and the WeST MAT.
- Destination data shows that progression rates at Post-16 and Post-14 continue to be well above national and local benchmarks. Hele's graduates secure 3 times as many Apprenticeships than their counterparts locally, showing that students are well prepared for next steps and the world of work through a robust CEIAG programme and strong Employer engagement
- The school's Combined Cadet Force (CCF) continues to be a key feature of Hele's, with a very successful Biennial Inspection undertaken by the MOD of the Royal Navy Section in April 2018, in which the section was graded as Good.
- There are strong participation and completion rates for Ten Tors, DoE at Bronze, Gold and Silver Level.
- Significant staffing challenges in Science have been resolved, with the appointment of seven new Science teachers into the department for September 2018, impacting positively on teaching & learning.
- Year 7 secured a full PAN of 210 in September 2018 for the first time in 2 years, and Indicative admissions into Year 7 for September 2019 show Hele's to be significantly over-subscribed on first choices for next year and 221 second choices. This is looking very positive to support its determination to move to an 8-form entry next year and formalise an increased PAN of 240 from September 2020.
- The whole school focus on Memory for Learning and Cognition from 2016-2018 is now well-embedded and impacting positively on classroom practice. This has given a sound foundation for introducing Cooperative Learning in the academic year 2018-19. The challenge is for this improved and more consistent approach in the classroom to now impact favourably on outcomes.
- Whilst GCSE attainment in the summer 2018 series matched or bettered national and local benchmarks across a number of indicators (including the Basics and EBacc buckets), progress was below national, and significantly so in the Open Bucket and for Disadvantaged. The summer outcomes were disappointing, but a forensic analysis has been undertaken and changes made to the curriculum and assessment model to facilitate sustained improvement.
- Attendance at KS3 remains good and above national indicators, but we are alert to the less than good attendance of the 2017-18 Year 10 cohort (i.e. the current Year 11 cohort).

#### *Ivybridge Community College*

- GCSE results at ICC saw Year 11 students achieve another pleasing suite of attainment. 2018 was the year that saw most curriculum disciplines, now being numerically graded 9-1, 9 being the highest. Despite this instability, students performed well.
- The DfE 'Basics' measure of accountability (strong GCSE passes (9-5)% in both English and Maths) was 50% which is about 10% above the National average.
- The main headline accountability measure is based upon progress and is referred to as Progress 8 (P8) with the national average being 0.
- ICC achieved a figure of 0.05 meaning that the College has had three consecutive years of positive progress scores.
- ICC continues to provide a broad and balanced curriculum where all students have the opportunity of studying an EBacc suite of subjects. Indeed, 2018 saw an Average Points Score in the Ebacc of 4.49 compared to the national average of 3.83.

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

- Extra-curricular activities at ICC continue to flourish with high levels of students participation. Sport remains a recognised strength but mention must also be made of Drama, Music and outdoor education. The Duke of Edinburgh scheme has again enjoyed success at Bronze, Silver and Gold level. Five teams were entered for the Ten Tors Challenge on Dartmoor and all ICC contestants returned home safely!
- Special attention must be drawn to the Gymnastics academy. There was another year of national success with several national champions. Teacher, and leader of the Gym Academy, Helen Reddy, was nominated for Teacher of the Year and achieved a silver recommendation – one of the final eight!

#### *Plymstock School*

Plymstock School has had a very successful year. Its key highlights were:

- The outcomes achieved by the students at the end of Key Stage 4 were once again, above the national average in all key measures. Plymstock represented only a very small number of schools in Plymouth that achieved a positive Progress 8 score. The school also delivered the highest Progress 8 score in the Westcountry Schools Trust.
- The school also saw very strong outcomes for the most vulnerable students. For example, disadvantaged students in Maths and SEND students with an EHCP, both made greater progress than 'other' students nationally.
- Outcomes at Post-16 also saw a significant improvement this academic year, representing the strongest Level 3 progress seen for any non-selective school in Plymouth.
- Rates of absence and exclusions were both well below the national average.
- Teaching and learning has remained our core school improvement focus. Specifically, Kagan cooperative learning, metacognition, feedback that moves learning forward and homework.
- Plymstock School is very oversubscribed, and this year increased the PAN from 260 to 300.
- The school has secured approx. £2.1 million of S106 money to fund additional classrooms, a dining extension and new 450-seater Arts Centre. Work will commence in the 2018/19 academic year on this exciting project.
- The school successfully underwent an Ofsted Inspection in November 2017, where the school was reconfirmed as 'Good'.

# Westcountry Schools Trust

## Trustees' Report for the year ended 31 August 2018

### Primaries

The 2017/18 summary primary performance data for schools in the Trust is as follows:

Westcountry Schools Trust - 2017/18										
Summary Information - A9P Initial data 2018 Primary										
Academic Year										
Area	Local and National Measures	Update	West Trust Summary Summer	Dunstone Primary	Oreston Community	Stowford	Wembury Primary	Woodlands Park Primary	Yealmpton Primary	National 2018
OFSTED	Current inspection judgement									
	Date of most recent inspection			Jan-13	Jan-16	Jun-17	Feb-17	Mar-16	Nov-17	
LEARNER PROFILE	Total number of learners on roll		1695	201	385	398	197	307	173	
	End of KS2 learners on roll		237	26	44	60	28	45	28	
	End of KS1 Year 2 learners on roll		244	31	69	68	30	42	21	
	End of KS1 Year 1 learners on roll		242	21	67	60	27	45	26	
	End of EYFS learners on roll		241	30	61	46	30	42	24	
	% KS2 learners with HIGH prior attainment (KS2)		26%	23%	28%	12%	60%	31%	20%	28.6%
	% KS2 learners with MIDDLE prior attainment (KS2)		65%	65%	68%	82%	38%	60%	60%	69.6%
% KS2 learners with LOW prior attainment (KS2)		8%	12%	2%	6%	13%	7%	11%	11.4%	
Disadvantaged profile	% disadvantaged pupils on roll (DPP)		13.1%	22.4%	10.9%	11.0%	14.2%	11.0%	13%	25.2%
	% service pupils on roll (SPP)		6%	25.9%	9.1%	6%	7.1%	3%	2%	
	Number of OJC (or formerly in care) on roll		18	2	1	4	8	0	1	
SEN Profile	% learners on SEN Register		12%	16.9%	13.5%	9.0%	11.7%	12%	9.0%	
Education Standards	EYFSP % Good Level of Development - all learners		76.7%	73%	80%	88%	70%	79%	79%	71.5%
	KS1 Phonics % meeting required standard		87%	95%	86%	88%	95%	82%	81%	82%
	KS1 % Reading at expected standard		78%	69%	80%	81%	77%	71%	95%	75%
	KS1 % Writing at expected standard		74%	52%	76%	81%	73%	68%	90%	70%
	KS1 % Mathematics at expected standard		82%	68%	86%	90%	80%	72%	90%	76%
	KS2 % RWM at expected standard- all learners		71.9%	64%	70%	67%	79%	78%	85%	64%
	KS2 % RWM at greater depth - all learners		10%	4%	7%	8%	11%	7%	32%	16%
	KS2 % Reading at expected standard		83%	69%	84%	75%	80%	93%	88%	76%
	KS2 % Writing at expected standard		84%	82%	82%	89%	82%	93%	89%	76%
	KS2 % Mathematics at expected standard		82%	65%	84%	80%	93%	78%	100%	78%
	KS2 reading progress - all learners			-1.94	-0.31	0.68	2.03	0.93	1.2	0
	KS2 writing progress - all learners			-2.88	-1.59	3.72	-2.06	1.72	0.25	0
	KS2 mathematics progress - all learners			-1.94	-1.18	0.07	3.21	-2	2.93	0

At the end of the Early Years Foundation Stage (EYFS) the percentage of pupils achieving a good level of development as measured by the EYFS Profile across the Trust was significantly above the national average, 76.7% of WeST pupils attained this measure in 2018 compared to 71.5% nationally.

The Year 1 phonics screening check also showed strong performance across the Trust with 87% of WeST Year 1 pupils meeting the required standard in 2018 compared to 82% of Year 1 pupils nationally. At the end of KS1 teacher assessment judgements indicated higher than national performance in each of reading, writing and maths across WeST schools. There were significant variation across our schools in some curriculum areas and the strongest performing schools have been tasked to support school improvement initiatives for 2019.

At the end of KS2, the percentage of children achieving the expected standard in reading, writing and maths was above the national average across WeST schools with 71.9% of WeST pupils achieving this combined measure compared to 64% of pupils nationally. As at KS1 there was some variation across WeST schools within individual subjects and these identified areas have been included in the school and Trust school improvement plan.

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

KS2 Progress is calculated by comparing the results of pupils in Key Stage 2 against the national cohort for a particular year. Pupil outcomes are measured against the average of similar pupils with the same KS1 starting points. The progress of each pupil is calculated individually and then averaged to give a school score. A separate calculation is not made to provide progress figures at Trust level. The priority for WeST schools in 2019 is to ensure that pupil progress is at least in line with national expectations.

#### *Dunstone Primary School*

In 2017-2018, Dunstone further improved its capacity with the following highlights noted:

- As part of the 'Challenge the Gap' programme, the school was recognised by Challenge Partners as promoting some positive strategies for its most disadvantaged pupils. There was particular focus on the teaching of vocabulary and oracy skills which resulted in 100% of the target group of pupils achieving the expected standard in reading at the end of KS2.
- Work as part of the NCTEM Mastery HUB facilitated improvements in the teaching and learning approaches in maths across the school. This has been enhanced by the support in WeST of its own maths mastery group.
- Being part of the Plymouth Teaching School Alliance's Oracy Project developed dialogic classroom approaches to build the pupils confidence to 'learn to talk' and 'talk to learn'.
- Parental engagement in learning has improved through a new school website and the introduction of Class Dojo to share learning successes and rewards.
- Finalisations of plans to relocate Dunstone to a new school build in Saltram Meadows were agreed which will significantly improve the school's learning environment and facilities in 2019/20.

#### *Oreston Community Academy*

- Oreston continues to evaluate itself as a good school consistent with the Ofsted judgement of 2016, but is confident of excelling in the context of the criteria of the new framework due to the quality of its broad and balanced curriculum.
- In 2018 attainment at the end of Key Stage 1 and 2 for ARE, GLD in EYFS and children passing the Year 1 phonic test were all above national expectations.
- Attendance also remains above national expectations.
- The school is committed to a 'thematic, broad and balanced' cross curricular approach. Children are at the heart of the school's curriculum and have valued the experience of sharing planned learning outcomes with our community. Using their new skills linked to Oreston's strong Oracy based curriculum, the children have further developed their wider confidence and resilience across the creative curriculum.
- Pupil Voice is a strong dimension across the school with a clear link to School Improvement. Social Enterprise and charity work remain a key focus of the school with the children at the core. This was reflected by Oreston children winning the National Fiver Challenge Award in their group category with their Stem4kids project (in conjunction with the University and Hospital).
- Oreston's Fairtrade week was an excellent example of one of the many projects the children have been involved in and demonstrates that its children understand global issues and how they are connected to other people around the world. The school was re-awarded the full International Award for the fourth successive time in recognition of this.
- Oreston's strong health and fitness commitment and excellent range of extra-curricular provision was recognised by the Platinum Sports Award.
- During a year where very significant senior leadership restructuring was required to enable the Principal to take on an executive role whilst a new Head of School took on the day to day leadership, it has been a great achievement for the school to achieve such very good results, be at its most oversubscribed and ensure the on-going success of its linked Nursery, After School and Orestaurant enterprises.

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

#### *Stowford School*

Stowford School continues to move forward in pursuit of improvement. Data was strong in 2017/18 with EYFS, Year 1 phonics, KS1 and KS2 results being higher than the national average.

Stowford's school values of Respect, Excellence and Friendship coupled with a growing culture of resilience and self-challenge have led to strong improvement in attainment in reading, writing and maths in all cohorts and many year groups targets have been exceeded particularly at greater depth.

The school's broad and rich curriculum has continued to capture the imagination of its children and its strong sports teaching has been recognised by the Gold Sainsbury Sports Award. Stowford's performing arts were showcased in a joint concert at the local performance centre

Partnership work across the Trust has included joint writing moderation and Stowford's inclusion in the Maths Hub working towards Maths Mastery.

Recognition by local companies has resulted in donations from both Tesco (for the AstroTurf for the Nursery) and from the Co-op (for the THRIVE programme which supports the emotional needs of children).

#### *Wembury Primary School*

Wembury Primary School has had an extremely successful year. Its key highlights were:

- With the drive of the Maths Lead, Wembury has engaged with the Maths Hub (Cornwall and West Devon), over the past three years, improving the understanding, quality, and delivery of Maths Mastery across the school. As a result of this engagement another member of staff has successfully gained a post of Maths Mastery Specialist Teacher. Wembury was also selected as a model host school, to support the Maths Hub. Its EYFS/Y1 staff have recently been accepted on the research project for Early Years mathematics.
- 2018 KS2/Y6 outcomes in Maths were significantly above average (in the highest 10%) – 93% pupils achieved ARE compared to 76% nationally, with 54% of pupils gaining Greater Depth (GD). The school also saw very strong outcomes for the most vulnerable students. Disadvantaged students in Maths made greater progress than 'other' students nationally.
- Year 1 Phonics is a strength of the school, gaining congratulations from Rt Hon Nick Gibb MP for 'outstanding achievement' with 96% putting Wembury in the top 7% nationally.
- Rates of absence and exclusions were both well below the national average.
- 2018 data indicates that at KS2 the school's outcomes are above the national data in all subject areas including at greater depth. Wembury was 14 percentage points above the national proportion, achieving 79% in reading, writing and maths combined.
- Wembury is one of only 104 schools nationally (primary and secondary) to gain the first two years of Platinum Award (Sainsbury's) for sports participation and engagement in healthy lifestyles, demonstrating effective use of the PE funding and development of staff skills set.
- The school has successfully gained funding, with support from WeST and a strong and active PTA (FroWS – Friends of Wembury Primary School), to replace the school's swimming pool changing rooms. As a consequence the school will be able to offer opportunities to the wider WeST community.
- Wembury is recognised for its creativity and musical talent; having its own specialist music teacher/s for a number of years; winning several trophies in a renowned Music, Drama and Speech Festival as well as recognition from Sir Tim Rice in its production of *The Lion King*.
- Three Wembury cross country teams have been selected to represent Plymouth schools in the Devon School Games for 2019.



## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

#### *Woodlands Park Primary*

Woodlands Primary School continues to be an outstanding setting (OFSTED 2015) due to its outstanding teaching, rich curriculum and personal development programme which combine to ensure that pupils fulfil their potential. Teaching and learning have evolved throughout the year to increase challenge and outcomes in relation to school improvement targets, most recently in maths. The staff team have worked hard to embed the school values throughout the school which impact positively on outcomes for children and the school community. Following a brief period of temporary leadership the new head teacher took up his position in April 2018 and has skilfully moved the school forward towards a common goal.

#### *Yealmpton Primary School*

Yealmpton Primary School creates a strong learning environment through promoting key values and developing a growth mind-set culture that enhances academic achievement, and develops the children's social and relationship skills. Ofsted (November 2017) commented that "Staff provide a safe, nurturing environment that enables pupils to flourish into confident learners, who are self-assured members of the community". The rich, broad and balanced curriculum inspires and challenges, the recent Trust Quality Review recognised that children's attitudes to learning are exemplary and this has a strong impact on the progress they make. As a result of strong teaching, progress measures in 2018 increased significantly from the previous year. Year 6 Writing progress was +0.2, (broadly in line with national), reading progress was 1.2 (above national) and Maths progress +2.9 (well above national). Year 6 attainment outcomes were exceptionally high with 89% of children achieving ARE in RWM combined with 32% at greater depth. Ofsted confirmed that Yealmpton continues to be a good school.

2017/18 also witnessed significant capital investment in the site with the replacement of the old exterior hut with a larger, double modular classroom and toilets that has greatly enhanced the school's teaching and learning environment.

#### *The Learning Institute/SCITT*

During academic year 2017-2018 the Learning Institute (TLI) provided foundation degrees in Teaching and Learning, Health and Social Care, and Children and Adolescent Mental Health; a BA in Professional Practice and BSc Children and Adolescent Mental Health degree - all with the University of Worcester. It ran two postgraduate qualifications: PGCE for trainee teachers and an MA in Education as a progression route from BAPP. Recruitment to TLI's South West SCITT during 2017/18 (for a September 2018 start) was in keeping with previous years. Recruitment to undergraduate programmes maintained its level from 2016/17 which was lower than in previous years. This is in line with an on-going national decline in enrolment on degrees by students aged 25+. In 2017-2018 TLI designed two new suites of undergraduate degrees, one with the University of Worcester and one with Newman University for validation and recruitment in 2018/19. These are designed to form the core work of TLI for the next five years and beyond.

In 2017/18 TLI made the application on behalf of WeST which led to the granting of provider status for apprenticeships for both levy-paying and non-levy paying providers with the view the programme developing in 2018/19. It also developed its work in relation to trauma by leading a successful bid for Erasmus+ funding for a cross-European project on adverse childhood experiences with an inter-professional theme. This is a three year project starting September 2018.

#### ***Going Concern***

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

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

#### Financial Review

The main source of funding for WeST is the General Annual Grant (GAG) paid by the ESFA supplemented by other grants from the ESFA, DfE and other government bodies including the National College for Teaching and Leadership (NCTL) and the Local Authorities, Devon, Plymouth and Cornwall County Councils. Excluding transfers in, total GAG received in 2017/18 was £39,132,000 (2017: £19,894,000) which represented 76% of total non-capital income (2017: 75%). TLI receives the large majority of its funding from the University of Worcester, whilst the SCITT receives funding mostly from the Student Loans Company although some students do choose to self-fund their training.

This grant income is used in supporting the Trust to provide outstanding education for its pupils as well as furthering its wider charitable aims. As a principle the monies received are spent within the year that they are received. However the trustees see it as prudent to maintain a reserve to contribute towards future capital needs, and to assist in the management of risk, working capital and the fluctuations in student numbers and hence funding.

The government grants received by the Trust are shown as restricted funds in the Statement of Financial Activities together with the associated expenditure as is the University of Worcester funding. Other income derived from the Trust's operations such as bank interest, catering income and income from hire of its facilities together with the related costs are shown as unrestricted funds in the Statement of Financial Activities.

Each school receives an annual devolved capital grant from the DfE. For the first time the Trust qualified for School Condition Allocation (SCA) capital funding from the DfE being a Trust of 5 or more academies and at least 3,000 pupils, rather than having to make Condition Improvement Fund bids. Schools can also generate capital income from non-DfE sources. WeST can also augment its capital funds by transferring sums from its revenue funds to its fixed asset funds. Such capital sums are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The fixed asset fund is reduced by annual depreciation over the expected useful life of the assets concerned.

All schools within the Trust have come under increasing cost pressure this year not only from normal inflationary causes but also an unfunded 2% increase in main pay scale teachers' salaries and a 1% in all other teacher grades from 1 September 2017; an increase of up to 9% at the lower end and 2% at higher levels in non-teaching staff pay rates from 1 April 2018 reflecting an increase to the National Minimum Living Wage; and the full year impact of the 0.5% apprenticeship levy on gross salary costs introduced in 1 April 2017 coupled with a static income settlement per pupil from the DfE. That said, before redundancy costs of £194,000 and capital transfers from GAG of £402,000 the Trust made a surplus of income over expenditure (excluding depreciation) of £327,000. Post redundancy and capital transfers from GAG, the Trust's expenditure exceeded its income by £269,000 in the year. The composition of this in-year deficit by school was as follows:

	£'000
Callington Community College (including TLI/SCITT)	67
Coombe Dean School	(56)
Dunstone Primary School	19
Hele's School	(333)
Ivybridge Community College	(73)
Oreston Community Academy	(3)
Plymstock School	(184)
Stowford School	60
Wembury Primary School	34
Woodlands Park Primary	84
Yealmpton Primary School	31
West Central Services	7
Sherford/Holbeton start-up funds	<u>78</u>
	<u>(269)</u>

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

All of the schools with in-year deficits had sufficient reserves to cover these. The performance at Callington Community College was again particularly encouraging, continuing to reduce the inherited cumulative deficit by £67,000 to £208,000 despite incurring redundancy costs of £28,000 (net of a £15,000 ESFA grant) and a capital transfer from GAG of £75,000 primarily for essential IT equipment.

Staff cost expenditure increased by 89% to £39,985,000 (including agency supply but excluding a £1,897,000 FRS 102 adjustment (2017: £764,000)) reflecting the growth of the Trust with the introduction of the six extra schools. This represented 80.0% of total expenditure (2017: 77.7%) highlighting the impact of the incremental staff related costs referred to above over which the Trust has little control.

This year WeST received £2,062,203 of SCA capital income of which £843,915 had been spent by the year end. Other capital income receipts during the year were from the following sources:

- £195,000 devolved capital from the ESFA;
- £474,000 from Local Authorities including £239,000 s106 monies at ICC and £194,000 at Yealmpton Primary towards a replacement modular classroom;
- £62,000 from other bodies of which £47,000 was from our insurers Zurich Municipal in respect of the rebuild of the tennis dome at Callington Community which was damaged beyond repair in a storm;
- a net reduction from the ESFA of £37,000 mostly relating to Salix loan funding; and
- a total capital transfer from GAG reserves of £402,000 including £201,000 from Plymstock, £98,000 at Hele's and £75,000 at Callington.

This capital income was spent as follows:

- £952,000 on buildings including £630,000 upgrading the roofs at Callington Community College and a £150,000 recladding project at Hele's;
- £879,000 on plant and equipment including £120,000 on new air-conditioning in Plymstock classrooms, £129,000 on tennis and netball court upgrades at Hele's and Coombe Dean plus £122,000 upgrade of the Bitmac at Plymstock and £70,000 of the astro-turf at Coombe Dean and £61,000 on a new fire alarm system there too;
- £270,000 on IT equipment such as £48,000 on 104 new student computers at Ivybridge and £70,000 at Callington plus a further £51,000 on its switches; and
- £506,000 on assets under construction of which £247,000 relates to the new modular classroom construction at Yealmpton Primary, £65,000 on cladding at Plymstock, £33,000 on a boiler project at Ivybridge, £47,000 on the tennis dome reconstruction at Callington and £27,000 on the new swimming changing rooms at Wembury Primary.

After allowing for the £402,000 of GAG transferred to capital, the Trust's expenditure exceeded its income by £269,000 (2017: £360,000 surplus) and a further net £3,437,000 of reserves were transferred in from the new schools. As a result carried forward restricted general funds at 31 August 2018 are £2,060,000 (2017: £656,000) and unrestricted general funds £3,056,000 (2017: £1,292,000) split between the schools as set out in note 19. The news of a National Funding Formula that will address some of the imbalance in funding the South West has historically suffered compared with other parts of the country is welcome, but it is telling that virtually all our schools will be funded at the national minimum funding level and our local authorities still remained significantly unfunded compared to the national average. In addition grants from the ESFA to part fund a 3.5% in main pay-scale teachers' salaries, a 2% increase in upper pay scales and a 1.5% for teachers on the leadership spine from September 2018; and towards an increase in employer contribution rates to the Teachers' Pension Scheme from 16.4% to 23.6% from September 2019, have only been guaranteed until March 2020 leaving a potentially very large hole in the Trust's funding thereafter. Accordingly this level of reserves is considered reasonable.

The net book value of fixed assets at 31 August 2018 increased by £66,497,000 to £111,625,000, with £66,740,000 transferred in from the new joining schools, £2,613,000 invested in new assets during the year less a depreciation charge of £2,856,000. The assets (which principally comprise of the leasehold and freehold land and buildings transferred to the Trust on conversion of its academies) are used predominantly to provide education and the associated support services to WeST's students.

## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

Net cash inflow for the year was £5,099,000 leaving the Trust with cash funds of £10,009,000 at 31 August 2018. Trustees believe this to be a strong foundation on which to face the challenging financial outlook ahead.

Key financial policies adopted or reviewed during the year included the Scheme of Delegation and the individual school's Financial Procedures Manuals.

#### ***Reserves Policy***

The trustees regularly review the reserve levels of the Trust as part of the management accounts reporting process and annually as part of its rolling 3 year budget setting process. The policy of the trustees is to maintain a level of reserves that is deemed adequate to provide a stable basis for the continuing activities of the Trust having regard to the principal risks identified below and WeST's capital expenditure needs over the next few years, whilst ensuring that excessive funds are not accumulated.

The trustees' target for an ideal level of total reserves is one month of income. At 31 August 2018 the Trust held fund balances (excluding the fixed asset fund and pension fund) of £5,116,000 as set out in note 19 to the Financial Statements, including unrestricted funds of £3,056,000. Although this balance is above the total reserves target in the year of £4,176,000, the trustees are satisfied that these reserves are adequate for WeST's continuing activity given its working capital requirements, its capital expenditure plans (including re-laying of its all-weather sports pitches) and the increased financial risks and uncertainties outlined below.

#### ***Investment Policy***

WeST has no investments other than cash balances. In the event that surplus funds are available which are not required for immediate working capital use in the day to day running of the Trust, these funds are invested in term bank deposits of up to twelve months with the Trust's bankers having due regard to the liquidity requirements of the Trust.

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

The trustees constantly monitor risks and uncertainties facing the Trust in accordance with the risk management procedures recommended in the Academies Financial Handbook. The WeST Board and the Local Governing Boards have an established pattern for assessing and managing risk. They have a robust system for monitoring the activities of the Trust collectively and each individual school. A diarised meeting structure, agendas and minutes support a clear accountability framework.

The Audit Committee reviews potential risks each term, assessing the likelihood of occurrence and identifying means of mitigating or transferring the risks where possible taking into account the costs relative to the potential benefits. Amongst the most important strategic risks identified at present are:

- the Trust's ability to maintain facilities and key operating infrastructure at the existing levels without schools going into deficit given the combination of:
  - the minimum funding levels set out in the DfE's National Funding Formula proposal which are unlikely to be pass-ported to the schools in full until 2020/21; and
  - increasing cost pressures including performance management progression and spine point inflation for all staff and pension cost increases previously referred to, which may not be funded by the ESFA beyond March 2020.
- the impact that a cyber attack, virus, corruption of data or similar information security breach could have on the Trust's operations and reputation;
- mitigating against a potential health and safety breach at any one of our academies; and
- a related party transaction not being properly identified or reported by one of the academies.

## **Westcountry Schools Trust**

### **Trustees' Report for the year ended 31 August 2018**

In terms of specific financial risk:

- at the year end, the Trust had limited exposure to trade or other debtors, or to its on-going liquidity;
- WeST has 'inherited' a deficit of £19,927,000 at 31 August 2018 (2017: £10,591,000) relating to the Local Government Pension Scheme. Full details are set out in Note 28 to the financial statements. However, Parliament agreed with effect from 18 July 2013, at the request of the Secretary of State for Education, to a guarantee that in the event of an academy closure outstanding Local Government Pension Scheme liabilities would be met by the DfE;
- Callington's student roll has been falling since 2014/15 and is projected to continue to do so for several more years to come whilst larger year groups of 200+ students are replaced with more sustainable year 7 in-takes of 180. Sixth form numbers have also reduced significantly. Managing the resultant decline in GAG funding and other income whilst driving school improvement will be a key challenge;
- similarly TLI and the SCITT are facing national declines in student numbers and will need to diversify their offering in a competitive market place. This process has already commenced with the TLI in advanced negotiations to deliver foundation degrees for Newman University from September 2019;
- the continued uncertainty over the roll-out of National Funding Formula, the likelihood of ESFA grants for the recent teachers' pay award and pension cost increases continuing beyond March 2020, specific reductions in post-16 funding and other grant funding including SEN top-up funding received from Local Authorities and the on-going under funding of the High Needs block, coupled with the cost pressures referred to above mean that setting balanced budgets will become increasingly challenging in forthcoming years.

Overall in the opinion of the trustees, the Trust has implemented appropriate and effective systems, procedures and internal controls (including the financial controls set out in the Statement of Internal Control) to allow the risks it has identified to be managed or mitigated to an acceptable level to ensure the Trust's ambitions can be delivered at present.

#### **Fundraising**

Westcountry Schools Trust does not fundraise directly with the public. There are Parent Teacher Associations in the primaries and at Hele's School which raise funds for their individual schools by running events in their school and/or local community.

The Trust does however apply for available grants where possible such as the grants from Tesco used to supplement some smaller capital projects in its primaries.

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

Key plans for the future periods include:

- further develop the work of our multi academy trust with measured growth in line with that proposed by the RSC. This to encompass both primary and secondary growth where appropriate;
- continue to underpin and support the rapid improvement journey of Callington Community College;
- support Plymstock School, Hele's School and Woodlands Park Primary in the growth of their PAN and the redevelopment of their sites to accommodate the larger student numbers;
- consolidate the successful opening of Sherford Vale Primary supporting its drive towards outstanding educational provision for the new town;
- work to secure the successful, seamless relocation of Dunstone Primary School into the new development at Saltram Meadows;
- support the work of the TLI inherited from Callington and strengthen our relationship with the University of Worcester in the delivery of undergraduate foundation degrees whilst exploring diversification opportunities with new partners such as Newman University where appropriate;
- continue to provide high quality teacher education in the South West through the SCITT and Devon Secondary Teacher Training Group. It is imperative to see an increase in ITT uptake;
- embed new systems and procedures in the enlarged Trust ensuring there is sufficient capacity in the central services team to support adequately the additional business and school improvement demands; and
- prepare for a potential Ofsted MAT inspection in the next two years.

## Westcountry Schools Trust

### Trustees' Report for the year ended 31 August 2018

#### Funds held as Custodian Trustee on behalf of others

The Trust does not hold any funds on behalf of others.

#### Employment of disabled persons

In accordance with the Trust's equal opportunities policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

#### Employee involvement

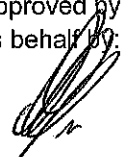
The Trust is committed to involve all employees in the performance and development of the Trust. Employees are encouraged to discuss with management matters of interest to the employee and subjects affecting day to day operations of the Trust. WeST also encourages staff involvement on the Local Governing Boards.

#### Auditor

In so far as the trustees are aware:

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

Approved by order of the members of the Board of trustees on 19 Dec. 2018 and signed on its behalf by:



Mr I Grafton  
Chair of Trustees

## Westcountry Schools Trust

### Governance Statement

#### Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Westcountry Schools 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 Mr R Haring, 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 Westcountry Schools Trust and the Secretary of State for Education. He is 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 sets strategic direction for WeST as a whole and monitors its progress and performance against its aims. It works through the CEO as Accounting Officer and the other dedicated committees. The Board of trustees has formally met six times during the year. Attendance at meetings during the year was as follows:

	Number of meetings	Out of a possible
I Grafton	6	6
J Atkins	6	6
C Atkinson	6	6
S Bruce	5	6
K Bunt	6	6
P Cox	4	6
C Farrin	6	6
A Flay	4	5
S Jenkins	6	6
C Milton	1	5
M Pollard	4	5
M Saltern	5	6
P Tuckett	5	6
A Whish	1	1

Following on from the six schools joining the Trust in September and October 2017 as previously referred to, four new trustees were appointed by the Board at the start of the financial year. Mrs Tuckett's term of office came to an end on 4 December 2017, but she was reappointed by the members on 12 December 2017. The members also appointed Mr Pollard on 6 December 2017. During the year two trustees resigned for personal reasons, and a further two in October 2018. The Board has appointed replacements for all four of these vacancies arising.

## Westcountry Schools Trust

### Governance Statement

The Finance Committee is a sub-committee of the main Board of trustees. Its purpose is to provide strategic leadership and planning in line with the Trust Board's objectives for all financial and funding matters including budget setting and to monitor the Trust's expenditure and financial systems. The Finance Committee receives reports from the Accounting Officer and the Chief Financial Officer. It contains both trustee and local governor representation and meets at least once per school term. Attendance at meetings during the year by trustees was as follows:

	<b>Number of Meetings</b>	<b>Out of a possible</b>
C Atkinson (Chair)	3	4
A Flay	2	4

The Audit Committee is also a sub-committee of the main Board of trustees. Its purpose is to provide assurance over the suitability of, and compliance with, the financial systems and controls. Again it contains trustee and local governor representation. Attendance by trustees at meetings during the year was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
J Atkins	4	4
C Farrin	2	3
I Grafton	1	1
P Tuckett (Chair)	3	3
A Whish	1	2

The Estates Committee is a new sub-committee of the main Board of trustees, assuming the responsibility previously undertaken by the Finance Committee of considering premises related issues including estate management and health and safety. During the year it received reports from the Accounting Officer and the Chief Financial Officer, and since September 2018 from the newly appointed Estates Director. Like the other sub-committees, it contains trustee and local governor representation. Attendance by trustees at meetings during the year was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
S Bruce	3	3
M Pollard (Chair)	2	2

The Human Resources Committee is another sub-committee of the main Board of trustees. Its purpose is to provide strategic leadership and planning in line with the Trust Board's objectives for all staffing matters including policies and procedures, national pay awards, staff welfare and employment law implications. It receives reports from the Accounting Officer and the Director of Human Resources. It met three times during the year at which attendance by trustees was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
J Atkins	3	3
P Cox	1	2
M Saltern (Chair)	3	3
C Milton	0	3

The Remuneration Committee meets at least once per year to review performance management issues and associated pay awards including pay awards for the CEO and other senior employees. Attendance by trustees at meetings during the year was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
C Farrin	1	1
I Grafton (Chair)	1	1
M Saltern	1	1



## Westcountry Schools Trust

### Governance Statement

The Education Standards Committee was formed at the start of the academic year as a sub-committee of the main Board of trustees. Its purpose is to monitor the effectiveness of actions put in place to ensure academies in the Trust set and maintain the highest possible educational standards, making where appropriate recommendations to the Board of improvements required to deliver the aspirational standards of every school in the Trust. It receives reports from the Accounting Officer, the Executive Primary Principal and Plym Cluster Executive. Like the other sub-committees, it contains trustee and local governor representation, and Principals and Head Teachers can also attend. Attendance by trustees at meetings during the year was as follows:

	Meetings attended	Out of a possible
K Bunt	2	3
C Farrin (Chair)	3	3
S Jenkins	2	2

### Review of Value for Money

As Accounting Officer during the financial year the CEO of WeST 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 available. Examples of how the Accounting Officer for WeST has delivered improved value for money during the year include:

- improving efficiency whilst reducing costs in key areas of expenditure. For example, Ivybridge Community College reviewed its reprographics operation when its photocopier contracts came to an end in the Autumn 2017. Following on from the successful efficiency savings achieved at Callington the previous year, the college adopted a similar 'follow-me' printing solution that significantly cut print wastage generating savings of some £25,000 per annum;
- utilising technology to save costs such as where the Trust has moved sites to Internet protocol telephone systems which has reduced telephone call costs at Callington Community College alone by some £300 per month since its introduction this year;
- obtaining matched funding particularly s106 monies such as the £194,000 secured at Yealmpston Primary this year to augment the essential capital works the Trust has been able to undertake; and
- exploiting the Trust's enhanced purchasing power to achieve volume discounts such as in the acquisition of an InVentry visitor management system at all school receptions to improve safeguarding and GDPR compliance site where a 15% group discount secured savings of some £5,500.

Next year the Trust is keen to increase procurement savings from economies of scale and volume discounts with particular focus on premises and other operational expenditure with the appointment of an Estates Director in September 2019 to drive this forward.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of WeST 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 WeST for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

## Westcountry Schools Trust

### Governance Statement

#### Capacity to Handle Risk

The Board of trustees has reviewed the key risks to which the WeST is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 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 working through the Audit Committee.

#### The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures and a system of delegation and accountability that 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 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; and
- the work of the Audit Committee.

The Board of trustees has considered the need for a specific internal audit function and decided to appoint RSM Risk Assurance Services LLP as internal auditor during the financial year 2017/18 after a competitive tender. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems reporting its findings to the Audit Committee on the operation of the systems of control and on the discharge of the Board of trustees' financial responsibilities. This year the internal auditors review assessed, compared and contrasted how the Trust manages payroll, purchasing and month end/control accounts as well as how the Trust assures itself regarding compliance with Annex C of the Academy Framework Handbook Self-Assessment.

There were no material control or other issues reported by the internal auditor during the year with the main recommendation being that the Trust needs to continue to harmonise effective local procedures.


#### Review of Effectiveness

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

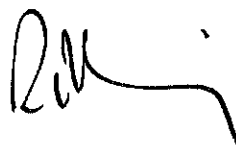
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of trustees on 19 Dec 18 and signed on its behalf by:

  
Mr J Grafton  
Chair of Trustees

Mr R Haring  
Accounting Officer



## **Westcountry Schools Trust**

### **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Westcountry Schools 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 Westcountry Schools 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 Westcountry Schools Trust Board 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 R Haring  
Accounting Officer

.....  


Date:

## Westcountry Schools Trust

### Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board of trustees on 19 Dec 18 and signed on its behalf by:

  
Mr I Grafton  
Chair of Trustees

## **Westcountry Schools Trust**

### **Independent Auditor's Report on the Financial Statements to the members of Westcountry Schools Trust (continued)**

#### **Opinion**

We have audited the financial statements of Westcountry Schools Trust for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 authorized for issue.

## Westcountry Schools Trust

### Independent Auditor's Report on the Financial Statements to the members of Westcountry Schools Trust (continued)

#### Other information

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

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

We have nothing to report in this regard.

#### Opinion on other matter 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

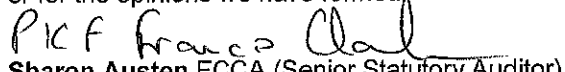
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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

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

#### Use of our report

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

  
**Sharon Austen** FCCA (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF

Date: 19 December 2018

## **Westcountry Schools Trust**

### **Independent Reporting Accountant's Report on Regularity to Westcountry Schools Trust and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 5 November 2018 and further to the requirements of the Education & Skills Funding Authority (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 Westcountry Schools Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of Westcountry Schools Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Westcountry Schools Trust's funding agreement with the Secretary of State for Education dated 1 April 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 from 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.

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion has been designed to comply with the requirements set out in The Accounts Direction 2017 to 2018 and includes:

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

## Westcountry Schools Trust

### Independent Reporting Accountant's Report on Regularity to Westcountry Schools Trust and the Education Funding Agency (continued)

#### Conclusion

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

*PKF Francis Clark*

Sharon Austen  
**PKF Francis Clark**  
Reporting Accountant  
Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF

Date: ...19...December 2018



## Westcountry Schools Trust

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

	Note	Unrestricted Funds £ 000	Designated Fixed Asset Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2018 £ 000
<b>Income and endowments from:</b>						
<i>Donations and capital grants</i>	2	-	-	96	2,756	<b>2,852</b>
<i>Transfers from local authority on conversion</i>	33	84	-	(118)	4,222	<b>4,188</b>
<i>Transfers of existing academies</i>	32	1,680	852	(10,104)	61,988	<b>54,416</b>
<i>Charitable activities:</i>						
Funding for the Trust's educational operations	3	2,055	-	46,956	-	<b>49,011</b>
<i>Other trading activities</i>	4	974	-	-	-	<b>974</b>
<i>Investments</i>	5	18	-	-	-	<b>18</b>
<i>Other income</i>	6	10	-	-	-	<b>10</b>
<b>Total</b>		<b>4,821</b>	<b>852</b>	<b>36,830</b>	<b>68,966</b>	<b>111,469</b>
<b>Expenditure on:</b>						
<i>Raising funds</i>		744	-	84	-	<b>828</b>
<i>Charitable activities:</i>						
Trust's educational operations	8	1,984	57	49,645	2,799	<b>54,485</b>
<b>Total</b>	7	<b>2,728</b>	<b>57</b>	<b>49,729</b>	<b>2,799</b>	<b>55,313</b>
<b>Net income(expenditure)</b>		<b>2,093</b>	<b>795</b>	<b>(12,899)</b>	<b>66,167</b>	<b>56,156</b>
Transfers between funds		(329)	(17)	(56)	402	-
Actuarial (losses)/gains on defined benefit pension schemes	28	-	-	5,023	-	<b>5,023</b>
<b>Net movement in funds/(deficit)</b>		<b>1,764</b>	<b>778</b>	<b>(7,932)</b>	<b>66,569</b>	<b>61,179</b>
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2017		1,292	401	(9,935)	45,383	<b>37,141</b>
<b>Total funds/(deficit) carried forward at 31 August 2018</b>		<b>3,056</b>	<b>1,179</b>	<b>(17,867)</b>	<b>111,952</b>	<b>98,320</b>

## Westcountry Schools Trust

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

	Note	Unrestricted Funds £ 000	Designated Fixed Asset Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2017 £ 000
<b>Income and endowments from:</b>						
<i>Donations and capital grants</i>	2	-	-	44	1,666	<b>1,710</b>
<i>Transfers from local authority on conversion</i>	33	112	-	(62)	2,374	<b>2,424</b>
<i>Transfers of existing academies</i>	32	173	-	(3,947)	16,255	<b>12,481</b>
<i>Charitable activities:</i>						
Funding for the Trust's educational operations	3	1,280	-	24,997	-	<b>26,277</b>
<i>Other trading activities</i>	4	267	-	-	-	<b>267</b>
<i>Investments</i>	5	23	-	-	-	<b>23</b>
<i>Other income</i>	6	6	-	-	-	<b>6</b>
<b>Total</b>		<b>1,861</b>	<b>-</b>	<b>21,032</b>	<b>20,295</b>	<b>43,188</b>
<b>Expenditure on:</b>						
<i>Raising funds</i>		225	-	44	-	<b>269</b>
<i>Charitable activities:</i>						
Trust's educational operations	8	1,181	9	25,770	1,233	<b>28,193</b>
<b>Total</b>	7	<b>1,406</b>	<b>9</b>	<b>25,814</b>	<b>1,233</b>	<b>28,462</b>
<b>Net income(expenditure)</b>		<b>455</b>	<b>(9)</b>	<b>(4,782)</b>	<b>19,062</b>	<b>14,726</b>
Transfers between funds		-	-	(71)	71	-
Actuarial (losses)/gains on defined benefit pension schemes	28	-	-	1,942	-	<b>1,942</b>
<b>Net movement in funds/(deficit)</b>		<b>455</b>	<b>(9)</b>	<b>(2,911)</b>	<b>19,133</b>	<b>16,668</b>
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2016		837	410	(7,024)	26,250	<b>20,473</b>
<b>Total funds/(deficit) carried forward at 31 August 2017</b>		<b>1,292</b>	<b>401</b>	<b>(9,935)</b>	<b>45,383</b>	<b>37,141</b>

**Westcountry Schools Trust**  
**(Registration number: 07398467)**  
**Balance Sheet as at 31 August 2018**

	Note	2018 £ 000	2017 £ 000
<b>Fixed assets</b>			
Tangible assets	14	111,625	45,128
<b>Current assets</b>			
Stock	15	36	30
Debtors	16	2,138	1,288
Cash at bank and in hand		10,009	4,910
		<u>12,183</u>	<u>6,228</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	17	(5,236)	(3,374)
		<u>6,947</u>	<u>2,854</u>
<b>Net current assets</b>			
		<u>118,572</u>	<u>47,982</u>
<b>Total assets less current liabilities</b>			
Creditors: Amounts falling due after more than one year	18	(325)	(250)
		<u>118,247</u>	<u>47,732</u>
<b>Net assets excluding pension liability</b>			
Defined benefit pension scheme liability	28	(19,927)	(10,591)
		<u>98,320</u>	<u>37,141</u>
<b>Total net assets</b>			
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
- Restricted income fund	19	2,060	656
- Fixed asset fund	19	111,952	45,383
- Pension reserve	19	(19,927)	(10,591)
		<u>94,085</u>	<u>35,448</u>
<b>Unrestricted income funds</b>			
- General fund	19	3,056	1,292
- Designated fund	19	1,179	401
		<u>4,235</u>	<u>1,693</u>
<b>Total funds</b>			
		<u><u>98,320</u></u>	<u><u>37,141</u></u>

The financial statements on pages 31 to 69 were approved by the trustees, and authorised for issue on 19 Dec 18 ..... and signed on their behalf by:

Mr I Grafton, Chair of Trustees

## Westcountry Schools Trust

### Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £ 000	2017 £ 000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	23	113	962
<b>Cash flows from investing activities</b>	25	161	618
<b>Cash flows from financing activities</b>	24	(71)	(209)
Cash transferred on conversion		102	104
Cash transferred on existing academies		4,794	554
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		5,099	2,029
		<hr/>	<hr/>
Cash and cash equivalents at 1 September 2017		4,910	2,881
		<hr/>	<hr/>
Cash and cash equivalents at 31 August 2018	26	10,009	4,910
		<hr/> <hr/>	<hr/> <hr/>

## **Westcountry Schools Trust**

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

#### **1 Accounting Policies**

##### **Statement of accounting policies**

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

##### **Basis of preparation**

The 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.

##### **Transfer on conversion to the Trust**

The conversion from state maintained school to an academy trust involves the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis set out below.

The assets and liabilities transferred on conversion to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 33.

##### **Transfer of existing academies into the Trust**

Where assets are received on the transfer of an existing academy into the Trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within Donations and capital grant income. Further details of the transaction are set out in note 32.

##### **Going concern**

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

##### **Income**

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

##### **Grants**

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

## Westcountry Schools Trust

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

#### 1 Accounting Policies (continued)

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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

##### **Sponsorship income**

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

##### **Donations**

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

##### **Other income**

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

##### **Donated services and gifts in kind**

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

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

##### **Expenditure**

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

All resources expended are inclusive of irrecoverable VAT.

##### **Expenditure on raising funds**

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

##### **Charitable activities**

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

# Westcountry Schools Trust

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

### 1 Accounting Policies (continued)

#### Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Long leasehold and freehold buildings	Between 25 and 50 years
Fixtures, fittings and equipment	Between 5 and 25 years
ICT equipment	3 years
Motor Vehicles (included within plant and equipment)	4 -5 years

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

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

#### Liabilities

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

#### Provisions

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

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

#### Leased assets

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

#### Stock

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

#### Taxation

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

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

## **Westcountry Schools Trust**

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

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

##### **Pension benefits**

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

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

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

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

##### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 Education & Skills Funding Agency/Department for Education.

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

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

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

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



## Westcountry Schools Trust

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

#### 1 Accounting Policies (continued)

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 28 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.

The academy trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the trust to determine, based on an evaluation of 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.

The academy trust acts as an agent in distributing School Centred Initial Teacher Training (SCITT) bursary funds from National College for Teaching & Leadership (NCTL), and in distributing 16-19 bursary funds from ESFA. Funds received from NCTL and 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 funds. The funds received and paid and any balances held are disclosed in note 30.

#### 2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2018 £ 000	Total 2017 £ 000
Capital grants	-	2,756	2,756	1,666
Other donations	-	96	96	44
	<hr/>	<hr/>	<hr/>	<hr/>
	-	2,852	2,852	1,710
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## Westcountry Schools Trust

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

#### 3 Funding for Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2018 £ 000	Total 2017 £ 000
<b>DfE/ESFA revenue grants</b>				
General Annual Grant	-	39,132	39,132	19,894
Rates Relief	-	167	167	86
Pupil Premium	-	1,768	1,768	666
Year 7 Catch Up Premium	-	83	83	35
PE Grant	-	109	109	27
UIFSM Grant	-	251	251	135
Researchers in Schools	-	-	-	42
NCTL Grants	-	33	33	40
Other DfE/ESFA Grants	-	156	156	366
		<u>41,699</u>	<u>41,699</u>	<u>21,291</u>
<b>Other government grants</b>				
SEN from LA	-	505	505	164
Local Area Partnership Grant	-	-	-	30
SGO/ECORYS Grant	-	72	72	48
LA Nursery Grants	-	243	243	69
Other LA Grants	-	177	177	40
Student Loan Company	-	227	227	191
	-	<u>1,224</u>	<u>1,224</u>	<u>542</u>
<b>Other income from the Academy Trust's educational operations</b>				
Football League Grant	-	26	26	26
Catering	1,570	4	1,574	865
Staff secondment	20	194	214	124
Bus income	314	-	314	258
Educational trips and visits	-	1,080	1,080	523
Music tuition	93	-	93	81
Nursery	54	-	54	43
The Learning Institute	-	2,332	2,332	2,285
Arena/SGO	-	237	237	154
Other	4	160	164	85
	<u>2,055</u>	<u>4,033</u>	<u>6,088</u>	<u>4,444</u>
<b>Total</b>	<u>2,055</u>	<u>46,956</u>	<u>49,011</u>	<u>26,277</u>

# Westcountry Schools Trust

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

### 4 Other trading activities

	<b>Unrestricted funds £ 000</b>	<b>Restricted funds £ 000</b>	<b>Total 2018 £ 000</b>	<b>Total 2017 £ 000</b>
Hire of facilities	351	-	351	112
School shop sales	120	-	120	6
External catering income	51	-	51	50
Other income	452	-	452	99
	<u>974</u>	<u>-</u>	<u>974</u>	<u>267</u>

### 5 Investment income

	<b>Unrestricted funds £ 000</b>	<b>Total 2018 £ 000</b>	<b>Total 2017 £ 000</b>
Short term deposits	18	18	23
	<u>18</u>	<u>18</u>	<u>23</u>

### 6 Other income

	<b>Unrestricted funds £ 000</b>	<b>Total 2018 £ 000</b>	<b>Total 2017 £ 000</b>
Insurance proceeds	10	10	6
	<u>10</u>	<u>10</u>	<u>6</u>

# Westcountry Schools Trust

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

### 7 Resources expended

	Non Pay Expenditure			Total 2018 £ 000	Total 2017 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Expenditure on raising funds	378	25	425	828	269
<b>Academy's educational operations</b>					
Direct costs	34,401	2,856	4,721	41,978	20,667
Allocated support costs	7,103	2,282	3,122	12,507	7,526
	<u>41,882</u>	<u>5,163</u>	<u>8,268</u>	<u>55,313</u>	<u>28,462</u>

Net incoming/outgoing resources for the year include:

	2018 £ 000	2017 £ 000
Operating leases	95	80
Depreciation	2,856	1,242
Fees payable to auditor for		
- Audit of the financial statements	23	12
- Other services	11	10
	<u>34</u>	<u>22</u>

### 8 Charitable activities – Academy Trust's educational operations

	Total 2018 £ 000	Total 2017 £ 000
<b>Direct costs</b>	41,978	20,667
<b>Support costs</b>	12,507	7,526
	<u>54,485</u>	<u>28,193</u>
<b>Analysis of support costs</b>		
Support staff costs	6,933	3,691
Technology costs	331	237
Premises costs	2,307	1,259
Other support costs	2,755	2,233
Governance costs	181	106
	<u>12,507</u>	<u>7,526</u>

## Westcountry Schools Trust

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

#### 9 Staff costs

Staff costs during the year were:

	<b>Total 2018 £ 000</b>	<b>Total 2017 £ 000</b>
Wages and salaries	30,940	15,510
Social security costs	2,995	1,461
Pension costs	6,947	3,257
	<hr/> <b>40,882</b>	<hr/> <b>20,228</b>
Agency supply staff costs	806	629
Staff restructuring costs	194	313
	<hr/> <b>41,882</b>	<hr/> <b>21,170</b>
Staff restructuring costs comprise:		
Redundancy payments	136	245
Severance payments	58	68
	<hr/> <b>194</b>	<hr/> <b>313</b>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £29,498. (2017: £31,630). Individually, the payments were £13,522 made on 31 August 2018, £9,000 made on 31 January 2018 and £6,976 made on 31 August 2018.

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

	<b>2018 No</b>	<b>2017 No</b>
<b>Charitable Activities</b>		
Teachers	594	341
Administration and support	697	356
Management	58	26
	<hr/> <b>1,349</b>	<hr/> <b>723</b>

## Westcountry Schools Trust

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

#### 9 Staff costs (continued)

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

	2018	2017
	No	No
£60,001-£70,000	11	7
£70,001-£80,000	5	4
£80,001-£90,000	4	2
£90,001-£100,000	3	1
£100,001-£110,000	2	-
£150,001-£160,000	1	-
£160,001-£170,000	1	1

Included in the employee benefits of the one employee in the salary banding £150,001-£160,000 were redundancy costs of £79,000 which were approved by the ESFA prior to payment. Twenty five of the above employees participated in the Teachers' Pension Scheme. The other two of the above employees participated in the Local Government Pension Scheme.

#### 10 Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,671,000 (2017: £996,000).

#### 11 Central Services

Westcountry Schools Trust provided all the schools in the Trust (including the SCITT and TLI) with the following central services during the year:

- Educational and governance support
- Financial and business management
- Audit and accountancy
- Human resources support
- IT technical support
- Legal support

Westcountry Schools Trust charges for these services on a flat 4% percentage basis of GAG. The actual amounts charged during the year were as follows:-

	2018	2017
	£000	£000
Callington Community College/TLI	230	226
Coombe Dean School	189	-
Dunstone Primary	28	-
Heles School	224	-
Ivybridge Community College	431	444
Oreston Academy	47	-
Plymstock School	270	-
Stowford School	53	55
Wembury Primary School	25	-
Woodlands Park Primary School	43	44
Yealmpton Primary School	26	27
	<hr/>	<hr/>
	1,566	796

## Westcountry Schools Trust

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

#### 12 Trustees' remuneration and expenses

Both Mr Haring and Mrs Tipping ceased to be a trustee on 31 August 2017 meaning there were no staff trustees in the financial year. Previously the CEO and other staff trustees only received remuneration in respect of services they provided undertaking the roles of CEO and other staff members and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration (including pension contributions) was as follows:

Mr R Haring (CEO):	Remuneration	£0	(2017: £160,000 - £170,000)
	Employer's Pension Contributions	£0	(2017: £0 - £5,000)
Mrs H Tipping (Executive Primary Principal):	Remuneration	£0	(2017: £80,000 - £90,000)
	Employer's Pension Contributions	£0	(2017: £10,000 - £15,000)

During the year ended 31 August 2018, travel and subsistence expenses totaling £984 (2017: £5,505) were reimbursed to one trustee (2017: 3).

Other related party transactions involving the trustees are set out in note 29.

#### 13 Trustees' and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 (2017: £5,000,000) on any one claim and the cost for the year ended 31 August 2018 was £2,683 (2017: £3,990).

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

## Westcountry Schools Trust

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

#### 14 Tangible fixed assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Furniture and fittings £ 000	Plant and equipment £ 000	Assets Under Construction £ 000	Total £ 000
<b>Cost</b>						
At 1 September 2017	13,327	33,452	934	1,819	545	50,077
Additions	703	250	158	996	506	2,613
Transfers	265	52	10	256	(583)	-
Transfers from local authority	-	4,189	5	16	-	4,210
Transfers from existing academy	29,782	31,107	1,372	231	38	62,530
Disposals	-	-	(1)	(7)	-	(8)
At 31 August 2018	<b>44,077</b>	<b>69,050</b>	<b>2,478</b>	<b>3,311</b>	<b>506</b>	<b>119,422</b>
<b>Depreciation</b>						
At 1 September 2017	240	3,039	421	1,249	-	4,949
Charge for the year	761	1,289	344	462	-	2,856
Disposals	-	-	(1)	(7)	-	(8)
At 31 August 2018	<b>1,001</b>	<b>4,328</b>	<b>764</b>	<b>1,704</b>	<b>-</b>	<b>7,797</b>
<b>Net book value</b>						
At 31 August 2018	<b>43,076</b>	<b>64,722</b>	<b>1,714</b>	<b>1,607</b>	<b>506</b>	<b>111,625</b>
At 31 August 2017	13,087	30,413	513	570	545	45,128



## Westcountry Schools Trust

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

#### 15 Stock

	2018 £ 000	2017 £ 000
Books and stationery	28	29
Clothing	4	1
Catering	4	-
	<u>36</u>	<u>30</u>

#### 16 Debtors

	2018 £ 000	2017 £ 000
Trade debtors	211	143
Prepayments	648	254
Accrued grant and other income	812	687
VAT recoverable	285	152
Other debtors	182	52
	<u>2,138</u>	<u>1,288</u>

#### 17 Creditors: amounts falling due within one year

	2018 £ 000	2017 £ 000
Trade creditors	1,681	986
Other taxation and social security	742	373
Other creditors	307	333
Pension scheme creditor	612	316
Accruals	1,360	1,020
Deferred income	534	346
	<u>5,236</u>	<u>3,374</u>

	2018 £ 000	2017 £ 000
Deferred income at 1 September 2017	346	192
Resources deferred in the period	534	346
Amounts released from previous periods	(346)	(192)
Deferred income at 31 August 2018	<u>534</u>	<u>346</u>

## Westcountry Schools Trust

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

#### 17 Creditors: amounts falling due within one year (continued)

At the balance sheet date the Academy Trust was holding grants received in advance for educational trips, universal free school meals (UFSM), post 16 bursary, ILC funds, School Games Organiser funding and bus and music tuition income and other immaterial grants for the 2018/2019 academic year.

Included within other creditors amounts falling due within one year in 2017/18 is a loan of £42,000 made to Callington Community College by the ESFA in September 2016 prior to it joining the Trust. The ESFA provided the loan on the following terms: interest free, with re-payments due to commence from March 2019. Also included in these other creditors are 5 Salix loans totaling £21,407 made to schools by the ESFA as part of separate Condition Improvement Fund bids. These loans are provided interest free, repayable over up to eight years in equal bi-annual installments. 2016/17 other creditors included a £209,000 loan from the ESFA under the Condition Improvement Fund which was repayable over two years from September 2016 at an annual interest rate of 1.55%. This has now been fully repaid.

#### 18 Creditors: amounts falling due in greater than one year

	2018 £ 000	2017 £ 000
Other creditors	325	250
	<hr/>	<hr/>
	325	250
	<hr/> <hr/>	<hr/> <hr/>

Other creditors falling due in greater than one year comprises of a £208,000 loan, being the balance of the loan made to Callington Community College by the ESFA in September 2016 prior to it joining the Trust. The ESFA provided the loan on the following terms: interest free, with re-payments due to commence from March 2019. The repayment period will be determined by Callington Community College's ability to repay the loan from its cash-flows which is currently proposed to be two years from March 2019. The remaining £117,000 of the other creditors falling due in greater than one year relates to the balance of the Salix loans referred to in note 17 above.

# Westcountry Schools Trust

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

### 19 Funds

	Balance at 1 September 2017 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
<b>Restricted general funds</b>					
General Annual Grant Capital	-	769	-	(769)	-
General Annual Grant	(224)	39,909	(39,601)	774	858
Rates Relief	-	167	(167)	-	-
Pupil Premium	27	1,879	(1,697)	-	209
Year 7 Catch-Up funding	12	83	(70)	-	25
PE Grant	1	109	(95)	-	15
UIFSM	-	251	(251)	-	-
NCTL Grants	-	33	(33)	-	-
Other DfE/ESFA Grants	37	156	(172)	-	21
Special Educational Needs	-	505	(505)	-	-
Local Area Partnership	7	-	(1)	-	6
LA Nursery Grants	-	243	(182)	(61)	-
Other LA Grants	-	149	(76)	-	73
Erasmus	-	28	(28)	-	-
Teaching School	-	22	(22)	-	-
Training School	14	31	(36)	-	9
ECORYS SGO Grant	18	72	(72)	-	18
Football League Grant	-	26	(26)	-	-
Educational trips and visits	37	1,080	(1,093)	-	24
Nursery Fund	22	-	-	-	22
The Learning Institute	582	2,332	(2,282)	-	632
Student Loan Company	-	227	(227)	-	-
SCITT	122	9	(9)	-	122
Arena/SGO	(3)	237	(221)	-	13
Other donations	-	96	(84)	-	12
Other restricted income	4	296	(299)	-	1
	<u>656</u>	<u>48,709</u>	<u>(47,249)</u>	<u>(56)</u>	<u>2,060</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA Capital Grants	4,303	10,106	(611)	-	13,798
Inherited LA Capital	38,991	54,994	(1,669)	-	92,316
Other LA Capital	461	553	(31)	-	983
Capital Expenditure from GAG	1,484	3,204	(468)	402	4,622
Other Capital Grants	144	109	(20)	-	233
	<u>45,383</u>	<u>68,966</u>	<u>(2,799)</u>	<u>402</u>	<u>111,952</u>
<b>Restricted pension funds</b>					
Defined benefit pension liability	(10,591)	(11,879)	(2,480)	5,023	(19,927)
<b>Total restricted funds</b>	<u>35,448</u>	<u>105,796</u>	<u>(52,528)</u>	<u>5,369</u>	<u>94,085</u>

## Westcountry Schools Trust

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

#### 19 Funds (continued)

	Balance at 1 September 2017 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
<b>Unrestricted funds</b>					
Unrestricted general funds	1,292	4,821	(2,728)	(329)	3,056
<b>Designated funds</b>					
Unrestricted fixed asset funds	401	615	(57)	-	959
3G sinking fund	-	220	-	-	220
Capital funding	-	17	-	(17)	-
<b>Total unrestricted funds</b>	<b>1,693</b>	<b>5,673</b>	<b>(2,785)</b>	<b>(346)</b>	<b>4,235</b>
<b>Total funds</b>	<b>37,141</b>	<b>111,469</b>	<b>(55,313)</b>	<b>5,023</b>	<b>98,320</b>

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

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

	Balance at 1 September 2016 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
<b>Restricted general funds</b>					
General Annual Grant	663	18,970	(19,786)	(71)	(224)
Rates Relief	-	86	(86)	-	-
Pupil Premium	4	683	(660)	-	27
Year 7 Catch-Up funding	7	38	(33)	-	12
PE Grant	-	27	(26)	-	1
UIFSM	-	135	(135)	-	-
Researchers In Schools	-	42	(42)	-	-
NCTL Grants	-	40	(40)	-	-
Other DfE/ESFA Grants	-	390	(353)	-	37
Special Educational Needs	-	164	(164)	-	-
Local Area Partnership	10	30	(33)	-	7
Teaching School	2	5	(7)	-	-
Training School	17	7	(10)	-	14
ECORYS SGO Grant	18	48	(48)	-	18
LA Nursery Grants	-	69	(69)	-	-
Other LA Grants	-	37	(37)	-	-
Student Loan Company	-	191	(191)	-	-
Football League Grant	-	26	(26)	-	-
Educational trips and visits	-	563	(526)	-	37
Nursery Fund	-	22	-	-	22
The Learning Institute	-	2,746	(2,164)	-	582
SCITT	-	145	(23)	-	122
Arena/SGO	-	146	(149)	-	(3)

# Westcountry Schools Trust

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

### 19 Funds (continued)

	Balance at 1 September 2016 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Other donations	-	44	(44)	-	-
Restricted reimbursements and recharges fund	-	91	(91)	-	-
Other restricted income	6	35	(37)	-	4
	<u>727</u>	<u>24,780</u>	<u>(24,780)</u>	<u>(71)</u>	<u>656</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA Capital Grants	2,717	1,748	(162)	-	4,303
Inherited LA Capital	21,557	18,164	(730)	-	38,991
Other LA Capital	319	156	(14)	-	461
Capital Expenditure from GAG	1,544	192	(323)	71	1,484
Other Capital Grants	113	35	(4)	-	144
	<u>26,250</u>	<u>20,295</u>	<u>(1,233)</u>	<u>71</u>	<u>45,383</u>
<b>Restricted pension funds</b>					
Defined benefit pension liability	(7,751)	(3,748)	(1,034)	1,942	(10,591)
<b>Total restricted funds</b>	<u>19,226</u>	<u>41,327</u>	<u>(27,047)</u>	<u>1,942</u>	<u>35,448</u>
<b>Unrestricted funds</b>					
Unrestricted general funds	837	1,861	(1,406)	-	1,292
Unrestricted fixed asset funds	410	-	(9)	-	401
<b>Total unrestricted funds</b>	<u>1,247</u>	<u>1,861</u>	<u>(1,415)</u>	<u>-</u>	<u>1,693</u>
<b>Total funds</b>	<u>20,473</u>	<u>43,188</u>	<u>(28,462)</u>	<u>1,942</u>	<u>37,141</u>

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

	Balance at 1 September 2016 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
<b>Restricted general funds</b>					
General Annual Grant Capital	-	769	-	(769)	-
General Annual Grant	663	58,879	(59,387)	703	858
Rates Relief	-	253	(253)	-	-

## Westcountry Schools Trust

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

#### 19 Funds (continued)

	Balance at 1 September 2016 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Pupil Premium	4	2,562	(2,357)	-	209
Year 7 Catch-Up funding	7	121	(103)	-	25
PE Grant	-	136	(121)	-	15
UIFSM	-	386	(386)	-	-
Researchers In Schools	-	42	(42)	-	-
NCTL Grants	-	73	(73)	-	-
Other DfE/ESFA Grants	-	546	(525)	-	21
Special Educational Needs	-	669	(669)	-	-
Local Area Partnership	10	30	(34)	-	6
LA Nursery Grants	-	312	(251)	(61)	-
Other LA Grants	-	186	(113)	-	73
Erasmus	-	28	(28)	-	-
Teaching School	2	27	(29)	-	-
Training School	17	38	(46)	-	9
ECORYS SGO Grant	18	120	(120)	-	18
Football League Grant	-	52	(52)	-	-
Educational trips and visits	-	1,643	(1,619)	-	24
Nursery Fund	-	22	-	-	22
The Learning Institute	-	5,078	(4,446)	-	632
Student Loan Company	-	418	(418)	-	-
SCITT	-	154	(32)	-	122
Arena/SGO	-	383	(370)	-	13
Other donations	-	140	(128)	-	12
Other restricted income	6	422	(427)	-	1
	<u>727</u>	<u>73,489</u>	<u>(72,029)</u>	<u>(127)</u>	<u>2,060</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA Capital Grants	2,717	11,854	(773)	-	13,798
Inherited LA Capital	21,557	73,158	(2,399)	-	92,316
Other LA Capital	319	709	(45)	-	983
Capital Expenditure from GAG	1,544	3,396	(791)	473	4,622
Other Capital Grants	113	144	(24)	-	233
	<u>26,250</u>	<u>89,261</u>	<u>(4,032)</u>	<u>473</u>	<u>111,952</u>
<b>Restricted pension funds</b>					
Defined benefit pension liability	(7,751)	(15,627)	(3,514)	6,965	(19,927)
<b>Total restricted funds</b>	<u>19,226</u>	<u>147,123</u>	<u>(79,575)</u>	<u>7,311</u>	<u>94,085</u>

## Westcountry Schools Trust

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

#### 19 Funds (continued)

	Balance at 1 September 2016 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
<b>Unrestricted funds</b>					
Unrestricted general funds	837	6,682	(4,134)	(329)	3,056
<b>Designated funds</b>					
Unrestricted fixed asset funds	410	615	(66)	-	959
3G sinking fund	-	220	-	-	220
Capital funding	-	17	-	(17)	-
Total unrestricted funds	1,247	7,534	(4,200)	(346)	4,235
Total funds	20,473	154,657	(83,775)	6,965	98,320

#### Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	Total £ 000
Callington Community College	(208)
Coombe Dean School	1,054
Dunstone Primary School	51
Hele's School	551
Holbeton Primary School	6
Ivybridge Community College	1,549
Oreston Community Academy	15
Plymstock School	1,156
Sherford Vale School	72
Stowford School	421
Wembury Primary School	86
Woodlands Park Primary School	213
Yealmpton Primary School	143
Central Services	7
Total before fixed assets and pension reserve	5,116
Restricted fixed assets	111,952
Unrestricted designated fixed asset fund	1,179
Defined benefit pension liability	(19,927)
Total	98,320

The deficit balance at Callington Community College arose prior to them joining WeST primarily due to its management's inability to address on a timely basis the funding implications of its falling student roll. In the 23 months since joining WeST, the brought forward deficit has been reduced by £165,000 in part achieved by a complete re-structure of the management team and over-haul of the curriculum model. WeST continues to work closely with the Principal and the ESFA on plans to return the college to surplus over the medium term despite anticipated continuing falling roll.

## Westcountry Schools Trust

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

#### 19 Funds (continued)

##### Analysis of academies by cost

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

	Teaching & Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total £ 000
Callington Community College/TLI	5,828	1,320	890	1,075	9,113
Coombe Dean School	3,451	894	719	443	5,507
Dunstone Primary School	627	66	44	64	801
Hele's School	4,700	814	620	454	6,588
Ivybridge Community College	8,691	1,011	1,396	1,523	12,621
Oreston Community Academy	1,118	284	100	193	1,695
Plymstock School	5,343	1,119	555	742	7,759
Stowford School	1,110	225	100	194	1,629
Wembury Primary School	482	69	80	114	745
Woodlands Park Primary	789	122	84	162	1,157
Yealmpton Primary School	478	60	69	128	735
Central Services	394	990	64	179	1,627
Academy Trust	33,011	6,974	4,721	5,271	50,007

#### 20 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	959	-	110,666	111,625
Current assets	3,276	7,621	1,286	12,183
Current liabilities	-	(5,236)	-	(5,236)
Non-current liabilities	-	(325)	-	(325)
Pension scheme liability	-	(19,927)	-	(19,927)
Total net assets	4,235	(17,867)	111,952	98,320



## Westcountry Schools Trust

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

#### 20 Analysis of net assets between funds (continued)

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	401	-	44,727	45,128
Current assets	1,292	4,280	656	6,228
Current liabilities	-	(3,374)	-	(3,374)
Non-current liabilities	-	(250)	-	( 250)
Pension scheme liability	-	(10,591)	-	(10,591)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	1,693	(9,935)	45,383	37,141
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

#### 21 Capital commitments

	2018 £ 000	2017 £ 000
Contracted for, but not provided in the financial statements	939	714
Approved but not contracted	279	55
	<hr/>	<hr/>
	1,218	769
	<hr/> <hr/>	<hr/> <hr/>

#### 22 Financial commitments

##### *Operating leases*

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

	2018 £ 000	2017 £ 000
Amounts due within one year	95	55
Amounts due between one and five years	161	85
	<hr/>	<hr/>
	256	140
	<hr/> <hr/>	<hr/> <hr/>

## Westcountry Schools Trust

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

#### 23 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2018 £ 000	2017 £ 000
Net income for the reporting period (as per the statement of financial activities)	56,156	14,726
Depreciation	2,856	1,242
Capital grants	(2,756)	(1,666)
Net assets transferred on conversion to an academy trust	(4,188)	(2,424)
Net assets transferred on existing academies	(54,416)	(12,481)
Interest receivable	(18)	(23)
Defined benefit pension scheme cost less contributions payable	1,897	764
Defined benefit pension scheme finance cost	583	270
Decrease/(increase) in stocks	(6)	-
Decrease/(increase) in debtors	24	(288)
(Decrease)/increase in creditors	(19)	842
<b>Net cash provided by/(used in) operating activities</b>	<b>113</b>	<b>962</b>

#### 24 Cash flows from financing activities

	2018 £ 000	2017 £ 000
Cash inflows from new borrowing	153	-
Repayments of borrowing	(224)	(209)
<b>Net cash provided by/(used in) financing activities</b>	<b>(71)</b>	<b>(209)</b>

#### 25 Cash flows from investing activities

	2018 £ 000	2017 £ 000
Dividends, interest and rents from investments	18	23
Purchase of tangible fixed assets	(2,613)	(1,071)
Capital grants from DfE	2,221	299
Capital grants from others	535	1,367
<b>Net cash provided by/(used in) investing activities</b>	<b>161</b>	<b>618</b>

## Westcountry Schools Trust

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

#### 26 Analysis of cash and cash equivalents

	At 31 August 2018 £ 000	At 31 August 2017 £ 000
Cash at bank and in hand	10,009	4,910
<b>Total cash and cash equivalents</b>	<b>10,009</b>	<b>4,910</b>

#### 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 Pension and similar obligations

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

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

Contributions amounting to £612,000 (2017 - £316,000) were payable to the schemes at 31 August and are included within creditors.

##### Teachers' Pension Scheme

###### Introduction

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

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

## Westcountry Schools Trust

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

#### 28 Pension and similar obligations (continued)

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

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- 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; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%. The next valuation of the TPS, based on April 2016 data, is expected to include an adjustment to the discounted rate used to set employer contributions. It is estimated that the new rate for the TPS will increase to approximately 23.6%. The rate will be finalised in Spring 2019, with an implementation date of September 2019. The ESFA has issued a bulletin stating that: 'The Department for Education intends to fund fully the contribution increase for state funded schools and academies.'

The employer pension costs paid to TPS in the period amounted to £3,539,000 (2017: £1,797,000).

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

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

##### Local Government Pension Scheme

###### Devon Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £1,534,000 (2017 - £584,000), of which employer's contributions totaled £1,150,000 (2017 - £439,000) and employees' contributions totaled £384,000 (2017 - £145,000). The agreed contribution rates for future years are 15.4% plus £69,965 per annum as a past deficit contribution per cent for employers. As described in the notes the LGPS obligation relates to the employees of the Academy Trust who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

## Westcountry Schools Trust

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

#### 28 Pension and similar obligations (continued)

Principal actuarial assumptions	At 31 August	At 31 August
	2018	2017
	%	%
Rate of increase in salaries	3.80	4.20
Rate of increase for pensions in payment/inflation	2.30	2.70
Discount rate for scheme liabilities	2.65	2.60

#### Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	At 31 August	At 31 August
	2018	2017
	£ 000	£ 000
Discount rate +0.1%	34,979	13,634
Discount rate -0.1%	36,625	14,249
Mortality assumption – 1 year increase	36,995	14,400
Mortality assumption – 1 year decrease	34,629	13,491
CPI rate +0.1%	36,289	14,195
CPI rate -0.1%	35,306	13,687

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

	At 31 August	At 31 August
	2018	2017
<b>Retiring today</b>		
Males retiring today	23.50	23.40
Females retiring today	25.60	25.50
<b>Retiring in 20 years</b>		
Males retiring in 20 years	25.80	25.70
Females retiring in 20 years	28.00	27.90

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

	At 31 August	At 31 August
	2018	2017
	£ 000	£ 000
Equities	11,048	3,744
Gilts	578	194
Alternative assets	936	343
Infrastructure	657	244
Other bonds	357	157
Property	1,655	553
Cash	282	149
Target return portfolio	2,612	939
Private equity	187	-
Total market value of assets	18,312	6,323
Present value of scheme liabilities – funded	(35,792)	(13,938)
Deficit in the scheme	(17,480)	(7,615)

## Westcountry Schools Trust

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

#### 28 Pension and similar obligations (continued)

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £1,048,000 (2017: (£657,000)).

The expected rates of return for 2018 are set equal to the discount rate.

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

	2018 £ 000	2017 £ 000
Current service cost	2,759	974
Net interest expense	501	187
Administration expenses	4	4
Total operating charge	<u>3,264</u>	<u>1,165</u>

#### Changes in the present value of defined benefit obligation

	2018 £ 000	2017 £ 000
At 1 September	13,938	12,468
Conversion of academy trusts	468	62
Transferred in on existing academies joining the trust	21,256	1044
Current service cost	2,759	974
Interest cost	935	307
Employee contributions	384	145
Actuarial (gain)/loss	(3,962)	(1,320)
Benefits paid	(439)	(66)
Effect of non-routine settlements	453	324
At 31 August	<u>35,792</u>	<u>13,938</u>

#### Changes in the fair value of Trust's share of scheme assets

	2018 £ 000	2017 £ 000
At 1 September	6,323	4,717
Conversion of academy trusts	350	-
Transferred in on existing academies joining the trust	9,495	412
Interest income	434	120
Actuarial gain/(loss)	614	482
Administration expenses	(4)	(4)
Employer contributions	1,150	439
Employee contributions	384	145
Benefits paid	(439)	(66)
Effect of non-routine settlements	5	78
At 31 August	<u>18,312</u>	<u>6,323</u>

## Westcountry Schools Trust

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

#### 28 Pension and similar obligations (continued)

##### Cornwall Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £386,000 (2017 - £386,000) of which employer's contributions totaled £303,000 (2017 - £299,000) and employees' contributions totaled £83,000 (2017 - £87,000). The agreed contribution rates for future years are 17.4% plus £55,300 per annum as a past deficit contribution per cent for employers. As described in the notes the LGPS obligation relates to the employees of the Academy Trust who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

	At 31 August 2018	At 31 August 2017
	%	%
Rate of increase in salaries	2.40	2.50
Rate of increase for pensions in payment/inflation	2.30	2.40
Discount rate for scheme liabilities	2.80	2.50

##### Sensitivity analysis

A sensitivity analysis for effect of changes to the principal assumptions on the scheme liabilities is set out below:

	At 31 August 2018	At 31 August 2017
	£ 000	£ 000
Discount rate -0.5%	963	944
Salary rate +0.5%	175	188
Pension rate +0.5%	776	739

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

	At 31 August 2018	At 31 August 2017
<b>Retiring today</b>		
Males retiring today	22.1	22.1
Females retiring today	24.5	24.5
<b>Retiring in 20 years</b>		
Males retiring in 20 years	24.0	24.0
Females retiring in 20 years	26.4	26.4

## Westcountry Schools Trust

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

#### 28 Pension and similar obligations (continued)

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

	At 31 August 2018 £ 000	At 31 August 2017 £ 000
Equities	2,418	2,051
Other bonds	2,122	1,876
Property	346	305
Cash	49	131
	<hr/>	<hr/>
Total market value of assets	4,935	4,363
Present value of scheme liabilities – funded	(7,382)	(7,339)
	<hr/>	<hr/>
Deficit in the scheme	(2,447)	(2,976)
	<hr/> <hr/>	<hr/> <hr/>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The expected rates of return for 2018 are set equal to the discount rate.

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

	2018 £ 000	2017 £ 000
Current service cost	591	505
Net interest expense	78	79
	<hr/>	<hr/>
Total operating charge	669	584
	<hr/> <hr/>	<hr/> <hr/>

#### Changes in the present value of defined benefit obligation

	2018 £ 000	2017 £ 000
At 1 September	7,339	-
Transferred in on existing academies joining the trust	-	6,713
Current service cost	591	505
Interest cost	191	159
Employee contributions	83	80
Actuarial (gain)/loss	(765)	(69)
Benefits paid	(57)	(49)
	<hr/>	<hr/>
At 31 August	7,382	7,339
	<hr/> <hr/>	<hr/> <hr/>



## Westcountry Schools Trust

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

#### 28 Pension and similar obligations (continued)

##### Changes in the fair value of Trust's share of scheme assets

	2018	2017
	£ 000	£ 000
At 1 September	4,363	-
Transferred in on existing academies joining the trust	-	3,659
Interest income	113	80
Actuarial gain/(loss)	130	317
Employer contributions	303	276
Employee contributions	83	80
Benefits paid	(57)	(49)
	<hr/>	<hr/>
At 31 August	4,935	4,363
	<hr/>	<hr/>

#### 29 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

Ms Pepper, wife of Mr Haring, the CEO, is employed by the academy trust as a part-time teacher. Ms Pepper's appointment was made in open competition and Mr Haring was not involved in the decision making process. Ms Pepper is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with the CEO.

Mrs D Ackers, the Head of School at Oreston Community Academy is the wife of Mr J M Ackers, the Plym Cluster Executive, both of whom are members of the Trust's senior leadership team. Both appointments were made in open competition and neither were involved in the decision making process of the other's appointment. Both are paid within normal pay scales for their roles and neither receives special treatment as a result of their relationship.

Mrs Grafton, wife of Mr Grafton, the Chair of the academy trust, is employed on a supply teacher basis from time-to-time by the academy trust. Mrs Grafton's employment is made in open competition and Mr Grafton is not involved in the decision making process. Mrs Grafton is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with the Chair of the academy trust.

Mrs Bruce, wife of Mr Bruce, a trustee, owns 50% of Little Orchard Montessori Nurseries Limited. Little Orchard Montessori Nurseries Limited were charged £4,000 for renting facilities at Woodlands Park Primary during the year.

During the year the Trust procured services from Browne Jacobson LLP of whom Mrs J Green, a member of the Trust from 13 December 2017 to 19 May 2018, is a partner. The transactions during the period Mrs Green was a member were £450 of which there were no amounts at 31 August 2018.

During the year the Trust procured services totalling £11,810 (2017: nil) from Imattination Limited of whom Mr M Bloomfield, a governor at Hele's School, is the sole director. £3,905 was owing at 31 August 2018.

Also during the year the Trust procured services totalling £7,433 (2017: nil) from Imagine Office Supplies Limited of whom Mr M Luck, a governor at Wembury Primary School, is a director. No amounts were owing at 31 August 2018.

No other related party transactions took place in the period of account.

## Westcountry Schools Trust

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

#### 30 Agency Arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. The SCITT also distributes bursaries to its teacher trainees as an agent for NCTL. In the accounting period ending 31 August 2018 the Trust received £167,000 and disbursed £163,000 from these funds. An amount of £36,000 is included in creditors relating to undistributed funds that is repayable to ESFA.

#### 31 Controlling party

There is no controlling party.

#### 32 Transfer of existing academies into the Trust

##### Hele's School

	Value reported by transferring trust £ 000	Transfer in recognised £ 000
<b>Tangible fixed assets</b>		
Long term leasehold property	16,782	16,782
Office equipment and Fixtures and Fittings	239	239
Motor vehicles	7	7
Computer equipment	143	143
	<u>17,171</u>	<u>17,171</u>
<b>Other assets</b>		
Stocks	-	-
Investments	-	-
Debtors	445	445
Cash in bank and in hand	1,388	1,388
	<u>1,833</u>	<u>1,833</u>
<b>Liabilities</b>		
Creditors due in less than one year	(808)	(808)
Creditors due in more than one year	-	-
	<u>(808)</u>	<u>(808)</u>
<b>Pensions</b>		
Pensions – pension scheme liabilities	(3,284)	(3,284)
	<u>(3,284)</u>	<u>(3,284)</u>
<b>Net assets</b>	<u>14,912</u>	<u>14,912</u>

## Westcountry Schools Trust

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

#### 32 Transfer of existing academies into the Trust (continued)

##### Plymstock School

	Value reported by transferring trust £ 000	Transfer in recognised £ 000
<b>Tangible fixed assets</b>		
Freehold land and buildings	27,125	27,125
Fixtures, fittings and equipment	1,128	1,128
Motor vehicles	5	5
Computer equipment	19	19
	<u>28,277</u>	<u>28,277</u>
<b>Other assets</b>		
Stocks	-	-
Investments	-	-
Debtors	281	281
Cash in bank and in hand	1,890	1,890
	<u>2,171</u>	<u>2,171</u>
<b>Liabilities</b>		
Creditors due in less than one year	(586)	(586)
Creditors due in more than one year	-	-
	<u>(586)</u>	<u>(586)</u>
<b>Pensions</b>		
Pensions – pension scheme liabilities	(4,386)	(4,386)
<b>Net assets</b>	<u>25,476</u>	<u>25,476</u>

## Westcountry Schools Trust

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

#### 32 Transfer of existing academies into the Trust (continued)

##### Coombe Dean School

	Value reported by transferring trust £ 000	Transfer in recognised £ 000
<b>Tangible fixed assets</b>		
Long term leasehold property	14,325	14,325
Office equipment	52	52
Motor vehicles	3	3
Computer equipment	1	1
	<u>14,381</u>	<u>14,381</u>
<b>Other assets</b>		
Stocks	-	-
Investments	-	-
Debtors	113	113
Cash in bank and in hand	1,335	1,335
	<u>1,448</u>	<u>1,448</u>
<b>Liabilities</b>		
Creditors due in less than one year	(429)	(429)
Creditors due in more than one year	-	-
	<u>(429)</u>	<u>(429)</u>
<b>Pensions</b>		
Pensions – pension scheme liabilities	(3,118)	(3,118)
<b>Net assets</b>	<u>12,282</u>	<u>12,282</u>

## Westcountry Schools Trust

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

#### 32 Transfer of existing academies into the Trust (continued)

##### Oreston Community Academy

	Value reported by transferring trust £ 000	Transfer in recognised £ 000
<b>Tangible fixed assets</b>		
Freehold land and buildings	2,657	2,657
Fixtures and fittings	5	5
Computer equipment	1	1
Assets under construction	38	38
	<u>2,701</u>	<u>2,701</u>
<b>Other assets</b>		
Stocks	-	-
Investments	-	-
Debtors	28	28
Cash in bank and in hand	181	181
	<u>209</u>	<u>209</u>
<b>Liabilities</b>		
Creditors due in less than one year	(191)	(191)
Creditors due in more than one year	-	-
	<u>(191)</u>	<u>(191)</u>
<b>Pensions</b>		
Pensions – pension scheme liabilities	(973)	(973)
<b>Net assets</b>	<u><u>1,746</u></u>	<u><u>1,746</u></u>

#### 33 Conversion to an Academy Trust

On 1 September 2017 Dunstone Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Westcountry Schools Trust from the Devon County Council Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the SOFA as voluntary income.

## Westcountry Schools Trust

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

The following table sets out the fair values of the identifiable assets and liabilities and an analysis of their recognition in the SOFA.

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Leasehold land and buildings	-	-	2,808	2,808
Other tangible fixed assets	-	-	15	15
Debtors	-	-	-	-
Cash at bank and in hand	32	-	15	47
Creditors: amounts falling due within one year	-	-	(2)	(2)
Creditors: amounts falling due in more than one year	-	-	(9)	(9)
LGPS pension deficit	-	(56)	-	(56)
Net assets/(liabilities)	32	(56)	2,827	2,803

On 1 October 2017 Wembury Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Westcountry Schools Trust from the Devon County Council Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the SOFA as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities and an analysis of their recognition in the SOFA.

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Leasehold land and buildings	-	-	1,381	1,381
Other tangible fixed assets	-	-	6	6
Debtors	7	-	-	7
Cash at bank and in hand	47	-	8	55
Creditors: amounts falling due within one year	(2)	-	-	(2)
LGPS pension deficit	-	(62)	-	(62)
Net assets/(liabilities)	52	(62)	1,395	1,385

## Westcountry Schools Trust

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

#### 34 Teaching School trading account

	2017/18 £ 000	2016/17 £ 000
<b>Income</b>		
<i>Direct income</i>	227	192
<i>Other income</i>	9	44
 <i>Other income</i>		
<i>Fundraising and other trading activities</i>	-	-
	<hr/>	<hr/>
<b>Total income</b>	<b>236</b>	<b>236</b>
	<hr/>	<hr/>
<b>Expenditure</b>		
<i>Direct costs</i>		
Direct staff costs	100	87
Staff development	-	-
Other direct costs	54	43
	<hr/>	<hr/>
<b>Total direct costs</b>	<b>154</b>	<b>130</b>
 <b>Other costs</b>		
Support staff costs	30	27
Depreciation	-	-
Technology costs	-	-
Recruitment and support	8	11
Security and support	-	-
Other support costs	44	45
Share of governance costs	-	2
	<hr/>	<hr/>
<b>Total other costs</b>	<b>82</b>	<b>85</b>
	<hr/>	<hr/>
<b>Total Expenditure</b>	<b>236</b>	<b>215</b>
	<hr/>	<hr/>
Transfers between funds excluding depreciation	-	-
	<hr/>	<hr/>
<b>Surplus/(Deficit) from all sources</b>	<b>-</b>	<b>21</b>
	<hr/>	<hr/>
<b>Teaching school balances at 1 September 2017</b>	<b>122</b>	<b>101</b>
	<hr/>	<hr/>
<b>Teaching school balances at 31 August 2018</b>	<b>122</b>	<b>122</b>
	<hr/> <hr/>	<hr/> <hr/>

#### 35 Events after the end of the reporting period

On 1 September 2018 the net assets of Holbeton Primary School and Sherford Vale Primary School were transferred to Westcountry Schools Trust from Devon County Council. The transfer agreements were signed on 31 August 2018. In accordance with ESFA guidelines, these transfers are being treated in the accounts as at the transfer date.

