

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Members

Dr W P Rock (Chair)
Prof J M Winterbottom
Mr R G Cooper
Ms S Smith
Revd J Hughes

**Trustees
MAT Board**

Dr W P Rock, Chair of MAT Board^{1,2}
Mr R Edwards¹
Mr W J R George¹
Mrs A J Newman^{1,2}
Mr G Pearce¹
Prof J M Winterbottom¹
Mrs J A Bexon-Smith²
Dr P Machon²
Mr J R Turner¹

¹ Link Governor
² Chair of LGB

**Company registered
number**

07365748

Company name

Tudor Grange Academies Trust

**Principal and Registered
office**

Tudor Grange Academies Trust
Dingle Lane
Solihull
West Midlands
B91 3PD

Accounting Officer

Mrs C Maclean

**Key management
personnel**

Mrs C Maclean, Chief Executive Officer
Mr D Turner, Executive Principal, Tudor Grange Academy Solihull
Mrs S Roach, Executive Principal, Tudor Grange Academy Worcester
Mrs C Smith, Principal, Tudor Grange Academy Solihull (appointed 1 September 2018)
Mrs J Bolter, Principal, Tudor Grange Academy Redditch
Mr A Wilkinson, Principal, Tudor Grange Samworth Academy
(appointed 1 September 2018)
Mr D Cleary, Principal, Robert Smyth Academy (appointed 1 September 2018)
Mrs S Deakin, Principal, Tudor Grange Primary Academy St. James
Mr S Dixon, Principal, Tudor Grange Primary Academy Haselor
(appointed 1 September 2018)
Mr J Cook, Executive Governance Officer
Mr S Groutage, Chief Operating Officer
Mr C Key, Chief Finance Officer
Mr J Mealings, Executive Catering Officer
Miss L Marson, Executive Data Manager
Ms C Waterhouse, Executive Trust Lead SENCO and Safeguarding

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI ACADEMIES TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Independent external auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB
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Bankers	Lloyds Bank PLC 2nd Floor 125 Colmore Row Birmingham B3 3SF
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**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

Tudor Grange Academies Trust operates 2 primary academies in Solihull and Haselor, 4 secondary academies in Solihull, Worcester, Redditch and Market Harborough and 1 all through academy in Leicester. The Trust's academies have a combined pupil capacity of 6,454 and had a roll of 4,998 in the school census in October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Tudor Grange Academies Trust are also the directors of the Company for the purposes of company law. The Company is known as Tudor Grange Academies Trust (the Academies Trust).

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

Each member of the 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 £1, for the debts and liabilities contracted before they ceased to be a member.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£7,100
Total pay bill	£ -
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees' Indemnities

The Academies Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

Principal Activity

The principal activity is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing primary and secondary schools and offering a broad and balanced curriculum.

The principal activity of the Academies Trust is to provide free education for pupils of different abilities between the ages of 3 – 18.

TRUSTEES

The MAT Board

The MAT Board shall comprise at a minimum: eight and at a maximum: twelve Trustees. The Chair and Vice Chair shall be appointed by the Trustees each September from among the Trustees, provided this is someone other than an employee of the Academies Trust. The MAT Board Secretary shall be appointed by the Trustees. The quorum for each MAT Board shall be one third of those eligible to vote. The MAT Board shall meet as often as is necessary to fulfil its responsibilities and not less than three times in every school year. Minutes of meetings will be recorded by Secretary to the MAT Board in sufficient time for inclusion on the agenda and among the supporting papers for the next meeting of the MAT Board. Decisions may be taken only by Trustees of the MAT Board. Each question shall be determined by a majority of the votes of the Trustees present and voting on the question. Every Trustee shall have one vote. Where necessary, the Chair will have a second or casting vote.

The following decisions are reserved to the MAT Board: to consider any proposals for changes to the status or constitution of the Academies Trust and its governance structure; to appoint or remove the Chairman and/or Vice Chairman; to appoint the CEO and Clerk to the Board; to approve the Annual Budget. The MAT Board receives regular debriefs from Chairs to each LGB.

The MAT Board is responsible for establishing clarity of vision and ethos; establishing strategic objectives; overseeing financial performance; adopting an annual plan and medium term budget; approving the statutory accounts; monitoring the Academies Trust by the use of budgets and other data and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Academies Trust's Finance Governor, who is also a Trustee, enables the MAT Board to conduct reviews over financial performance with the Accounting Officer and Academy Principals independent to the Chief Finance Officer. This allows the MAT Board to establish their own view as to the rigour with which the financial processes referred to in this report are being conducted and upon the overall financial position of the Trust.

The MAT Board has devolved responsibility for day to day management of each Academy to each Principal and Leadership Group (LG). Each Principal is responsible for the appointment of staff, though appointment panels for teaching posts usually include a Local Governor.

The Local Governing Body (the LGB)

The MAT Board has established for each Academy an LGB. Each LGB's role is to provide advice to the MAT Board in relation to the functioning of the relevant Academy.

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

Each LGB shall comprise at a minimum: 10 members, and at a maximum: 12 members, including: two parents of a pupil at the relevant Academy (to be elected by the parents of registered pupils of the relevant Academy), up to two employees at the respective Academy. The establishment, terms of reference, constitution and membership of each LGB shall be reviewed annually by the MAT Board. The Chair is appointed by the MAT Board each September from among the members of the LGB, provided this is someone other than the Principal at the relevant Academy. The LGB Clerk shall be appointed by the LGB. The quorum for each LGB shall be one third of those eligible to vote. The LGB shall meet as is necessary to fulfil its responsibilities and not less than twice per term. Minutes of meetings will be recorded and forwarded to the Clerk to the MAT Board in sufficient time for inclusion on the agenda and among the supporting papers for the next meeting of the MAT Board. Decisions may be taken only by members of the LGB. Where necessary, the LGB Chair will have a second or casting vote.

The following areas are within the remit of the LGB: to consider and advise the MATB on standards and other matters relating to the Academy's curriculum, including statutory requirements and curriculum policy; to ensure effective arrangements for Child Protection and Safeguarding; to ensure budgets are managed in agreement with the Trust's Scheme of Delegation and policies; to oversee the recruitment, selection and appointment of all staff below the Principal level; support the Academy's Principal and the local Senior Leadership Team in maintaining and improving standards and performance, thus improving outcomes for learners; and to ensure compliance with Health and Safety legislation and regulations. Each LGB is required to have at a minimum four Link Governors who take particular interest in the following areas: safeguarding, curriculum, finance and health & safety. Each LGB is also responsible for reviewing, assessing and managing risks at their academy in line with the Academies Trust's risk policy.

Link Governors

It is the Trust's belief that an effective LGB will assign specific responsibilities to individual Governors, depending upon the practicality given the size and skills of each LGB and the needs of the school. Each Governor in charge of these areas is termed a Link Governor as they are responsible for linking up communication both between LGBs across the Trust and between each LGB and the MAT Board through their respective LGB Chairs. By assigning responsibility this enables each Link Governor to develop a deeper understanding in a particular area.

Link Governors for Finance are supported by regular Principal's reports; access to on-line financial information; regular LGB finance reports; detailed annual budgets discussion and review; internal audit reports on request through the Audit Committee and benchmarking information with comparator academies.

Link Governors for Health and Safety are supported by detailed H&S checklists for governor site reviews; the Trust Health & Safety Officer (at our partner, Bellrock) provides weekly reports to Principals and, where requested, Link Governors and attends termly Health& Safety committee meetings to report to Link Governors on performance; The Trust's COO maintains building stock conditions surveys information that can be made available to the Link Governors on request; the Trust's Executive Catering Officer maintains monitoring information and an audit against National Food standards and again this can be made available on request.

Link Governors for Safeguarding are supported by regular reports for each academy's safeguarding teams.

Link Governors for Curriculum can attend learning walks on request through their LGB chair; the Trust undertakes a 2 day annual review in all schools, supported by an external reviewer who compiles their observations for the Chief Executive Officer, Executive Principals, the Principals and the LGB. Link Governors, Curriculum and other Local Governors are involved in the reviews; in the past this has involved OFSTED trained inspectors.

Link Governors Data are supported by regular data reports on academy and Trust-wide performance.

Policies and Procedures adopted for the Induction and Training of Local Governors

The training and induction provided for new Local Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils, access to the Academies Trust's Governance Handbook and access to appropriate on line sources of advice for Governors. All Trustees are also provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual but at a minimum includes a formal letter of appointment, site tour, meeting the Executive team and access to the Academies Trust's governance Handbook. Advantage is taken of specific courses offered by the Local Authority and other bodies. In the last year the Academies Trust has offered tailored courses for Trustees and Local Governors covering the role of the Governor, safeguarding update training and understanding of student data. These courses continue to be developed.

The Audit Committee (the AC)

The purpose of the AC is to review the risks to internal financial control at the Academies Trust and to agree a programme of work that will address these risks, to inform the statement of internal control and, so far as is possible, to provide assurance to the external auditors.

The remit of the AC is to advise the MAT Board on the adequacy and effectiveness of its systems of internal control and arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money); review the statement of internal control and make appropriate recommendations to the MAT Board; advise on the appointment, reappointment, dismissal and remuneration of auditors; ensure effective coordination of the work of the external auditor and internal auditor; consider the reports of the auditors and, when appropriate, advise the MAT Board of material controls issues; monitor the implementation of agreed audit recommendations; ensure that any allegations of fraud or irregularity are appropriately investigated and control weaknesses addressed; meet with the external auditor and internal auditor at least once per year and report its findings annually.

The AC will consist of four members from LGBs. Additionally, up to two external co opted members may also be appointed. At least one of the members should have relevant financial experience. The Chair of the AC shall be appointed by the MAT Board at the start of the academic year or as required. The Chair of the AC will not be a member of any other sub-committee. The AC will be quorate if two members are present and more than 50% of those members present are members of LGBs. The AC will normally meet at least once per term and not less than twice per year. Each question shall be determined by a majority of the votes of the Members present and voting on the question. Every Member shall have one vote. Where necessary, the Chair will have a second or casting vote.

Organisational Structure

The Academies Trust is constituted as a Multi Academies Trust which has a Multi Academies Trust Board of Directors (the MAT Board) and at each Academy within the MAT, a Local Governing Body (the LGB). As at 31 August 2018 there were four secondary schools, one all through school and two primary schools within the Academies Trust. The founding school, Tudor Grange Academy Solihull, has maintained outstanding results as the Academies Trust has grown and secured an 'outstanding judgment' in all categories during inspection in June 2014.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

The academies are as follows:

Name	Date joined	Type
Tudor Grange Academy Solihull (TGA Solihull)	1 October 2010	Secondary
Tudor Grange Primary Academy St. James' (TGPA St. James')	1 January 2013	Primary
Tudor Grange Primary Academy Haselor (TGPA Haselor)	1 January 2014	Primary
Tudor Grange Academy Redditch (TGA Redditch)	1 April 2014	Secondary
Tudor Grange Academy Worcester (TGA Worcester)	1 September 2009	Secondary
Tudor Grange Samworth Academy (TG Samworth Academy)	1 January 2016	All-Through
Robert Smyth Academy (RSA)	1 September 2017	Secondary

All the above academies have joined the Academies Trust's current Master Funding Agreement, operating under individual Supplementary Funding Agreements.

During the period September 2017 to 31st August, 2018 there were five independent inspections of schools within the Trust:

Inspections from September 2017 to August 31st 2018	School	Inspection Type	Previous designation for overall effectiveness	New designation for overall effectiveness	Stayed same/ improved/ declined
September 2017	Robert Smyth Academy	OfSTED Section 5	Requires Improvement	Good	Improved
November 2017	Tudor Grange Primary Academy St James	OfSTED Section 5	Good	Outstanding	Improved
April 2018	Tudor Grange Samworth Academy	SIAMS	Inadequate	Good	Improved
June 2018	Tudor Grange Academy Worcester	OfSTED Section 8	Good	Good	Stayed Same
June 2018	Tudor Grange Academy Redditch	OfSTED Section 5	No designation (thought the predecessor school was judged 'Good')	Requires Improvement	No previous designation

Though the Trust evidently improved or maintained judgements in four out of five inspections, Tudor Grange Academy Redditch did not secure 'Good' in its 'overall effectiveness' judgement and this is a source of disappointment. The LGB and Senior Leaders in the school have rigorous action plans in place to address the issues that were highlighted in the report. Outcomes for 2018 demonstrate a marked improvement in sixth form value added from in 2017 to in 2018. Internal calculations show progress in academic entries has improved from -0.54 in 2017 to -0.01 in 2018. The school has maintained a progress 8 score in line with the national average at -0.09. There are signs that the attendance of even the most hard to reach students is improving. Senior Leaders remain confident that they will secure 'Good' for overall effectiveness in the next inspection.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

The MAT Board

The MAT Board meets as often as is necessary and not less than three times in every Academy year. The MAT Board establishes a governance structure to achieve sufficient yet balanced oversight of leadership across the Academies Trust and determines membership, terms of reference and procedures of the LGB at each Academy. It closely monitors the activities of each LGB through minutes of their meetings. The MAT Board may from time to time establish Working Groups to perform specific tasks over a limited timetable.

Academy management

Secondary and All Through Academies:

The management structure consists of three levels: the LGB, the Leadership Team and the College Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Leadership Team comprises a Principal, Associate Principals, College Leaders and senior staff. The Leadership Team is responsible for the day to day operation of each Secondary and All through Academy, implementing the policies laid down by the Trustees and reporting back to them. Each Secondary Academy, and the Secondary Phase of the All through Academy, are divided into Colleges, each led by a College Leader. These Colleges are responsible for the delivery of different curriculum areas and the pastoral welfare of students within the College.

Primary Academies:

Both Primary Academies, and the Primary Phase of the All through Academy share a similar management structure of a Principal (called Head of School in the All through Academy) supported by other staff within the school who have leadership responsibilities as well as their teaching commitments. The Principal is responsible for the day to day operation of their Academy, implementing the policies laid down by the Trustees and reporting back to them. Both Primary Academies have an identified Special Educational Needs Co ordinator (SENCO) and teachers responsible for the leadership and development of the following themes where applicable: early years provision, literacy, numeracy, special educational needs and disabilities and safeguarding.

Central Team:

The Academies Trust supports each academy through the Central Team, established by the Chief Executive Officer under delegated powers. The Central Team has two functions: academy improvement, and support services.

It is critical to the future of our Trust that we grow and that we do so sustainably. Adhering to our core values set out above underpin our confidence that we can grow sustainably. We also believe the following characteristics are critical to sustainable growth:

Building our Governance capacity

We anticipate the needs of our Trust over the next three years within our medium term strategic plan. The MATB and LGB are expected to regularly undertake skills assessment that highlight skill gaps that need to be addressed in the context of current legislative and future Trust requirements. Gaps are expected to be rectified through either training of the current MATB Directors, for which there is a budget, or by appointing a new Director who possesses the required skills. Governors are expected to attend appropriate training.

The Trust is currently working towards designing an on-line portfolio of training material to assist governors and Clerks in their roles. In addition, mandatory training is delivered directly to Boards annually, as well as individual training sessions on a variety of topics as required. Governors are also expected to regularly self-evaluate their own performance.

As an independent integrity check, the Trust regularly utilises external reviews of its governance process, its policies, its equality and diversity, and its capacity at essential stages of growth.

Building our school to school support capacity

The formation of TGAT has allowed us to fully exploit the intellectual capital generated by operating as a group of schools. At each point of growth we have expanded the central team, in readiness to support a growing number of schools, through the appointment of Associate Principals, Trust Education Advisors, Trust Subject Lead practitioners and Assessment and Moderation Leads. The Trust website is regularly updated to reflect the growing expertise within the Trust.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

The Central Team has wide ranging responsibilities across all academies for assuring and ensuring educational improvement; it also monitors and supports the work of the Academies to ensure value for money and consistent practice, especially in areas such as procurement, IT, finance, facilities and catering.

The Chief Executive Officer is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts (Note 12).

The pay of key management personnel is reviewed annually and normally increased in accordance with performance in the year. Trustees review performance appraisals for all key management personnel. The Trustees benchmark against pay levels in independent data and other Academies of a similar size. The benchmark is the mid point of the range paid for similar roles adjusted accordingly to performance achieved and the level of responsibility assigned. The Chief Executive Officer is paid within a range of 1:10 with the lowest pay point in the Trust.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Tudor Grange Academies Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academies Trust is the operation of Tudor Grange Academies Trust in order to provide education for pupils of different abilities between the ages of 3 and 18, to advance, for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, managing and developing schools, offering a broad range of curriculum for pupils of different abilities.

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

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to fulfil the role of a Teaching School;
- to improve the effectiveness of the Academies Trust by keeping the curriculum and organisational structure under continual review and to develop greater coherence, clarity in school systems;
- to provide value for money for the funds expended;
- to maintain close links with industry and commerce; and
- to conduct the Academies Trust's business in accordance with the highest standards of integrity, probity and openness.

Equal Opportunities Policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academies Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Objectives, Strategies and Activities

Over the past five years the Academies Trust has developed a clear vision for the schools in its care. There is a distinct character within each school:

- the student is at the heart of all decision making; teaching and learning is our core business;
- every child deserves an exceptional educational experience, tailored to meet their individual needs;
- we strive for continuous improvement, blending the best of traditional with innovation; and
- we are known for our exceptionally high expectations.

The Academies Trust's main strategy is to raise standards of achievement through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Academies Trust is teaching and learning; its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by students.

Currently, the Principals of each of the Academies attend half day Executive meetings on a monthly cycle, these are hosted at Tudor Grange Academy Solihull as a central location. The Chief Executive Officer chairs the meetings and the Executive Principals, Executive Data Manager, Chief Finance Officer and Chief Operating Officer are also in attendance. Detailed notes of the meeting are made available to the MAT Board so that they may review the training and updates provided for Principals and the wider work of this group.

Key activities which support the main strategic purpose of the Academies Trust are:

- robust quality assurance processes which are transparent and inform all subsequent actions;
- secure use of data and tracking to measure progress and inform actions and intervention;
- constant review of CPD and training opportunities for staff;
- a structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear; and
- structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

Key Priorities for 2018/2019 Development Plan are:

Priority One:

To ensure continuous improvement in all academic outcomes by further improving a shared understanding of assessment that supports confident and knowledgeable learners.

Priority Two:

To improve Governance across the Trust by establishing Questa and Transform to further enhance transparency of data, systems and processes and improve the scalability of the Trust Governance model.

Priority Three:

To enhance leadership capital within the Trust ready for further growth, establishing Tudor Grange as a committed leader in the school led system.

Priority Four:

To continue to improve the scalability of the core functions of the Trust: Leadership, Finance, HR and Facilities in readiness for the next stage of growth.

Public Benefit

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

The Academies Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

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

As an Academies Trust we have a duty to continue to support other schools. During the year we have worked on a collaborative project to support twenty other schools in Solihull, this includes LA schools and academies in other MATs. We continue to provide ad-hoc support to many schools requiring guidance on school improvement planning, finance and conversion to Academy status.

STRATEGIC REPORT

Achievements and Performance

The Academies Trust operates a robust quality assurance calendar which monitors the quality of teaching and learning in all the schools and includes meetings, lesson observation and book trawls, monitoring the progress of students against milestones throughout the year. All schools undertake a rigorous review of attainment using the DfE Analyse School Performance report (ASP) and FFTlive to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.

Tables below summarise key performance indicators by Academy:

PRIMARIES	TGPA ST. JAMES 2018 (2017)	TGPA HASELOR 2018 (2017)	TGPA SAMWORTH 2018 (2017)
Number on roll	237 (235)	87 (70)	412 (416)
Capacity at year end	240 (240)	105 (105)	480 (480)
KS1 results			
Number of eligible students	29 (30)	10 (12)	59 (50)
% reaching expected in reading	93% (83%)	90% (83%)	44% (58%)
% reaching expected in writing	76% (63%)	80% (83%)	41% (50%)
% reaching expected in maths	79% (77%)	90% (100%)	64% (66%)
KS2 results			
Number of eligible students	30 (29)	5 (4)	60 (53)
% reaching expected in reading	67% (86%)	SUPP (SUPP)	55% (42%)
% reaching expected in writing	84% (93%)	SUPP (SUPP)	68% (53%)
% reaching expected in maths	80% (79%)	SUPP (SUPP)	53% (34%)
% reaching expected in reading, writing and maths	67% (69%)	SUPP (SUPP)	42% (23%)
Progress score reading	-2.1 (-0.9) -4.4 to +0.2 (-3.2 to +1.4)	SUPP (SUPP)	-1.4 (-6.5) -3.0 to -0.2 (-8.2 to -4.2)
Progress score writing	+0.9 (-1.0) -1.3 to +3.1 (-3.2 to +1.2)	SUPP (SUPP)	+0.2 (-3.9) -1.4 to +1.8 (-5.6 to -2.2)
Progress score maths	-0.7 (-2.0) -2.8 to +1.4 (-0.14 to +0.1)	SUPP (SUPP)	+3.8 (-7.8) -5.3 to +2.3 (-9.4 to -6.2)
Attendance (whole school) %	96.6% (97.0%)	96.3% (95.9%)	94.5% (94.8%)

SUPP – cohorts smaller than 5 are suppressed for data protection purposes.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

The primary academy TGPA St. James' has again sustained good outcomes this year and has also seen a continuation of high numbers of students wishing to attend the Academy, transforming the financial position of the Academy. The school is now focussed on ensuring that the outstanding practice we have secured in maths provision is replicated in the teaching of reading.

TGPA St. James' nursery and early years provision continues to thrive and recruitment and retention remains strong in the school indicating that the change that has been achieved is now sustainable. The progress of pupils within the early years provision and who continue in the school remains very strong.

The primary academy TGPA Haselor has seen continued stability in outcomes this year with a very small cohort in year 6. Numbers of students have now recovered and most year groups are now full. Provision continues to be good and the Academies Trust supports the school in continuous improvement to ensure progress which is outstanding over the coming year.

The primary academy TGPA Samworth has seen some increases in outcomes this year. Numbers of students wishing to attend the school are improving across the Primary phase and are showing signs of continuing to increase during the year. Provision continues to be improved in all aspects of attainment and progress, the improvements at the end of key stage 2 secured progress within floor targets, this is a significant achievement for the school. Leaders have identified the issues leading to lower outcomes at the end of key stage one and there are robust plans in place to address these. The Academies Trust is supporting the school in striving for continual improvement year on year to ensure outcomes continue on an upward trajectory.

SECONDARIES	TGA SOLIHULL 2018 (2017)	TGA WORCESTER 2018 (2017)	TGA REDDITCH 2018 (2017)	TGA SAMWORTH 2018 (2017)	ROBERT SMYTH ACADEMY 2018 (2017)
Number on roll	1,560 (1,543)	1,071 (1,057)	259 (350)	450 (427)	883 (949)
Capacity at year end	1,500	1,250	1,120	566	1,343
GCSE Results					
Number in cohort	245 (242)	173 (166)	72 (148)	79 (72)	116 (242)
Attainment 8*	60.1 (59.0)	47.8 (45.7)	38.4 (38.8)	34.9 (33.4)	46.0 (46.6)
Progress 8	+0.4 (+0.49)	-0.05 (-0.15)	-0.09 (-0.02)	-0.57 (-0.84)	-0.21 (-0.23)
% gaining a strong pass in English and maths (5+)	72% (76%)	55% (49%)	29% (35%)	20% (19%)	48% (49%)
% gaining a standard pass in English and maths (4+/C+)	91% (90%)	71% (65%)	54% (61%)	33% (36%)	71% (71%)
% entering EBacc	61% (72%)	47% (40%)	44% (34%)	26% (21%)	26% (16%)
% achieving EBacc (standard pass 4/C+)	46% (57%)	25% (31%)	8% (11%)	5% (17%)	24% (12%)
% A* - A passes	31% (37%)	20% (19%)	5% (11%)	4% (7%)	22% (20%)
A2 Results					
% A – B passes	61.4% (30%)	28.1% (22%)	19.8% (15%)	NA	39.7% (42%)
% A – E passes	98% (98%)	91.9% (89%)	86.4% (82%)	NA	95% (90.2%)
Post 16 BTEC Passes					
% BTEC passes	NA	100% (96%)	82.8% (100%)	NA	100% (100%)
% at Dist/Dist*	NA	27.8% (41%)	32.8% (90%)	NA	33% (33%)
Attendance (whole school) %	96.1% (96.4%)	94.1% (94.2%)	91.9% (90%)	92.6% (90.7%)	94.5%

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

TGA Solihull (TGAS) continues to sustain excellence, performing well above national averages on all indicators. The work of the Teaching School continues to support an alliance of schools outside the Academies Trust and has led on a significant collaborative project as part of the Strategic School Improvement Fund this year involving more than twenty other schools.

TGA Worcester (TGAW), our first sponsored academy, is now sustaining strong outcomes and is proving resilient to the changes in the examinations, progress and attainment indicators continue to improve on key measures. The school now needs to ensure that improvement is consistent for all groups of students and in all subject areas. Senior leaders have robust action plans in place and we are confident that the school will sustain improved performance. TGAW continues to be the local school of choice for many parents and was oversubscribed again this year, despite additional places being made available.

TGA Redditch's (TGAR) progress 8 outcome indicates performance in line with national averages again this year. Strong performances in the core of English, Mathematics and Science remain stable and outcomes in other subject areas are improving through diligent action planning. As stated previously in this report, outcomes in the sixth form have improved greatly this year, students are now following programmes suited to their needs and engagement is high. Student numbers remain exceptionally low at TGAR, the Principal is highly effective in her management of resources and she has remodelled the school so that it runs effectively as a small school. Her engagement with parents and other local schools and reporting to the MAT Board indicates that we are now working towards effective partnership working in the area so that confidence can be improved.

Whilst TG Samworth Academy outcomes remain unacceptably low, there has been a significant improvement in the overall progress of students in the school indicated by the progress 8 figure, we have sustained an improvement of approximately 1/3 of a grade year on year. There are sustained strong indicators of progress being made by children currently in the school and especially those in years 7, 8 and 9. The school has been inspected and the overall effectiveness grading secured was 'serious weaknesses' because outcomes are not yet acceptable. The Trust has put in place a school improvement plan that is rigorously monitored every three weeks and leaders are confident that this judgement can be shifted within a twelve month period. Other indicators suggest that this school is sustainably improving, the conditions and culture in the school is now set to support improving outcomes over time.

Robert Smyth Academy achieved outcomes suggesting performance is being sustained. The school has engaged with partner schools in the Trust to ensure that provision in new year groups (7, 8 and 9) in the school is strong and in line with our outstanding provision, this provides us with strong progress in key stage 3. A new Principal has joined the school and has great ambition. Student numbers joining the main school are increasing and we are confident that the new year 7 group for September 2019 will be a full year group. Smaller year 11 cohorts have led to fewer students being retained in to the sixth form provision. Leaders have now planned for this and recruitment activities this year are projected to sustain the student numbers in the sixth form so that there are no further drops.

Key Performance Indicators

The main financial performance indicators are as follows: as the bulk of funding is based on pupil numbers, NOR (this is tabulated above by Academy on pages 11 and 12); total staffing costs as a percentage of total income which for 2018 for the Academies Trust was 83.1% (2017: 84.6%); and the level of cash held and projected to be held on a rolling 12 months basis.

Going Concern

Robert Smyth Academy transferred into the Academies Trust 1 September 2017 with negative GAG reserves of £1.020m. It was agreed that the Academies Trust would not immediately be required to fund this amount under a Memorandum of Understanding with ESFA. The Academies Trust accepted the financial risk implicit in this transfer in order to enhance outcomes at RSA, at the request of the DfE and RSC office East Midlands. Strict budgetary controls have been in place throughout the year which has resulted in a significant year on year improvement in the in year deficit.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

On 1 September 2018 Tudor Grange Academy Kingshurst (formerly named CTC Kingshurst Academy) joined the Academies Trust, with the Trust inheriting their surplus on joining, as well as the assets and liabilities. On joining the Academies Trust Tudor Grange Academy Kingshurst had a surplus on free reserves in excess of £3.6m.

The Trustees have concluded that the Academies Trust has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties about the Academies Trust's ability to continue as a going concern, thus we continue to adopt the going concern basis of accounting in preparing the financial statements.

FINANCIAL REVIEW

Financial Review

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

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

The SOFA reports total incoming resources for the year of £38,965,445 (2017: £28,623,340 excluding funds brought in on conversion) of which £22,832,366 (2017: £24,652,646) was restricted funding received from the DfE, ESFA and other sources, and total resources expended for the year of £31,418,840 (2017: £27,844,225).

Total funds at 31 August 2018 were £58,040,783 (2017: £47,410,178) of which £68,368,744 were restricted fixed asset funds, £Nil were unrestricted funds, negative restricted funds of £563,961 and £9,764,000 were LGPS deficits.

Total funds at 31 August 2018, excluding funds related to fixed assets and LGPS were in deficit of £563,961 (2017: surplus of £703,259) These funds are detailed by Academy at note 20.

Total cash balances at 31 August 2018 were £2,475,125 (2017: £2,814,767).

At 31 August 2018 the net book value of fixed assets was £65,250,455 (2017: £53,428,429) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academies Trust.

Key financial policies adopted or reviewed during the year include the Academies Trust's Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board of Trustees, Executive Principal, senior leaders, budget holders and other staff, as well as delegated authority for spending.

Financial and Risk Management Objectives and Policies

The Academies Trust has agreed a Risk Management Strategy and a Risk Schedule at Trust and academy levels. These have been discussed by Trustees and include the financial risks to the Academies Trust. The schedule and strategy are formally reviewed annually.

The Trustees have assessed the major risks to which the Academies Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate cover under a Risk Protection Arrangement. Risks to revenue funding from a falling roll are small, however, the freeze on the Government's overall education budget, and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees examine the financial health formally at least every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full MAT Board meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academies Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The MAT Board recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 28 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academies Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Reserves Policy

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

The Trust held fund balances at 31 August 2018 of £58,040,783 (2017: £47,410,178) comprising restricted fixed assets reserves of £68,368,744 (2017: £56,494,919), negative restricted reserves of £563,961 (2017: surplus of £56,782), pension deficit of £9,764,000 (2017: £9,788,000) and available unrestricted reserves of £Nil (2017: £646,477).

Robert Smyth Academy transferred into the Trust 1 September 2017 with negative GAG reserves of £1.020m. It was agreed that the Academies Trust would not immediately be required to fund this amount under a Memorandum of Understanding with ESFA. The Trust accepted the financial risk implicit in this transfer in order to enhance outcomes at RSA, at the request of the DfE and RSC office East Midlands.

The Trust has no recourse to other revenue/income streams of any significance and maintaining a level of reserves is essential. The reserves at 31 August 2018 are shown above being in aggregate £58,040,783. The Trustees have not set a target level of reserves in aggregate or for each academy because the policy is to ensure funding received is spent on the pupils that are currently within the academies and the Academy Trust has to work within the limits set by the Master Funding Agreement. Academies prepare financial plans for at least the next three years alongside the annual budget. The Trustees will continue to monitor the level of reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature of the funding, the Academies Trust may at times hold cash balances surplus to its short term requirements. The Academies Trust's current policy is to only invest surplus funds in risk free and short term (1 to 3 months) accessible deposit accounts. No other form of investment is authorised. Any change in Policy requires the approval of Trustees.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Principal Risks And Uncertainties

The principal risks and uncertainties facing the Academies Trust are as follows:

Financial

The Academies Trust has considerable reliance on continued Government funding through the ESFA. In the last year 93.1% (2017: 92.2%) of the Academies Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management

The risk in this area arises from potential failure to effectively manage the Academies Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational

The continuing success of each Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees and Local Governors ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection

The Trustees and Local Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing

The success of each Academy is reliant on the quality of its staff and so the Trustees and Local Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Academies Trust has appointed Internal Auditors to carry out checks on financial systems and records as required by the Academies Trust's Financial Procedures Manual. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academies Trust continues to strengthen its risk management processes, in particular by increasing staff awareness of health and safety risks through Health and Safety Committees, reporting to the Local Governing Bodies. A risk register is maintained, reviewed and updated on a regular basis.

PLANS FOR FUTURE PERIODS

Each Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving the Academy with regard to employment or continuing in training or formal education.

Each Academy continuously strives to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students. A key focus will be the development of post 16 education in order to secure similar outcomes to KS4.

As each Academy continues to go from strength to strength, each is better able to sustain partnerships with local schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academies Trust and its Trustees do not act as the custodian trustees of any other charity.

DISABLED EMPLOYEE POLICY

We monitor the physical features of our premises to consider whether they might place anyone with a disability at a substantial disadvantage. Where necessary, we will take reasonable steps to improve access.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, was approved by order of the MAT Board, as company directors, on 12 December 2018 and signed on the board's behalf by:



**Dr W P Rock
Chair of Trustees**

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Tudor Grange Academies 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 MAT Board has delegated the day-to-day responsibility to the CEO, 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 Tudor Grange Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the MAT Board 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 MAT Board has formally met 10 times during the year. Attendance during the year at meetings of the MAT Board was as follows:

Trustee	Meetings attended	Out of a possible
Dr W P Rock, Chair of MAT Board	10	10
Mr R Edwards	5	10
Mr W J R George	7	10
Mrs A J Newman	8	10
Mr G Pearce	10	10
Prof J M Winterbottom	8	10

The Audit Committee is a sub committee of the main MAT Board. Attendance at meetings in the year was as follows:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Pearson (Chairman)	3	3
Mr C Key	3	3
Ms L Campbell	3	3

REVIEW OF VALUE FOR MONEY

We have conducted a review during the year for each academy as to how much investment capacity is generated by the trust compared with each academy's investment in the Trust (we refer below to this investment in the Trust as 'top slice'). We have conducted the same review for added value. The tables below set out the results of this review.

Added value generated for each £1 of academy top slice.

Below is a summary showing that for each £1 of top slice paid by each academy, the return to each academy is, on average, at least £2.38 (2017: £2.30). The return has been generated from:

- Formulaic capital grants received by virtue of the Academies Trust qualifying under defined size thresholds.
- Central procurement contracts negotiated at rates not attainable by single academies, the principle procurement areas being: IT, professional services and food.
- Income generated by the central team from grants and consulting.

**TUDOR GRANGE ACADEMIES TRUST
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GOVERNANCE STATEMENT (continued)

Aggregate Added Value 2018	£k
Top slice charged	1,248
Capital grants	2,100
Central Procurement savings	516
Other income generated by trust	355
Value added by the MAT	2,971
£ Value added: £1 top slice	£2.38

The added value excludes any perceived value which central team members might bring to academies. We believe the above shows strong added value overall as over £2 value is added by the Academies Trust for each £1 invested in top slice.

We continue to look into other areas for cost savings, including educational resources, waste, support staff recruitment and energy.

REVIEW OF COMPLIANCE WITH THE PROMPT PAYMENT CODE

We support the principles set out within the Prompt Payment Code (PPC): to pay suppliers on time; give clear guidance to suppliers; and encourage good practice. PPC is being increasingly adopted by public sector institutions. To evidence our support we wish to be transparent in disclosing the average time taken to pay our supplier invoices in the last financial year. The PPC encourages payment within a maximum of 60 days (in line with late payment legislation requirements) and to work towards adopting 30 days as the norm. The average time taken by the Academies Trust to pay our suppliers in 2017/18 was under 40 days and we aim to move towards 30 days, balanced with the need to manage cash flow.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academies Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tudor Grange Academies Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The MAT Board has reviewed the key risks to which the Academies Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The MAT Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academies Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the MAT Board.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The MAT Board has considered the need for a specific internal audit function and has decided to appoint as internal auditor. The appointed internal auditor, W3, reviewed the following areas during the year:

- Management of capital projects
- Due diligence into a new Academy
- Management of educational visits
- Effectiveness of the purchasing ordering
- Review of Management Account information
- Review of payroll procedures

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

The internal auditor has delivered their schedule of work as planned and there were no matters of significance to report.

On a regular basis, the auditor reports to the MAT Board through the audit committee on the operation of the systems of control and on the discharge of the MAT Board's financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academies 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 MAT Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**TUDOR GRANGE ACADEMIES TRUST
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GOVERNANCE STATEMENT (continued)

Approved by order of the members of the MAT Board on 12 December 2018 and signed on their behalf, by:



**Dr W P Rock
Chair of Trustees**



**Mrs C Maclean
Accounting Officer**

**TUDOR GRANGE ACADEMIES TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the MAT Board are able to identify any material irregular or improper use of funds by the Academies Trust, or material non-compliance with the terms and conditions of funding under the Academies Trust's funding agreement and the Academies Financial Handbook 2017.

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



**Mrs C Maclean
Accounting Officer**

Date: 12 December 2018

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 of the Charities SORP ;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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



**Dr W P Rock
Chair of Trustees**

Date: 12 December 2018

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TUDOR GRANGE ACADEMIES TRUST

OPINION

We have audited the financial statements of Tudor Grange Academies Trust (the Academies Trust) for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academies Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS OF 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 Academies Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TUDOR GRANGE ACADEMIES TRUST

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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academies Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academies Trust's or to cease operations, or have no realistic alternative but to do so.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TUDOR GRANGE ACADEMIES TRUST

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.

USE OF OUR REPORT

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



Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: *21st December 2018*

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TUDOR
GRANGE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 3 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tudor Grange Academies Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF TUDOR GRANGE ACADEMIES TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Tudor Grange Academies Trust's funding agreement with the Secretary of State for Education dated 17 March 2017, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of Tudor Grange Academies Trust's income and expenditure.

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

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

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TUDOR
GRANGE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

CONCLUSION

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



Andrew Wood FCCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: *23rd December 2018*

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Surplus on joining (Note 26)	2	-	(3,079,649)	8,473,832	5,394,183	-
Other donations and capital grants	2	33,673	-	5,624,980	5,658,653	3,877,538
Charitable activities	3	1,525,822	25,912,015	-	27,437,837	24,181,331
Other trading activities	4	473,249	-	-	473,249	562,946
Investments	5	1,523	-	-	1,523	1,525
TOTAL INCOME		2,034,267	22,832,366	14,098,812	38,965,445	28,623,340
EXPENDITURE ON:						
Charitable activities		2,680,744	26,513,109	2,224,987	31,418,840	27,844,225
TOTAL EXPENDITURE	6	2,680,744	26,513,109	2,224,987	31,418,840	27,844,225
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains on defined benefit pension schemes	28	(646,477)	(3,680,743)	11,873,825	7,546,605	779,115
		-	3,084,000	-	3,084,000	2,460,000
NET MOVEMENT IN FUNDS		(646,477)	(596,743)	11,873,825	10,630,605	3,239,115
RECONCILIATION OF FUNDS:						
Total funds brought forward		646,477	(9,731,218)	56,494,919	47,410,178	44,171,063
TOTAL FUNDS CARRIED FORWARD		-	(10,327,961)	68,368,744	58,040,783	47,410,178

The notes on pages 32 to 61 form part of these financial statements.

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07365748

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		65,250,455		53,428,429
CURRENT ASSETS					
Stocks	15	30,517		20,453	
Debtors	16	4,588,816		3,165,841	
Cash at bank and in hand		2,475,125		2,814,767	
		<u>7,094,458</u>		<u>6,001,061</u>	
CREDITORS: amounts falling due within one year	17	(3,786,591)		(2,136,916)	
NET CURRENT ASSETS			3,307,867		3,864,145
TOTAL ASSETS LESS CURRENT LIABILITIES			68,558,322		57,292,574
CREDITORS: amounts falling due after more than one year	18	(753,539)		(94,396)	
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			67,804,783		57,198,178
Defined benefit pension scheme liability	28	(9,764,000)		(9,788,000)	
NET ASSETS			58,040,783		47,410,178
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	20	(563,961)		56,782	
Fixed asset funds	20	68,368,744		56,494,919	
Restricted funds excluding pension liability		<u>67,804,783</u>		<u>56,551,701</u>	
Pension reserve		<u>(9,764,000)</u>		<u>(9,788,000)</u>	
Total restricted funds			58,040,783		46,763,701
Unrestricted funds	20		-		646,477
TOTAL FUNDS			58,040,783		47,410,178

The financial statements on pages 29 to 61 were approved by the Trustees, and authorised for issue, on 12 December 2018 and are signed on their behalf, by:



Dr W P Rock
Chair of Trustees

The notes on pages 32 to 61 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	22	<u>(1,308,806)</u>	<u>(2,237,230)</u>
Cash flows from investing activities:			
Interest received		1,523	1,525
Purchase of tangible fixed assets		(5,386,951)	(793,725)
Capital grants from DfE Group		5,624,980	3,800,301
Net cash provided by investing activities		<u>239,552</u>	<u>3,008,101</u>
Cash flows from financing activities:			
Repayments of borrowings		(20,388)	-
Cash inflows from new borrowing		750,000	-
Net cash provided by financing activities		<u>729,612</u>	<u>-</u>
Change in cash and cash equivalents in the year		(339,642)	770,871
Cash and cash equivalents brought forward		<u>2,814,767</u>	<u>2,043,896</u>
Cash and cash equivalents carried forward	23	<u><u>2,475,125</u></u>	<u><u>2,814,767</u></u>

The notes on pages 32 to 61 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Tudor Grange Academies Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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 Academies Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In forming the Trustees view is the projected increase in income from National Funding Formula and projected increase in PAN at two of the Trust's secondary academies.

Robert Smyth Academy transferred into the Academies Trust 1 September 2017 with negative GAG reserves of £1.020m. It was agreed that the Academies Trust would not immediately be required to fund this amount under a Memorandum of Understanding with ESFA. The Academies Trust accepted the financial risk implicit in this transfer in order to enhance outcomes at RSA, at the request of the DfE and RSC office East Midlands. Strict budgetary controls have been in place throughout the year which has resulted in a significant year on year improvement in the in year deficit.

On 1 September 2018 Tudor Grange Academy Kingshurst (formerly named CTC Kingshurst Academy) joined the Academies Trust, with the Trust inheriting their surplus on joining, as well as the assets and liabilities. On joining the Academies Trust Tudor Grange Academy Kingshurst had a surplus on free reserves in excess of £3.6m.

The Trustees have concluded that the Academies Trust has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties about the Academies 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.

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

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 Income and donations and capital grants.

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

All expenditure is inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

Leasehold buildings	-	2% - 5% straight line
Leasehold land	-	over 125 years
Fixtures and fittings	-	25% straight line
Motor vehicles	-	25% straight line
Computer equipment	-	10% - 33% straight line

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

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

1.6 DEBTORS

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

1.7 CASH AT BANK AND IN HAND

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

1.8 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academies 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 are measured at the best estimate of the amounts required to settle the obligation.

1. ACCOUNTING POLICIES (continued)

1.9 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academies Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.10 TAXATION

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

1.11 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academies Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1. ACCOUNTING POLICIES (continued)

1.12 FUND ACCOUNTING

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

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

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

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

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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.

Critical areas of judgment:

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

1.14 OPERATING LEASES

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

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.15 STOCKS

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

1.16 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use a percentage of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 24.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Surplus on joining (Note 26)	-	(3,079,649)	8,473,832	5,394,183	-
Donations	33,673	-	-	33,673	77,237
Capital Grants	-	-	5,624,980	5,624,980	3,800,301
Subtotal	33,673	-	5,624,980	5,658,653	3,877,538
	33,673	(3,079,649)	14,098,812	11,052,836	3,877,538
Total 2017	77,237	-	3,800,301	3,877,538	

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	23,541,195	23,541,195	20,510,081
Start Up Grants	-	-	-	14,288
Other DfE Group grants	-	1,691,098	1,691,098	1,744,117
SCITT/Trainee teacher income	-	383,421	383,421	346,200
	-	25,615,714	25,615,714	22,614,686
Other Government grants				
High Needs	-	291,662	291,662	282,590
Other government grants non capital	-	4,639	4,639	2,999
	-	296,301	296,301	285,589
Other funding				
Internal catering income	1,233,858	-	1,233,858	1,013,209
Nursery income	268,536	-	268,536	184,437
Sales to students	1,990	-	1,990	8,991
Other	21,438	-	21,438	74,419
	1,525,822	-	1,525,822	1,281,056
	1,525,822	25,912,015	27,437,837	24,181,331
Total 2017	1,281,056	22,900,275	24,181,331	

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	84,626	-	84,626	51,528
Book sales	-	-	-	60,236
Consultancy	247,990	-	247,990	223,814
Fees received	-	-	-	3,673
Donation	12,878	-	12,878	40,000
Other	127,755	-	127,755	42,970
Wrap around care	-	-	-	140,725
	<u>473,249</u>	<u>-</u>	<u>473,249</u>	<u>562,946</u>
Total 2017	<u>562,946</u>	<u>-</u>	<u>562,946</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	1,523	-	1,523	1,525
	<u>1,523</u>	<u>-</u>	<u>1,523</u>	
Total 2017	<u>1,525</u>	<u>-</u>	<u>1,525</u>	

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Education:					
Direct costs	18,662,807	-	1,700,054	20,362,861	18,507,888
Support costs	4,527,076	2,987,353	3,541,550	11,055,979	9,336,337
	23,189,883	2,987,353	5,241,604	31,418,840	27,844,225
Total 2017	20,926,027	2,255,606	4,662,592	27,844,225	

7. DIRECT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	189,000	143,640
Educational supplies	907,602	1,112,150
Examination fees	385,338	322,425
Staff development	76,991	80,343
Supply teachers	444,974	469,326
SCITT costs	73,209	61,440
Uniform costs	10,048	18,503
Wages and salaries	14,049,397	12,230,776
National insurance	1,385,889	1,225,482
Pension cost	2,782,547	2,789,960
Other costs	57,866	53,843
	20,362,861	18,507,888
Total 2017	18,507,888	

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

8. SUPPORT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	111,000	73,360
Recruitment and support	106,769	83,679
Maintenance of premises and equipment	660,324	443,985
Cleaning	201,200	223,730
Rent and rates	159,229	142,718
Energy costs	580,721	468,082
Insurance	101,802	94,680
Security and transport	157,129	113,390
Catering	944,426	893,588
Technology costs	856,192	604,649
Office overheads	230,260	188,287
Legal and professional	138,157	190,567
Bank charges	7,032	5,016
Governance	49,675	42,097
Wages and salaries	3,471,333	3,225,289
National insurance	335,796	239,854
Pension cost	719,947	745,340
Depreciation	2,224,987	1,558,026
	11,055,979	9,336,337
	<hr/> <hr/>	<hr/> <hr/>
Total 2017	<hr/> <hr/> 9,336,337	

9. NET INCOME / (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the Academy Trust	2,224,987	1,558,026
Auditors' remuneration	28,150	25,860
Auditors' non audit costs	4,175	5,465
Operating lease rentals	99,779	84,186
	<hr/> <hr/>	<hr/> <hr/>

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	17,520,730	15,236,817
Social security costs	1,721,685	1,465,336
Operating costs of defined benefit pension schemes	3,502,494	3,535,300
	<u>22,744,909</u>	<u>20,237,453</u>
Agency staff costs	444,974	469,326
Staff restructuring costs	-	219,248
	<u>23,189,883</u>	<u>20,926,027</u>

Staff restructuring costs comprise:

	2018	2017
	£	£
Redundancy payments	-	98,349
Severance payments	7,000	16,080
	<u>7,000</u>	<u>114,429</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £7,000 (2017: £114,429). This was made up of one payment of £7,000.

c. Staff numbers

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

	2018	2017
	No.	No.
Administrative and Support	331	291
Teachers	302	249
Management	39	50
	<u>672</u>	<u>590</u>

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

10. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	12	9
In the band £70,001 - £80,000	3	0
In the band £80,001 - £90,000	3	3
In the band £90,001 - £100,000	4	4
In the band £100,001 - £110,000	1	0
In the band £130,001 - £140,000	0	1
In the band £140,001 - £150,000	1	0

e. Key management personnel

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the key management personnel as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Academies Trust was £1,361,238 (2017: £1,107,878).

11. CENTRAL SERVICES

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

- Human resources
- Financial services
- Legal services
- Educational support services
- Other as arising

The Academies Trust charges for these services on the following basis:

The Academies Trust charged for these services on a fair basis as agreed between the Executive Principal and Academy Principals, being 5.5% of GAG for Secondary schools, 4% of GAG for Primary schools and on a pro rata basis for the All-through school.

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
TGPA Haselor	9,864	15,645
TG Samworth Academy	225,969	249,294
TGA Redditch	122,640	155,833
TGA Solihull	348,000	342,996
TGPA St James	35,436	35,436
TGA Worcester	282,000	278,004
The Robert Smyth Academy	218,000	-
	1,241,909	1,077,208
Total	1,241,909	1,077,208

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration (2017: £NIL).

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

During the year ended 31 August 2018, expenses totalling £1,308 (2017: £468) were reimbursed to 4 Trustees (2017: 1).

13. TRUSTEES' AND OFFICERS' INSURANCE

The Academies Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

14. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2017	56,820,807	34,747	2,356,680	3,110,357	62,322,591
Additions	4,774,725	-	209,364	402,862	5,386,951
Transfers on joining	11,058,545	-	221,964	83,871	11,364,380
At 31 August 2018	<u>72,654,077</u>	<u>34,747</u>	<u>2,788,008</u>	<u>3,597,090</u>	<u>79,073,922</u>
DEPRECIATION					
At 1 September 2017	4,870,701	31,671	1,681,436	2,310,354	8,894,162
Charge for the year	1,373,628	2,006	305,658	543,695	2,224,987
Transfers on joining	2,469,673	-	170,903	63,742	2,704,318
At 31 August 2018	<u>8,714,002</u>	<u>33,677</u>	<u>2,157,997</u>	<u>2,917,791</u>	<u>13,823,467</u>
NET BOOK VALUE					
At 31 August 2018	<u>63,940,075</u>	<u>1,070</u>	<u>630,011</u>	<u>679,299</u>	<u>65,250,455</u>
At 31 August 2017	<u>51,950,106</u>	<u>3,076</u>	<u>675,244</u>	<u>800,003</u>	<u>53,428,429</u>

15. STOCKS

	2018 £	2017 £
Goods for resale	<u>30,517</u>	<u>20,453</u>

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

16. DEBTORS

	2018	2017
	£	£
Trade debtors	120,087	93,163
Other debtors	83,378	21,438
Prepayments and accrued income	3,925,530	2,848,743
VAT recoverable	459,821	202,497
	<u>4,588,816</u>	<u>3,165,841</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Other loans	20,388	20,388
ESFA loans	70,469	-
Trade creditors	2,083,228	904,492
Other taxation and social security	417,070	287,676
Other creditors	664,546	564,321
Accruals and deferred income	530,890	360,039
	<u>3,786,591</u>	<u>2,136,916</u>

	2018	2017
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2017	87,311	51,449
Resources deferred during the year	129,595	87,311
Amounts released from previous years	(87,311)	(51,449)
Deferred income at 31 August 2018	<u>129,595</u>	<u>87,311</u>

At the balance sheet date the Academies Trust was holding funds received in advance for Universal Infants Free School Meals and other funding relating to the 2018/19 financial year.

Included within other loans due within one year are two interest free Salix loans totalling £20,388 (2017: £20,388). The balance represents amounts due to be paid within one year on two Salix Loans from the ESFA. These are 8 year interest free loans repayable in 16 equal, six-monthly instalments. The loans funded boiler refurbishment at TGA Solihull and TGA Redditch.

Included within ESFA loans due within one year is an ESFA loan of £70,469. This is repayable deficit funding. Repayments of this will be by way of GAG abatements and will begin in January 2019. The last repayment will be in March 2024.

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Other loans	74,008	94,396
ESFA loans	679,531	-
	<u>753,539</u>	<u>94,396</u>

Included within other loans due after more than one year are two interest free Salix loans totalling £74,008 (2017: £94,396). The balance represents amounts due to be paid after more than one year on two Salix Loans from the ESFA. These are 8 year interest free loans repayable in 16 equal, six-monthly instalments. The loans funded boiler refurbishment at TGA Solihull and TGA Redditch.

Included within ESFA loans due after more than one year is an ESFA loan of £679,531. This is repayable deficit funding. Repayments of this will be by way of GAG abatements and will begin in January 2019. The last repayment will be in March 2024.

19. FINANCIAL INSTRUMENTS

	2018	As restated 2017
	£	£
Financial assets measured at amortised cost	<u>6,599,063</u>	<u>5,477,182</u>
Financial liabilities measured at amortised cost	<u>3,993,465</u>	<u>1,853,864</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors, VAT recoverable and accrued income.

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

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS					
General funds	646,477	2,034,267	(2,680,744)	-	-
RESTRICTED FUNDS					
	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward £
General Annual Grant (GAG)	-	22,520,546	(23,248,214)	-	(727,668)
Higher Needs funding (SEN)	-	291,662	(291,662)	-	-
Pupil Premium (PP)	-	1,037,195	(1,037,195)	-	-
Other ESFA	-	653,903	(653,903)	-	-
Teaching School (including SCITT)	56,782	374,876	(267,951)	-	163,707
Other grants	-	13,184	(13,184)	-	-
Pension reserve	(9,788,000)	(2,059,000)	(1,001,000)	3,084,000	(9,764,000)
	(9,731,218)	22,832,366	(26,513,109)	3,084,000	(10,327,961)
RESTRICTED FIXED ASSET FUNDS					
	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion	49,811,894	8,473,832	(916,391)	-	57,369,335
Devolved Formula Capital (DFC)	46,043	-	(25,358)	-	20,685
Condition Improvement and other equivalent funds (CIF)	400,181	-	(38,730)	-	361,451
School Condition Allocation (SCA)	3,986,801	2,124,980	(1,244,508)	-	4,867,273
Capital Extension Grant	2,250,000	3,500,000	-	-	5,750,000
	56,494,919	14,098,812	(2,224,987)	-	68,368,744
Total restricted funds	46,763,701	36,931,178	(28,738,096)	3,084,000	58,040,783
Total of funds	47,410,178	38,965,445	(31,418,840)	3,084,000	58,040,783

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

Restricted Funds:

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Higher Needs (SEN) - Funding received from the Local Authority to fund further support for students with additional needs.

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

20. STATEMENT OF FUNDS (continued)

Pupil Premium (PP) - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other ESFA grants - Grants received from the ESFA for specific purposes.

Teaching School (including SCITT) - Income which is used to fund trainee teachers that are learning in house, rather than through university.

Other grants - Includes income which has been received from the government for specific reasons and also universal infants free school meals income.

Pension reserve - This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

Fixed Asset Funds:

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Devolved Formula Capital (DFC) - This represents funding from the ESFA to cover the maintenance and purchase of the MAT's assets.

Conditional Improvement and other equivalent funding (CIF) - This represents funding from the ESFA to cover the purchase of capital assets for the schools within the MAT, relating to energy improvement in 2015. This fund includes previous equivalent funds.

School Condition Allocation (SCA) - This represents funding from the ESFA to cover the purchase of capital assets for the schools within the MAT.

Capital Extension Grant - This represents funding from the Local Authority received specifically for the extension works at Tudor Grange Academy Worcester.

OTHER INFORMATION

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

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

20. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
TGPA Haselor	(86,289)	(40,172)
TG Samworth Academy	587,019	582,234
TGA Redditch	(334,542)	(178,104)
TGA Solihull	8,000	17,738
TGPA St James	574,229	423,142
TGA Trust	(210,368)	40,472
TGA Worcester	(40,399)	(142,051)
The Robert Smyth Academy	(1,061,611)	-
Total before fixed asset fund and pension reserve	(563,961)	703,259
Restricted fixed asset fund	68,368,744	56,494,919
Pension reserve	(9,764,000)	(9,788,000)
Total	58,040,783	47,410,178

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
TGPA Haselor	(86,289)
TGA Redditch	(334,542)
TGA Trust	(210,368)
TGA Worcester	(40,399)
The Robert Smyth Academy	(1,061,611)

The Academies Trust is taking the following action to return the academies to surplus:

TGPA Haselor

The academy continues to suffer low pupil numbers as there are significant surplus places in local schools. Staffing has been re structured and significant capital investment was made in 2016 to change the learning environment; this investment continues to have a positive impact upon pupil numbers, which are now increasing. The Academies Trust expects a sustained increase in pupil numbers combined with continued robust staff and non-staff cost control will enable the academy to return to in year surplus in 2019/20.

TGA Redditch

The Academy continues to evidence very low NOR. This has been the subject of discussion with the RSC West Midlands office and with the former National Commissioner since 2015 and we continue to seek solutions. The Academies Trust has agreed to maintain the provision for the community and will budget to ensure the resource can be adequately funded.

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. STATEMENT OF FUNDS (continued)

TGA Worcester

Although pupil numbers are increasing, lagged funding has not supported the increase in staff costs required to meet the needs of a growing student population. The Academies Trust continues to monitor total staff costs with the aim to cap these at 75% of total income. It is anticipated the academy will return to cumulative GAG surplus in 2019/20 following an increase in PAN by 30 each year, which commenced September 2017 and which is being supported by in year funding increases from the Local Authority until 2022/23.

TGA Trust

Reserves reflect continued investment in school to school support and in improving recently joined academies, balanced with minimising central costs. The Academies Trust has evidenced significant growth post year end; it is anticipated the Academies Trust entity will return to cumulative GAG surplus over the next 3 years.

Robert Smyth Academy

Robert Smyth Academy transferred into the Academies Trust 1 September 2017 with negative GAG reserves of £1.020m. It was agreed that the Academies Trust would not immediately be required to fund this amount under a Memorandum of Understanding with ESFA. The Academies Trust accepted the financial risk implicit in this transfer in order to enhance outcomes at RSA, at the request of the DfE and RSC office East Midlands. Strict budgetary controls have been in place throughout the year which has resulted in a significant year on year improvement in the in year deficit. The academy is projected to earn a surplus in 2018/19.

Tudor Grange Academy Kingshurst

On 1 September 2018 the above academy transferred into the Academies Trust. This academy held free reserves as at 31 August 2018 in excess of £3.6m. The results of Tudor Grange Academy Kingshurst from this date forwards will be included within the financial statements of Tudor Grange Academies Trust.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
TGPA Haselor	196,631	127,501	15,701	68,949	408,782	446,101
TG Samworth Academy	2,596,780	1,925,030	242,460	1,014,519	5,778,789	5,870,225
TGA Redditch	1,350,367	631,623	90,993	516,451	2,589,434	3,656,280
TGA Solihull	3,942,124	1,985,460	170,783	1,132,458	7,230,825	7,891,468
TGPA St James	571,763	243,912	46,668	145,876	1,008,219	956,397
TGA Trust	-	1,218,480	7,820	695,244	1,921,544	1,755,193
TGA Worcester	2,878,519	1,552,840	254,281	852,334	5,537,974	5,493,535
The Robert Smyth Academy	2,930,522	593,357	78,896	815,511	4,418,286	-
	14,466,706	8,278,203	907,602	5,241,342	28,893,853	26,069,199

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2017 £
GENERAL FUNDS					
General Fund	357,266	1,922,764	(1,633,553)	-	646,477
RESTRICTED FUNDS					
	Balance at 1 September 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	270,581	20,510,081	(20,780,662)	-	-
Higher Needs funding (SEN)	-	282,590	(282,590)	-	-
Pupil Premium (PP)	-	1,122,611	(1,122,611)	-	-
Start Up Grant (SUG)	-	14,288	(14,288)	-	-
Other ESFA	-	156,338	(156,338)	-	-
Teaching School (including SCITT)	193,572	346,200	(482,990)	-	56,782
Other grants	-	468,167	(468,167)	-	-
Pension reserve	(10,903,000)	-	(1,345,000)	2,460,000	(9,788,000)
	<u>(10,438,847)</u>	<u>22,900,275</u>	<u>(24,652,646)</u>	<u>2,460,000</u>	<u>(9,731,218)</u>
RESTRICTED FIXED ASSET FUNDS					
	Balance at 1 September 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	50,447,349	-	(635,455)	-	49,811,894
Fixed assets purchased from GAG and other restricted funds	105,706	-	(105,706)	-	-
Devolved Formula Capital (DFC)	71,401	-	(25,358)	-	46,043
Condition Improvement and other equivalent funds (CIF)	438,911	-	(38,730)	-	400,181
School Condition Allocation (SCA)	3,189,277	1,550,301	(752,777)	-	3,986,801
Capital Extension Grant	-	2,250,000	-	-	2,250,000
	<u>54,252,644</u>	<u>3,800,301</u>	<u>(1,558,026)</u>	<u>-</u>	<u>56,494,919</u>
Total restricted funds	<u>43,813,797</u>	<u>26,700,576</u>	<u>(26,210,672)</u>	<u>2,460,000</u>	<u>46,763,701</u>
Total of funds	<u>44,171,063</u>	<u>28,623,340</u>	<u>(27,844,225)</u>	<u>2,460,000</u>	<u>47,410,178</u>

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	65,250,455	65,250,455
Current assets	1,327,131	1,413,421	4,353,906	7,094,458
Creditors due within one year	(1,327,131)	(1,297,851)	(1,161,609)	(3,786,591)
Creditors due in more than one year	-	(679,531)	(74,008)	(753,539)
Pension scheme liability	-	(9,764,000)	-	(9,764,000)
	<u>-</u>	<u>(10,327,961)</u>	<u>68,368,744</u>	<u>58,040,783</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	53,428,429	53,428,429
Current assets	1,283,319	941,906	3,773,375	6,001,061
Creditors due within one year	(636,842)	(885,124)	(612,489)	(2,136,916)
Creditors due in more than one year	-	-	(94,396)	(94,396)
Pension scheme liability	-	(9,788,000)	-	(9,788,000)
	<u>646,477</u>	<u>(9,731,218)</u>	<u>56,494,919</u>	<u>47,410,178</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	7,546,605	779,115
Adjustment for:		
Depreciation charges	2,224,987	1,558,026
Interest received	(1,523)	(1,525)
(Increase)/decrease in stocks	(10,064)	5,065
Increase in debtors	(1,425,436)	(1,331,871)
Increase/(decrease) in creditors	1,581,667	(790,739)
Capital grants	(5,624,980)	(3,800,301)
Defined benefit pension scheme cost less contributions payable	701,000	1,128,000
Defined benefit pension scheme finance cost	300,000	217,000
Funds brought in on joining the Trust	(6,601,062)	-
Net cash used in operating activities	<u>(1,308,806)</u>	<u>(2,237,230)</u>

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£	£
Cash at bank and in hand	2,475,125	2,814,767
	2,475,125	2,814,767

24. 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

25. GENERAL INFORMATION

Tudor Grange Academies Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Dingle Lane, Solihull, B91 3PD.

26. ACQUISITION OF THE ROBERT SMYTH ACADEMY

On 1 September 2017 all the operations and assets and liabilities of The Robert Smyth Academy were transferred to Tudor Grange Academies Trust for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of financial activities as Donations and capital grants - surplus on joining.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Other tangible fixed assets	-	-	8,660,062	8,660,062
Other assets	28,022	71,501	28,494	128,017
LGPS pension surplus/(deficit)	-	(2,059,000)	-	(2,059,000)
Borrowing obligations	-	(750,000)	-	(750,000)
Other identified assets and liabilities	(28,022)	(342,150)	(214,724)	(584,896)
Net assets/(liabilities)	-	(3,079,649)	8,473,832	5,394,183

The above net assets include £78,391 that were transferred as cash.

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27. CAPITAL COMMITMENTS

At 31 August 2018 the Academies Trust had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	<u>118,043</u>	<u>2,008,000</u>

The capital commitments relate to capital works contracted for at Tudor Grange Academy Worcester. The costs of these works are all covered by the Capital Extension Grant to be received from Worcestershire County Council.

28. PENSION COMMITMENTS

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

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

Contributions amounting to £344,759 were payable to the schemes at 31 August 2018 (2017: 228,327) 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.

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.

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28. PENSION COMMITMENTS (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £1,575,881 (2017: £1,234,406).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £1,247,000 (2017: £1,077,000), of which employer's contributions totalled £989,000 (2017: £833,000) and employees' contributions totalled £258,000 (2017: £244,000). The agreed contribution rates for future years differs from Academy to Academy within the Trust, dependent on the pension scheme the Academy is in. The academies are members of the following schemes:

West Midlands Pension Fund: TGA Solihull and TGPA St. James
Warwickshire County Council Pension Scheme: TGPA Haselor
Worcestershire County Council Pension Scheme: TGA Redditch and TGA Worcester
Leicestershire County Council Pension Scheme: TG Samworth Academy and The Robert Smyth Academy

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.

West Midlands Pension Fund (TGA Solihull and TGPA St. James)

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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28. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24.0
Females	26.7	26.6

Warwickshire County Council Pension Fund (TGPA Haselor)

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

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.90 %	3.00 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.5	22.5
Females	24.7	24.7
Retiring in 20 years		
Males	24.3	24.3
Females	26.7	26.7

Worcester County Council Pension Fund (TGA Redditch and TGA Worcester)

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

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.60 %	3.70 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.10 %	2.20 %

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

	2018	2017
Retiring today		
Males	22.7	22.6
Females	25.7	25.6
Retiring in 20 years		
Males	24.9	24.8
Females	28.0	27.9

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28. PENSION COMMITMENTS (continued)

Leicestershire County Council Pension Fund (TGA Samworth and The Robert Smyth Academy)

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

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.30 %	3.40 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	23.8	23.8
Females	26.2	26.2

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28. PENSION COMMITMENTS (continued)

The Academies Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	10,360,000	7,832,000
Debt instruments	2,941,000	1,411,000
Property	1,288,000	774,000
Cash	378,000	461,000
Government bonds	434,000	208,000
Other	539,000	465,000
	15,940,000	11,151,000

The actual return on scheme assets was £670,000 (2017: £2,039,000).

Breakdown of Trust pension liability by school:

	2018 £	2017 £
TGPA Haselor	(78,000)	(103,000)
TG Samworth Academy and RSA	(3,742,000)	(2,992,000)
TGA Redditch	(1,183,000)	(1,335,000)
TGA Solihull and TGPA St. James	(3,019,000)	(3,340,000)
TGA Worcester	(1,742,000)	(2,018,000)
Total	(9,764,000)	(9,788,000)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(1,680,000)	(1,280,000)
Past service cost	-	(567,000)
Interest income	366,000	156,000
Interest cost	(666,000)	(373,000)
Total	(1,980,000)	(2,064,000)

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28. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening defined benefit obligation	20,939,000	21,046,000
Current service cost	1,680,000	1,280,000
Interest cost	666,000	373,000
Employee contributions	258,000	212,000
Actuarial gains	(2,816,000)	(2,398,000)
Benefits paid	(260,000)	(141,000)
Past service costs	10,000	567,000
Obligations transferred on conversion	5,227,000	-
	<u>25,704,000</u>	<u>20,939,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	11,151,000	10,143,000
Interest income	366,000	156,000
Actuarial gains	268,000	62,000
Employer contributions	989,000	719,000
Employee contributions	258,000	212,000
Benefits paid	(260,000)	(141,000)
Assets transferred on conversion	3,168,000	-
	<u>15,940,000</u>	<u>11,151,000</u>

29. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	25,097	80,421
Between 1 and 5 years	15,056	26,613
	<u>40,153</u>	<u>107,034</u>

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30. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

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

No related party transactions took place during the period of account.

31. POST BALANCE SHEET EVENTS

On 1 September 2018, Tudor Grange Academy Kingshurst (formerly named CTC Kingshurst Academy) joined Tudor Grange Academies Trust. All assets and liabilities were transferred at this date including a surplus on free reserves in excess of £3.6m. The results of Tudor Grange Academy Kingshurst from this date forwards will be included within the financial statements of Tudor Grange Academies Trust.

32. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2018 the Academy received £85,828 and disbursed £31,168 from the fund. An amount of £67,294 was brought forwards and £121,954 is included in other creditors relating to undistributed funds that is repayable to ESFA.

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33. TEACHING SCHOOL TRADING ACCOUNT

	2018	2018	2017	2017
	£	£	£	£
INCOME				
DIRECT INCOME				
Teaching school	374,876		439,375	
TOTAL INCOME		374,876		439,375
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	190,354		122,936	
Educational supplies	77,597		274,724	
TOTAL DIRECT EXPENDITURE	267,951		397,660	
TOTAL EXPENDITURE		267,951		397,660
SURPLUS FROM ALL SOURCES		106,925		41,715
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		56,782		15,067
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		163,707		56,782

