

**Company Registration Number: 07365748 (England & Wales)**

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**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 2017**

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|  |   |
|--|---|
| <b>Members</b>                         | Dr W P Rock<br>Mr W J R George (resigned 20 September 2017)<br>Mrs A J Newman (resigned 20 September 2017)<br>Prof J M Winterbottom<br>Mr R G Cooper<br>Ms S Smith (appointed 20 September 2017)<br>Revd J Hughes (appointed 20 September 2017)   |
| <b>Trustees</b>                        | Dr W P Rock, Chair of MAT Board and Chair of LGB, Tudor Grange Samworth Academy   |
| <b>MAT Board</b>                       | Mr R Edwards, Chair of LGB, Tudor Grange Academy Solihull<br>Mr W J R George, Finance Governor<br>Mrs A J Newman, Chair of LGB, Tudor Grange Primary Academy, Haselor<br>Mr G Pearce, Chair of LGB, Tudor Grange Primary Academy, St. James<br>Prof J M Winterbottom, Chair of LGB, Tudor Grange Academy Redditch<br>Mrs J A Bexon-Smith (appointed 20 September 2017)<br>Dr P Machon (appointed 20 September 2017)<br>Mr J Turner (appointed 20 September 2017)  |
| <b>Company registered number</b>       | 07365748  |
| <b>Company name</b>                    | Tudor Grange Academies Trust  |
| <b>Principal and Registered office</b> | Tudor Grange Academies Trust<br>Dingle Lane<br>Solihull<br>West Midlands<br>B91 3PD   |
| <b>Accounting Officer</b>              | Mrs C Maclean   |
| <b>Key management personnel</b>        | Mrs C Maclean, Executive Principal<br>Mrs V Stone-Fewings, Executive Principal, Primaries<br>Mr D Turner, Principal, Tudor Grange Academy Solihull<br>Mrs S Roach, Principal, Tudor Grange Academy Worcester<br>Mrs J Bolter, Principal, Tudor Grange Academy Redditch<br>Mr I Harrison, Principal, Tudor Grange Samworth Academy<br>Mrs S Deakin, Principal, Tudor Grange Primary Academy St. James<br>Mrs P Neale, Principal, Tudor Grange Primary Academy Haselor<br>Mr C Key, Executive Finance Officer<br>Mr J Cook, Executive Governance Officer<br>Mr S Groutage, Associate Principal, Education and IT<br>Mr J Mealings, Executive Head of Catering |
| <b>Independent external auditors</b>   | Bishop Fleming LLP<br>Chartered Accountants<br>Statutory Auditors<br>16 Queen Square<br>Bristol<br>BS1 4NT  |

**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 2017**

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**Advisers (continued)**

|                |   |
|----------------|---|
| <b>Bankers</b> | Lloyds Bank PLC<br>2nd Floor<br>125 Colmore Row<br>Birmingham<br>B3 3SF |
|----------------|---|

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

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The Trustees present their annual report together with the financial statements and auditors' report of the Company for the year ended 31 August 2017. 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 Warwickshire, 3 secondary academies in Solihull and Worcestershire and 1 all through academy in Leicestershire. The Trust's academies have a combined pupil capacity of 5,081 and had a roll of 4,089 in the school census in Summer 2017. On 1 September 2017 Robert Smyth Academy joined the Academies Trust.

**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 page 1.

**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 cease to be a member.

**Trustees' Indemnities**

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

**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.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**TRUSTEES**

**The MAT Board**

The MAT Board shall comprise at a minimum: eight and at a maximum: twelve Trustees; the total number of Trustees (including the Executive Principal and Executive Finance Officer) who are employees of the Academies Trust shall not exceed one third of the total number of 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 Principal and Clerk to the Board; to approve the Annual Budget. The MAT Board receives regular debriefs from Chairs to the 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 Executive 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.

Each LGB shall comprise at a minimum: 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.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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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.

**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 Trust's Governance Handbook, 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 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 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; report its findings annually.

The AC will consist of four members from Local Governing Bodies (LGBs) within the MAT Board. 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 an LGB shall not be a member of the AC. 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.

**TUDOR GRANGE ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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). There are now three secondary schools, one all through school and two primary schools within the Academies Trust. All schools within the Academies Trust which have been inspected in the past 18 months have achieved 'Good' or better for overall effectiveness, with the exception of Tudor Grange Samworth Academy (TG Samworth Academy) which was brought into the Trust on 1 January 2016 whilst it was in 'special measures'. A recovery plan is in place to address the weaknesses highlighted, and to bring the TG Samworth Academy out of this category. This Academy is rigorously monitored by the Executive team and the MATB receive reporting on all the Trust KPIs, currently TGSA is demonstrating an improving trajectory in most of the KPI, including pupil outcomes though key stage 2 outcomes remain a key focus area.

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.

The academies are as follows:

| <b>Name</b>   | <b>Date converted</b> | <b>Type</b> |
|---|-----------------------|-------------|
| 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 |

All the above academies have joined the Academies Trust's current Master Funding Agreement, operating under individual Supplementary Funding Agreements. On 1 September 2017 Robert Smyth Academy joined the Academies Trust.



**TUDOR GRANGE ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 Executive Principal under delegated powers. The Central Team has two functions: academy improvement, and support services. 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 Executive Principal 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.

**TUDOR GRANGE ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Connected Organisations, including Related Party Relationships**

Redditch Borough Council (RBC) has had use of the Tudor Grange Academy Redditch's (TGAR) leisure facilities and there was a Dual Use Agreement (the Agreement) between RBC and the Academies Trust. On 28 February 2017 TGAT received notice that RBC did not consider the facility to be sustainable based upon costs and participation levels and as a result wished to cease their interest in the Agreement. Both parties have agreed to cease this relationship and the facility is now closed.

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 2017 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 by each of the Academies in rotation. The Executive Principal chairs the meetings and the Executive Principal, Primaries, Executive Data Manager, Executive Finance Officer and head of IT and Estates are also in attendance.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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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 2017/2018 Development Plan:

**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 Multi 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.

As an Academies Trust we have a duty to continue to support other schools. During the year we have worked with Robert Smyth Academy by providing support for leadership and management and the development of teaching and learning in a range of subject areas.

**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 book trawls, monitoring the progress of students against milestones throughout the year. All schools undertake a rigorous review of attainment using RAISEONLINE and FFTlive to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.

**TUDOR GRANGE ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

Tables below summarise key performance indicators by Academy:

| <b>PRIMARIES</b>                                  | <b>TGPA ST.<br/>JAMES<br/>2017 (2016)</b>     | <b>TGPA<br/>HASELOR<br/>2017 (2016)</b> | <b>TGPA<br/>SAMWORTH<br/>2017 (2016)</b>      |
|---|---|---|---|
| Number on roll                                    | 237 (192)                                     | 63 (61)                                 | 406 (366)                                     |
| Capacity  | 240 (210)                                     | 105 (105)                               | 480 (480)                                     |
| <b>KS1 results</b>                                |   |   |   |
| Number of eligible students                       | 30 (NA)                                       | 12 (2)                                  | 50 (56)                                       |
| % reaching expected in reading                    | 83% (NA)                                      | 83% (SUPP)                              | 58% (68%)                                     |
| % reaching expected in writing                    | 63% (NA)                                      | 83% (SUPP)                              | 50% (68%)                                     |
| % reaching expected in maths                      | 77% (NA)                                      | 100% (SUPP)                             | 66% (64%)                                     |
| <b>KS2 results</b>                                |   |   |   |
| Number of eligible students                       | 29 (21)                                       | 4 (14)                                  | 53 (54)                                       |
| % reaching expected in reading                    | 86% (71%)                                     | SUPP (79%)                              | 42% (54%)                                     |
| % reaching expected in writing                    | 93% (76%)                                     | SUPP (93%)                              | 34% (69%)                                     |
| % reaching expected in maths                      | 79% (71%)                                     | SUPP (79%)                              | 34% (37%)                                     |
| % reaching expected in reading, writing and maths | 69% (62%)                                     | SUPP (71%)                              | 23% (24%)                                     |
| Progress score reading                            | -0.8 (+1.0)<br>-3.1 to +1.5<br>(-1.8 to +3.7) | SUPP (-0.3)<br>SUPP<br>(-3.0 to +3.6)   | -7.1 (-6.6)<br>-8.9 to -5.2<br>(-9.3 to -5.7) |
| Progress score writing                            | -0.6 (+0.2)<br>-2.8 to +1.7<br>(-1.4 to +5.2) | SUPP (+1.9)<br>SUPP<br>(-1.4 to +5.2)   | -4.5 (-1.3)<br>-6.3 to -2.7<br>(-3.1 to +0.5) |
| Progress score maths                              | -2.0 (+0.7)<br>-4.1 to +0.0<br>(-1.7 to +3.0) | SUPP (-0.5)<br>SUPP<br>(-0.3 to +2.3)   | -8.2 (-5.0)<br>-9.9 to -6.5<br>(-6.9 to -3.9) |
| Attendance (whole school) %                       | 96.7% (96.7%)                                 | 96.0% (96.2%)                           | 95.5% (94.6%)                                 |

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

The primary academy TGPA St. James' has again seen significant improvements in 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. 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 primary academy TGPA Haselor has seen continued stability in outcomes this year with a very small cohort in year 6. Numbers of students wishing to attend the school are showing signs of beginning to increase again during the year. 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 Academies Trust is supporting the school in striving for continual improvement year on year to ensure outcomes continue on an upward trajectory.

**TUDOR GRANGE ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

| <b>SECONDARIES</b>                                     | <b>TGA<br/>SOLIHULL<br/>2017 (2016)</b> | <b>TGA<br/>WORCESTER<br/>2017 (2016)</b> | <b>TGA<br/>REDDITCH<br/>2017 (2016)</b> | <b>TGA<br/>SAMWORTH<br/>2017 (2016)</b> |
|--|---|--|---|---|
| Number on roll   | 1,516 (1,482)                           | 1,035 (988)                              | 442 (591)                               | 400 (404)                               |
| Capacity   | 1,500 (1,500)                           | 1,100 (1,100)                            | 1,120 (1,120)                           | 600 (600)                               |
| <b>GCSE Results</b>                                    |   |  |   |   |
| Number in cohort                                       | 242 (240)                               | 166 (165)                                | 148 (189)                               | 72 (74)                                 |
| Attainment 8*  | 58.9 (61.3)                             | 45.7 (47.0)                              | 38.9 (46.5)                             | 33.4 (34.9)                             |
| Progress 8   | +0.50 (+0.58)                           | -0.13 (-0.29)                            | -0.16 (-0.08)                           | -0.81 (-1.11)                           |
| % gaining a strong pass in English and maths (5+)      | 76%                                     | 49%                                      | 35%                                     | 19%                                     |
| % gaining a standard pass in English and maths (4+/C+) | 90% (90%)                               | 66% (60%)                                | 61% (52%)                               | 36% (32%)                               |
| % achieving EBacc (strong pass/C+)                     | 55%                                     | 30%                                      | 11%                                     | 17%                                     |
| % achieving EBacc (standard pass/C+)                   | 57% (51%)                               | 31% (32%)                                | 11% (13%)                               | 17% (8%)                                |
| % A* - A passes  | 36.7% (33%)                             | 18.5% (16%)                              | 11.0% (11%)                             | 6.9% (5%)                               |
| <b>A2 Results</b>                                      |   |  |   |   |
| % A – B passes   | 30% (57%)                               | 22% (47%)                                | 15% (34%)                               | NA                                      |
| % A – E passes   | 98% (98%)                               | 89% (100%)                               | 82% (98%)                               | NA                                      |
| <b>Post 16 BTEC Passes</b>                             |   |  |   |   |
| % BTEC passes  | NA                                      | 96% (100%)                               | 100% (100%)                             | NA                                      |
| % at Dist/Dist*  | NA                                      | 41% (57%)                                | 90% (100%)                              | NA                                      |
| Attendance (whole school) %                            | 96.4% (96%)                             | 94.3% (94%)                              | 93.2% (93%)                             | 92.3% (90%)                             |

*\*In 2017 a new points system was launched, and so figures from 2016 and 2017 are not comparable*

TGA Solihull continues to sustain excellence. The work of the TGAS Teaching School continues to support an alliance of schools outside the Academies Trust in sustaining school improvement, ensuring the impact of the Academies Trust is growing and engaged in a wide network to sustain and develop research.

TGA Worcester (TGAW) is now sustaining strong outcomes and is proving resilient to the changes in the examinations, achieving a national average progress 8 outcome indicating that students in the school perform in line with students nationally. Again this year higher than national proportions of students are achieving the EBACC at TGAW. Performance at post 16 for TGA Worcester indicates a maturing sixth form provision with some departments sustaining excellent outcomes, the school now needs to ensure that this is consistent in all subject areas.

TGA Redditch's progress 8 outcome indicates performance in line with national averages, the school also has high performing departments where students outperform other students nationally such as in Mathematics.

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. 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 also significantly improved in its provision for students with special educational needs.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Key Performance Indicators**

The main financial performance indicators are as follows: as the bulk of funding is based on pupil numbers, NOR is a key performance indicator and this is tabulated above by Academy; total staffing costs as a percentage of total income which for 2017 for the Academies Trust was 82.2% (2016: 80.1%); and the level of cash held and projected to be held on a rolling 12 months basis.

**Going Concern**

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

**FINANCIAL REVIEW**

**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 2017 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 £28,623,340 (2016: £25,815,621 excluding funds brought in on conversion) of which £24,823,039 (2016: £21,846,063) was restricted funding received from the DfE, ESFA and other sources, and total resources expended for the year of £27,844,225 (2016: £26,115,376).

Total funds at 31 August 2017 were £47,410,178 (2016: £44,171,063) of which £56,494,919 were restricted fixed asset funds, £646,477 were unrestricted funds, £56,782 restricted funds and £9,788,000 were LGPS deficits.

Total funds at 31 August 2017, excluding funds related to fixed assets and LGPS were £703,259 (2016: £821,419) These funds are detailed by Academy at note 20.

Total cash balances at 31 August 2017 were £2,814,767 (2016: £2,043,896).

At 31 August 2017 the net book value of fixed assets was £53,428,429 (2016: £54,192,730) 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.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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.

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 27 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 2017 of £47,410,178 (2016: £44,171,063) comprising restricted fixed assets reserves of £56,494,919 (2016: £54,252,644), general restricted reserves of £56,782 (2016: £464,153), pension deficit of £9,788,000 (2016: £10,903,000) and available unrestricted reserves of £646,477 (2016: £357,266).

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 2017 are shown above being in aggregate £47,410,178. 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. The Trustees nevertheless want to see Academies maintaining a reasonable level of reserves to enable each to cope with unexpected expenditure or income shortfalls. 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  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 92.2% (2016: 92.0%) 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 exploit partnerships with local schools.

On 1 September 2017, Robert Smyth Academy joined Tudor Grange Academies Trust.



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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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.

**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, approved by order of the MAT board, as company directors, on 13 December 2017 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 Executive Principal, 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, in the Statement of Trustees' responsibilities and in the Risk and Control Framework section of the Governance statement on page 18. The MAT Board has formally met 11 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, Chairman, Tudor Grange Samworth Academy               | 11                | 11                |
| Mr R Edwards, Chair of LGB, Tudor Grange Academy Solihull          | 10                | 11                |
| Mr W J R George, Finance Governor                                  | 8                 | 11                |
| Mr A J Newman, Chair of LGB, Tudor Grange Primary Academy, Haselor | 9                 | 11                |
| Mr G Pearce, Chair of LGB, Tudor Grange Primary Academy, St. James | 10                | 11                |
| Prof J M Winterbottom, Chair, Tudor Grange Academy Redditch        | 8                 | 11                |

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

|                                       | Meetings attended | Out of a possible |
|---------------------------------------|-------------------|-------------------|
| Mr H Foxall (resigned 6 July 2017)    | 1                 | 2                 |
| Mr R Pearson (Chairman)               | 2                 | 2                 |
| Mr R Campbell-Kelly                   | 1                 | 2                 |
| Mr C Key                              | 2                 | 2                 |
| Ms L Campbell (appointed 6 July 2017) | 1                 | 2                 |

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

**GOVERNANCE STATEMENT (continued)**

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**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 £2.30 (2016: £1.95). 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.

| <b>Aggregate Added Value</b>       | <b>£k</b>    |
|------------------------------------|--------------|
| Top slice charged                  | 1,063        |
| Capital Grants                     | 1,750        |
| Central Procurement savings        | 313          |
| Income generated centrally         | 383          |
| Value added by the MAT             | 2,446        |
| <b>£ Value added: £1 top slice</b> | <b>£2.30</b> |

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 Multi 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 2016/17 was under 45 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 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

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

**GOVERNANCE STATEMENT (continued)**

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**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 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the MAT Board.

**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; and
- identification and management of risks.

The MAT Board has considered the need for a specific internal audit function and has decided to appoint W3 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's effectiveness of governance
- Management of educational visits
- Effectiveness of the purchasing ordering
- Review of Management Account information
- Review of payroll procedures
- Review of employing supply staff

Recommendations are presented to the Audit Committee for action. W3 particularly noted the establishment of the Academies Trust's own Governance Handbook to be a positive step.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academies Trust's financial systems. On a regular basis, the internal auditor reports to the MAT Board on the operation of the systems of control and on the discharge of the MAT Board's financial responsibilities.

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

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

**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Principal 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.

Approved by order of the members of the MAT Board on 13 December 2017 and signed on their behalf, by:



**Dr W P Rock  
Chair of Trustees**



**Mrs C Maclean  
Executive Principal  
Accounting Officer**

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

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

I confirm that I and the Academies Trust 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.

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 MAT Board and ESFA.



**Mrs C Maclean  
Executive Principal  
Accounting Officer**

Date: 13 December 2017

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The Trustees (who act as governors of Tudor Grange Academies Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 (FRS 102) 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: 13 December 2017**

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

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

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**OPINION**

We have audited the financial statements of Tudor Grange Academies Trust for the year ended 31 August 2017 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 2016 to 2017 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 Multi Academies Trust's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 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 Multi 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 Multi 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**

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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 Multi 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 Multi 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 Multi 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 Multi 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**

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**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](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.



Joseph Scaife FCA (Senior statutory auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

15/12/17

**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**

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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 2016 to 2017, 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 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Multi 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)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Joseph Scaife*

Joseph Scaife FCA (Senior statutory auditor)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

Date:

*15/12/17*

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

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2017**

|  | Note | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Restricted<br>fixed asset<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ | Total<br>funds<br>2016<br>£ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| <b>INCOME FROM:</b>  |      |                                    |                                  |   |                             |                             |
| Donations & capital grants:  |      |                                    |                                  |   |                             |                             |
| Surplus on joining   | 2    | -                                  | -                                | -   | -                           | 16,215,798                  |
| Other donations and capital grants   | 2    | 77,237                             | -                                | 3,800,301                                       | 3,877,538                   | 2,347,323                   |
| Charitable activities  | 3    | 1,281,056                          | 22,900,275                       | -   | 24,181,331                  | 22,996,095                  |
| Other trading activities   | 4    | 562,946                            | -                                | -   | 562,946                     | 469,711                     |
| Investments  | 5    | 1,525                              | -                                | -   | 1,525                       | 2,492                       |
| <b>TOTAL INCOME</b>  |      | <b>1,922,764</b>                   | <b>22,900,275</b>                | <b>3,800,301</b>                                | <b>28,623,340</b>           | <b>42,031,419</b>           |
| <b>EXPENDITURE ON:</b>   |      |                                    |                                  |   |                             |                             |
| Charitable activities  |      | 1,633,553                          | 24,652,646                       | 1,558,026                                       | 27,844,225                  | 26,115,376                  |
| <b>TOTAL EXPENDITURE</b>   | 6    | <b>1,633,553</b>                   | <b>24,652,646</b>                | <b>1,558,026</b>                                | <b>27,844,225</b>           | <b>26,115,376</b>           |
| <b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b> |      |                                    |                                  |   |                             |                             |
| Actuarial gains/(losses) on defined benefit pension schemes                | 27   | 289,211                            | (1,752,371)                      | 2,242,275                                       | 779,115                     | 15,916,043                  |
|  |      | -                                  | 2,460,000                        | -   | 2,460,000                   | (3,575,000)                 |
| <b>NET MOVEMENT IN FUNDS</b>   |      | <b>289,211</b>                     | <b>707,629</b>                   | <b>2,242,275</b>                                | <b>3,239,115</b>            | <b>12,341,043</b>           |
| <b>RECONCILIATION OF FUNDS:</b>  |      |                                    |                                  |   |                             |                             |
| Total funds brought forward  |      | 357,266                            | (10,438,847)                     | 54,252,644                                      | 44,171,063                  | 31,830,020                  |
| <b>TOTAL FUNDS CARRIED FORWARD</b>   |      | <b>646,477</b>                     | <b>(9,731,218)</b>               | <b>56,494,919</b>                               | <b>47,410,178</b>           | <b>44,171,063</b>           |

The notes on pages 30 to 57 form part of these financial statements.

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

**BALANCE SHEET  
AS AT 31 AUGUST 2017**

|  | Note | £                  | 2017<br>£          | £                   | 2016<br>£           |
|--|------|--------------------|--------------------|---------------------|---------------------|
| <b>FIXED ASSETS</b>  |      |                    |                    |                     |                     |
| Tangible assets  | 14   |                    | 53,428,429         |                     | 54,192,730          |
| <b>CURRENT ASSETS</b>  |      |                    |                    |                     |                     |
| Stocks   | 15   | 20,453             |                    | 25,518              |                     |
| Debtors  | 16   | 3,163,380          |                    | 1,831,509           |                     |
| Cash at bank and in hand                                       |      | 2,814,767          |                    | 2,043,886           |                     |
|  |      |                    | <u>6,998,600</u>   | <u>3,900,923</u>    |                     |
| <b>CREDITORS: amounts falling due within one year</b>          | 17   | <b>(2,134,455)</b> |                    | <b>(2,904,806)</b>  |                     |
| <b>NET CURRENT ASSETS</b>                                      |      |                    | <u>3,864,145</u>   |                     | <u>996,117</u>      |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      |                    | <u>57,292,574</u>  |                     | <u>55,188,847</u>   |
| <b>CREDITORS: amounts falling due after more than one year</b> | 18   |                    | <u>(94,396)</u>    |                     | <u>(114,784)</u>    |
| <b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>         |      |                    | <u>57,198,178</u>  |                     | <u>55,074,063</u>   |
| Defined benefit pension scheme liability                       | 27   |                    | <u>(9,788,000)</u> |                     | <u>(10,903,000)</u> |
| <b>NET ASSETS</b>  |      |                    | <u>47,410,178</u>  |                     | <u>44,171,063</u>   |
| <b>FUNDS OF THE ACADEMY TRUST</b>                              |      |                    |                    |                     |                     |
| Restricted funds:  |      |                    |                    |                     |                     |
| General funds  | 20   | 56,782             |                    | 464,153             |                     |
| Fixed asset funds  | 20   | 56,494,919         |                    | 54,252,644          |                     |
|  |      |                    | <u>56,551,701</u>  | <u>54,716,797</u>   |                     |
| Restricted funds excluding pension liability                   |      |                    |                    |                     |                     |
| Pension reserve  |      | <u>(9,788,000)</u> |                    | <u>(10,903,000)</u> |                     |
| Total restricted funds   |      |                    | <u>46,763,701</u>  |                     | <u>43,813,797</u>   |
| Unrestricted funds   | 20   |                    | <u>646,477</u>     |                     | <u>357,266</u>      |
| <b>TOTAL FUNDS</b>   |      |                    | <u>47,410,178</u>  |                     | <u>44,171,063</u>   |

The financial statements on pages 27 to 57 were approved by the Trustees, and authorised for issue, on 13 December 2017 and are signed on their behalf, by:



**Dr W P Rock  
Chair of Trustees**

The notes on pages 30 to 57 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 2017**

|  | Note | 2017<br>£               | 2016<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>            |      |                         |                         |
| Net cash used in operating activities                  | 22   | <u>(187,229)</u>        | <u>(332,787)</u>        |
| <b>Cash flows from investing activities:</b>           |      |                         |                         |
| Interest received                                      |      | 1,525                   | 2,492                   |
| Purchase of tangible fixed assets                      |      | (793,725)               | (2,281,048)             |
| Capital grants from DfE/ESFA                           |      | 1,750,300               | 2,609,669               |
| <b>Net cash provided by investing activities</b>       |      | <u>958,100</u>          | <u>331,113</u>          |
| <b>Change in cash and cash equivalents in the year</b> |      | <u>770,871</u>          | <u>(1,674)</u>          |
| Cash and cash equivalents brought forward              |      | <u>2,043,896</u>        | <u>2,045,570</u>        |
| <b>Cash and cash equivalents carried forward</b>       | 23   | <u><u>2,814,767</u></u> | <u><u>2,043,896</u></u> |

The notes on pages 30 to 57 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 2017**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 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 Multi 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.

On 1 September 2017 The Robert Smyth Academy joined the Academies Trust, with the Trust inheriting their deficit on joining, as well as the assets and liabilities. There is an agreement in place that the Trust will start to make repayments in relation to The Robert Smyth Academy joining from January 2019.

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



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME**

All income is recognised once the Multi 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 entitlement of receipt, 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 receipt is probable and the amount can be reliably measured.

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

**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 Multi Academies Trust's educational operations, including support costs and those costs relating to the governance of the Multi Academies Trust apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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:

|                              |   |                         |
|------------------------------|---|-------------------------|
| Long term leasehold property | - | 2% - 5% straight line   |
| Land                         | - | over 125 years          |
| Motor vehicles               | - | 25% straight line       |
| Fixtures and fittings        | - | 25% straight line       |
| Computer equipment           | - | 10% - 33% straight line |

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 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 Multi 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 FINANCIAL INSTRUMENTS**

The Multi Academies Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Multi 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 Multi 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 Multi 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 Multi 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**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 Multi 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 27, 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.

**1.12 FUND ACCOUNTING**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Multi 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 and include grants from the Department for Education.

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

**1. ACCOUNTING POLICIES (continued)**

**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 Multi 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 27, 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Multi Academies Trust obtains use of fixed assets as lessee. The classification of such leases as operating or finance lease requires the Multi 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.

**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 31.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

|                    | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Restricted<br>fixed asset<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ | Total<br>funds<br>2016<br>£ |
|--------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Surplus on joining | -                                  | -                                | -   | -                           | 16,215,798                  |
| Donations          | 77,237                             | -                                | -   | 77,237                      | 6,361                       |
| Capital Grants     | -                                  | -                                | 3,800,301                                       | 3,800,301                   | 2,340,962                   |
| Subtotal           | 77,237                             | -                                | 3,800,301                                       | 3,877,538                   | 2,347,323                   |
|                    | 77,237                             | -                                | 3,800,301                                       | 3,877,538                   | 18,563,121                  |
| <b>Total 2016</b>  | 447,339                            | (1,941,376)                      | 20,057,158                                      | 18,563,121                  |                             |

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

|                                     | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ | Total<br>funds<br>2016<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>              |                                    |                                  |                             |                             |
| General Annual Grant                | -                                  | 20,510,081                       | 20,510,081                  | 19,808,422                  |
| Start up Grants                     | -                                  | 14,288                           | 14,288                      | 27,148                      |
| Other DfE/ESFA grants               | -                                  | 1,744,117                        | 1,744,117                   | 1,580,241                   |
| SCITT/Trainee teacher income        | -                                  | 346,200                          | 346,200                     | 326,991                     |
|                                     | -                                  | 22,614,686                       | 22,614,686                  | 21,742,802                  |
| <b>Other Government grants</b>      |                                    |                                  |                             |                             |
| High Needs                          | -                                  | 282,590                          | 282,590                     | 257,136                     |
| Other government grants non capital | -                                  | 2,999                            | 2,999                       | -                           |
|                                     | -                                  | 285,589                          | 285,589                     | 257,136                     |
| <b>Other funding</b>                |                                    |                                  |                             |                             |
| Internal catering income            | 1,013,209                          | -                                | 1,013,209                   | 855,622                     |
| Nursery income                      | 184,437                            | -                                | 184,437                     | 129,252                     |
| Sales to students                   | 8,991                              | -                                | 8,991                       | 8,693                       |
| Other                               | 74,419                             | -                                | 74,419                      | 2,590                       |
|                                     | 1,281,056                          | -                                | 1,281,056                   | 996,157                     |
|                                     | 1,281,056                          | 22,900,275                       | 24,181,331                  | 22,996,095                  |
| <b>Total 2016</b>                   | 996,157                            | 21,999,938                       | 22,996,095                  |                             |

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**4. OTHER TRADING ACTIVITIES**

|                   | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ | Total<br>funds<br>2016<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Lettings          | 51,528                             | -                                | 51,528                      | 105,034                     |
| Book sales        | 60,236                             | -                                | 60,236                      | 52,337                      |
| Consultancy       | 223,814                            | -                                | 223,814                     | 91,677                      |
| Fees received     | 3,673                              | -                                | 3,673                       | 12,357                      |
| Donation          | 40,000                             | -                                | 40,000                      | 6,361                       |
| Other             | 42,970                             | -                                | 42,970                      | 108,644                     |
| Wrap around care  | 140,725                            | -                                | 140,725                     | 93,301                      |
|                   | <u>562,946</u>                     | <u>-</u>                         | <u>562,946</u>              | <u>469,711</u>              |
| <i>Total 2016</i> | <u>469,711</u>                     | <u>-</u>                         | <u>469,711</u>              |                             |

**5. INVESTMENT INCOME**

|                   | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ | Total<br>funds<br>2016<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank interest     | 1,525                              | -                                | 1,525                       | 2,492                       |
|                   | <u>1,525</u>                       | <u>-</u>                         | <u>1,525</u>                | <u>2,492</u>                |
| <i>Total 2016</i> | <u>2,492</u>                       | <u>-</u>                         | <u>2,492</u>                |                             |



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**6. EXPENDITURE**

|                   | Staff costs<br>2017<br>£ | Premises<br>2017<br>£ | Other costs<br>2017<br>£ | Total<br>2017<br>£ | Total<br>2016<br>£ |
|-------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Education:        |                          |                       |                          |                    |                    |
| Direct costs      | 16,715,544               | -                     | 1,792,344                | 18,507,888         | 17,534,606         |
| Support costs     | 4,210,483                | 2,255,606             | 2,870,248                | 9,336,337          | 8,580,770          |
|                   | <u>20,926,027</u>        | <u>2,255,606</u>      | <u>4,662,592</u>         | <u>27,844,225</u>  | <u>26,115,376</u>  |
| <i>Total 2016</i> | <u>19,142,481</u>        | <u>2,953,149</u>      | <u>4,019,746</u>         | <u>26,115,376</u>  |                    |

**7. DIRECT COSTS**

|                       | Total<br>2017<br>£ | Total<br>2016<br>£ |
|-----------------------|--------------------|--------------------|
| Pension finance costs | 143,640            | 146,120            |
| Educational supplies  | 1,112,150          | 876,853            |
| Examination fees      | 322,425            | 326,725            |
| Staff development     | 80,343             | 80,041             |
| Supply teachers       | 469,326            | 482,416            |
| SCITT costs           | 61,440             | 49,075             |
| Uniform costs         | 18,503             | 83,446             |
| Wages and salaries    | 12,230,776         | 12,361,225         |
| National insurance    | 1,225,482          | 1,025,920          |
| Pension cost          | 2,789,960          | 2,077,520          |
| Other costs           | 53,843             | 25,265             |
|                       | <u>18,507,888</u>  | <u>17,534,606</u>  |
| <i>Total 2016</i>     | <u>17,534,606</u>  |                    |

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**8. SUPPORT COSTS**

|                                       | <b>Total<br/>2017<br/>£</b> | <b>Total<br/>2016<br/>£</b> |
|---------------------------------------|-----------------------------|-----------------------------|
| Pension finance costs                 | 73,360                      | 134,880                     |
| Recruitment and support               | 83,679                      | 143,134                     |
| Maintenance of premises and equipment | 443,985                     | 346,900                     |
| Cleaning                              | 223,730                     | 204,270                     |
| Rent and rates                        | 142,718                     | 120,657                     |
| Energy costs                          | 468,082                     | 441,132                     |
| Insurance                             | 94,680                      | 163,948                     |
| Security and transport                | 113,390                     | 124,217                     |
| Catering                              | 893,588                     | 776,764                     |
| Technology costs                      | 604,649                     | 567,251                     |
| Office overheads                      | 188,287                     | 209,401                     |
| Legal and professional                | 190,567                     | 300,777                     |
| Bank charges                          | 5,016                       | 12,938                      |
| Governance                            | 42,097                      | 33,612                      |
| Wages and salaries                    | 3,247,245                   | 2,580,410                   |
| National insurance                    | 217,898                     | 155,139                     |
| Pension cost                          | 745,340                     | 459,851                     |
| Depreciation                          | 1,558,026                   | 1,805,489                   |
|                                       | <u>9,336,337</u>            | <u>8,580,770</u>            |
| <i>Total 2016</i>                     | <u>8,580,770</u>            |                             |

**9. NET INCOME / (EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

|  | <b>2017<br/>£</b> | <b>2016<br/>£</b> |
|--|-------------------|-------------------|
| Depreciation of tangible fixed assets:<br>- owned by the Academy Trust | 1,558,026         | 1,805,489         |
| Auditors' remuneration   | 25,860            | 25,275            |
| Auditors' non audit costs  | 5,465             | 8,420             |
| Operating lease rentals  | 84,186            | 77,146            |
|  | <u>1,673,537</u>  | <u>1,916,330</u>  |

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**10. STAFF COSTS**

Staff costs were as follows:

|  | 2017<br>£         | 2016<br>£         |
|--|-------------------|-------------------|
| Wages and salaries                                 | 15,236,817        | 14,740,504        |
| Social security costs                              | 1,443,380         | 1,181,059         |
| Operating costs of defined benefit pension schemes | 3,535,300         | 2,537,371         |
|  | <u>20,215,497</u> | <u>18,458,934</u> |
| Apprenticeship levy                                | 21,956            | -                 |
| Supply teacher costs                               | 469,326           | 482,416           |
| Staff restructuring costs                          | 219,248           | 201,131           |
|  | <u>20,926,027</u> | <u>19,142,481</u> |

Staff restructuring costs comprise:

|                           | 2017<br>£      | 2016<br>£      |
|---------------------------|----------------|----------------|
| Redundancy payments       | 98,349         | 90,763         |
| Severance payments        | 16,080         | 107,488        |
| Other restructuring costs | -              | 2,880          |
|                           | <u>114,429</u> | <u>201,131</u> |

Included in staff restructuring costs are non-statutory/non-contractual redundancy payments totalling £98,349 (2016: £90,763). Individually the payments were: £1,148, £1,534, £1,721, £2,241, £2,400, £2,533, £2,792, £3,150, £3,300, £3,600, £6,693, £12,437, £13,741, £20,365 and £20,694.

Also included in staff restructuring costs are severance payments totalling £16,080 (2016: £107,488). Individually the payments were: £6,080 and £10,000.

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

|                            | 2017<br>No. | 2016<br>No. |
|----------------------------|-------------|-------------|
| Administrative and Support | 291         | 318         |
| Teachers                   | 249         | 303         |
| Management                 | 50          | 63          |
|                            | <u>590</u>  | <u>684</u>  |

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**10. STAFF COSTS (continued)**

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

|                                 | <b>2017</b> | <b>2016</b> |
|---------------------------------|-------------|-------------|
|                                 | <b>No.</b>  | <b>No.</b>  |
| In the band £60,001 - £70,000   | 9           | 7           |
| In the band £70,001 - £80,000   | 0           | 2           |
| In the band £80,001 - £90,000   | 3           | 5           |
| In the band £90,001 - £100,000  | 4           | 1           |
| In the band £130,001 - £140,000 | 1           | 1           |

**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 Multi Academies Trust was £1,107,878 (2016: £1,019,011).

**11. CENTRAL SERVICES**

The Multi 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 charged for these services on a fair basis as agreed between the Executive Principal and Academy Principals, being 5.5% of GAG for Secondary/High schools and 4% of GAG for Primary schools.

The actual amounts charged during the year were as follows:

|                     | <b>2017</b>      | <b>2016</b>      |
|---------------------|------------------|------------------|
|                     | <b>£</b>         | <b>£</b>         |
| TGPA Haselor        | 15,645           | 15,720           |
| TG Samworth Academy | 249,294          | 178,969          |
| TGA Redditch        | 155,833          | 188,004          |
| TGA Solihull        | 342,996          | 334,560          |
| TGPA St James       | 35,436           | 30,720           |
| TGA Worcester       | 278,004          | 277,920          |
|                     | <b>1,077,208</b> | <b>1,025,893</b> |
| <b>Total</b>        | <b>1,077,208</b> | <b>1,025,893</b> |

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration (2016: £NIL).  
 During the year, no Trustees received any benefits in kind (2016: £NIL).  
 During the year ended 31 August 2017, expenses totalling £468 (2016: £108) were reimbursed to 1 Trustee (2016: 1).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was not separately identifiable.

**14. TANGIBLE FIXED ASSETS**

|                       | Long term<br>leasehold<br>property<br>£ | Motor<br>vehicles<br>£ | Fixtures<br>and fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£        |
|-----------------------|---|------------------------|-------------------------------|----------------------------|-------------------|
| <b>COST</b>           |   |                        |                               |                            |                   |
| At 1 September 2016   | 56,734,123                              | 34,747                 | 1,797,454                     | 2,962,542                  | 61,528,866        |
| Additions             | 86,684                                  | -                      | 559,226                       | 147,815                    | 793,725           |
| At 31 August 2017     | <u>56,820,807</u>                       | <u>34,747</u>          | <u>2,356,680</u>              | <u>3,110,357</u>           | <u>62,322,591</u> |
| <b>DEPRECIATION</b>   |   |                        |                               |                            |                   |
| At 1 September 2016   | 3,920,382                               | 29,665                 | 1,457,676                     | 1,928,413                  | 7,336,136         |
| Charge for the year   | 950,319                                 | 2,006                  | 223,760                       | 381,941                    | 1,558,026         |
| At 31 August 2017     | <u>4,870,701</u>                        | <u>31,671</u>          | <u>1,681,436</u>              | <u>2,310,354</u>           | <u>8,894,162</u>  |
| <b>NET BOOK VALUE</b> |   |                        |                               |                            |                   |
| 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> |
| At 31 August 2016     | <u>52,813,741</u>                       | <u>5,082</u>           | <u>339,778</u>                | <u>1,034,129</u>           | <u>54,192,730</u> |

**15. STOCKS**

|                  | 2017<br>£     | 2016<br>£     |
|------------------|---------------|---------------|
| Goods for resale | <u>20,453</u> | <u>25,518</u> |

**TUDOR GRANGE ACADEMIES TRUST  
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**16. DEBTORS**

|                                | 2017<br>£        | 2016<br>£        |
|--------------------------------|------------------|------------------|
| Trade debtors                  | 93,163           | 130,954          |
| VAT recoverable                | 202,497          | 228,448          |
| Other debtors                  | 18,977           | 97,549           |
| Prepayments and accrued income | 2,848,743        | 1,374,558        |
|                                | <u>3,163,380</u> | <u>1,831,509</u> |

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

|                                    | 2017<br>£        | 2016<br>£        |
|------------------------------------|------------------|------------------|
| Trade creditors                    | 904,492          | 1,246,997        |
| Other taxation and social security | 287,676          | 297,365          |
| Other creditors                    | 582,248          | 421,878          |
| Accruals and deferred income       | 360,039          | 938,566          |
|                                    | <u>2,134,455</u> | <u>2,904,806</u> |

|                                      | 2017<br>£     | 2016<br>£     |
|--------------------------------------|---------------|---------------|
| <b>DEFERRED INCOME</b>               |               |               |
| Deferred income at 1 September 2016  | 51,449        | 70,214        |
| Resources deferred during the year   | 87,311        | 51,449        |
| Amounts released from previous years | (51,449)      | (70,214)      |
| Deferred income at 31 August 2017    | <u>87,311</u> | <u>51,449</u> |

At the balance sheet date the Multi Academies Trust was holding funds received in advance for Universal Infants Free School Meals and RBS skills and opportunities funding relating to the 2017/18 financial year.

Included within other creditors due within one year are two interest free Salix loans totalling £20,388 (2016: £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.

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

|             | 2017<br>£     | 2016<br>£      |
|-------------|---------------|----------------|
| Salix loans | <u>94,396</u> | <u>114,784</u> |

**TUDOR GRANGE ACADEMIES TRUST  
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**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

Included within Salix loans due in more than one year are interest free loans of £94,396 (2016: £114,784) which are secured on future GAG income due to be received by the Trust.

The balance represents amounts outstanding 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.

**19. FINANCIAL INSTRUMENTS**

|  | 2017<br>£        | 2016<br>£        |
|--|------------------|------------------|
| Financial assets measured at fair value through income and expenditure | 2,814,767        | 2,043,896        |
| Financial assets measured at amortised cost                            | 2,662,415        | 1,567,782        |
|  | <u>5,477,182</u> | <u>3,611,678</u> |
| Financial liabilities measured at amortised cost                       | <u>1,817,228</u> | <u>2,670,776</u> |

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

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

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

**20. STATEMENT OF FUNDS**

|                           | Brought<br>forward<br>£ | Income<br>£ | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Carried<br>forward<br>£ |
|---------------------------|-------------------------|-------------|------------------|-------------------------|-------------------------|
| <b>UNRESTRICTED FUNDS</b> |                         |             |                  |                         |                         |
| General Fund              | 357,266                 | 1,922,764   | (1,633,553)      | -                       | 646,477                 |

**TUDOR GRANGE ACADEMIES TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS (continued)**

**RESTRICTED FUNDS**

|                                   | Brought forward<br>£ | Income<br>£       | Expenditure<br>£    | Gains/<br>(Losses)<br>£ | Carried forward<br>£ |
|-----------------------------------|----------------------|-------------------|---------------------|-------------------------|----------------------|
| 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                    | -                    | 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)          |
|                                   | <b>(10,438,847)</b>  | <b>22,900,275</b> | <b>(24,652,646)</b> | <b>2,460,000</b>        | <b>(9,731,218)</b>   |

**RESTRICTED FIXED ASSET FUNDS**

|  | Brought forward<br>£ | Income<br>£       | Expenditure<br>£    | Gains/<br>(Losses)<br>£ | Carried forward<br>£ |
|--|----------------------|-------------------|---------------------|-------------------------|----------------------|
| 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            |
|  | <b>54,252,644</b>    | <b>3,800,301</b>  | <b>(1,558,026)</b>  | <b>-</b>                | <b>56,494,919</b>    |
| Total restricted funds                                     | <b>43,813,797</b>    | <b>26,700,576</b> | <b>(26,210,672)</b> | <b>2,460,000</b>        | <b>46,763,701</b>    |
| Total of funds   | <b>44,171,063</b>    | <b>28,623,340</b> | <b>(27,844,225)</b> | <b>2,460,000</b>        | <b>47,410,178</b>    |

**STATEMENT OF FUNDS - PRIOR YEAR**

|                           | Brought forward<br>£ | Income<br>£      | Expenditure<br>£   | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2016<br>£ |
|---------------------------|----------------------|------------------|--------------------|-------------------------|--------------------------------------|
| <b>UNRESTRICTED FUNDS</b> |                      |                  |                    |                         |                                      |
| General Fund              | 145,808              | 1,915,699        | (1,704,241)        | -                       | 357,266                              |
|                           | <b>145,808</b>       | <b>1,915,699</b> | <b>(1,704,241)</b> | <b>-</b>                | <b>357,266</b>                       |



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

**RESTRICTED FUNDS**

|                                   | Balance at 1<br>September<br>2015<br>£ | Income<br>£       | Expenditure<br>£    | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2016<br>£ |
|-----------------------------------|--|-------------------|---------------------|-------------------------|--------------------------------------|
| General Annual Grant (GAG)        | 430,499                                | 19,808,422        | (19,968,340)        | -                       | 270,581                              |
| Higher Needs funding (SEN)        | -                                      | 257,136           | (257,136)           | -                       | -                                    |
| Pupil Premium (PP)                | -                                      | 933,215           | (933,215)           | -                       | -                                    |
| Teaching School (including SCITT) | 85,738                                 | 326,991           | (219,157)           | -                       | 193,572                              |
| Other grants                      | -                                      | 748,798           | (748,798)           | -                       | -                                    |
| Pension reserve                   | (4,833,000)                            | (2,016,000)       | (479,000)           | (3,575,000)             | (10,903,000)                         |
|                                   | <b>(4,316,763)</b>                     | <b>20,058,562</b> | <b>(22,605,646)</b> | <b>(3,575,000)</b>      | <b>(10,438,847)</b>                  |

**RESTRICTED FIXED ASSET FUNDS**

|   | Balance at 1<br>September<br>2015<br>£ | Income<br>£       | Expenditure<br>£    | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2016<br>£ |
|---|--|-------------------|---------------------|-------------------------|--------------------------------------|
| Fixed assets transferred on conversion                        | 33,432,267                             | 17,716,196        | (701,114)           | -                       | 50,447,349                           |
| Fixed assets purchased from GAG and<br>other restricted funds | 981,061                                | -                 | (875,355)           | -                       | 105,706                              |
| Devolved Formula Capital (DFC)                                | 138,995                                | -                 | (67,594)            | -                       | 71,401                               |
| Condition Improvement and other<br>equivalent funds (CIF)     | 477,641                                | -                 | (38,730)            | -                       | 438,911                              |
| School Condition Allocation (SCA)                             | 971,011                                | 2,340,962         | (122,696)           | -                       | 3,189,277                            |
|   | <b>36,000,975</b>                      | <b>20,057,158</b> | <b>(1,805,489)</b>  | <b>-</b>                | <b>54,252,644</b>                    |
| Total restricted funds  | <b>31,684,212</b>                      | <b>40,115,720</b> | <b>(24,411,135)</b> | <b>(3,575,000)</b>      | <b>43,813,797</b>                    |
| Total of funds  | <b>31,830,020</b>                      | <b>42,031,419</b> | <b>(26,115,376)</b> | <b>(3,575,000)</b>      | <b>44,171,063</b>                    |

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.

*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.

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

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

*Start up grant* - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

*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.

*Fixed assets purchased from GAG* - This represents capital assets that have been purchased out of restricted GAG funding.

*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 Multi Academies Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

**TUDOR GRANGE ACADEMIES TRUST  
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**20. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2017 were allocated as follows:

|  | <b>Total<br/>2017<br/>£</b> | <b>Total<br/>2016<br/>£</b> |
|--|-----------------------------|-----------------------------|
| TGPA Haselor   | (40,172)                    | (40,138)                    |
| TG Samworth Academy                                      | 582,234                     | 400,034                     |
| TGA Redditch   | (178,104)                   | 230,786                     |
| TGA Solihull   | 17,738                      | 35,419                      |
| TGPA St James  | 423,142                     | 230,202                     |
| TGA Trust  | 40,472                      | 135,711                     |
| TGA Worcester  | (142,051)                   | (170,595)                   |
| <b>Total before fixed asset fund and pension reserve</b> | <b>703,259</b>              | <b>821,419</b>              |
| Restricted fixed asset fund                              | 56,494,919                  | 54,252,644                  |
| Pension reserve  | (9,788,000)                 | (10,903,000)                |
| <b>Total</b>   | <b>47,410,178</b>           | <b>44,171,063</b>           |

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

| <b>Name of academy</b> | <b>Amount of deficit<br/>£</b> |
|------------------------|--------------------------------|
| TGPA Haselor           | (40,172)                       |
| TGA Redditch           | (178,104)                      |
| TGA Worcester          | (142,051)                      |

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

**TGPA Haselor**

During the year the academy's deficit has remained consistent at around £40k. The academy has suffered low and falling pupil numbers for a number of years and there are significant surplus places in local schools. Staffing was restructured, and staff helped regional schools enhance their outcome earning fees as a result. We currently project an increase in pupil numbers combined with robust staff and non-staff cost control. It is anticipated the academy will return to cumulative surplus in 2019/20.

**TGA Redditch**

During the year the deficit was £409k. The academy has suffered low and falling pupil numbers for a number of years and there are significant surplus places in local schools. Staffing was restructured in the year and significant capital investment confirmed to be made to enhance the learning environment and attract pupils.

**TGA Worcester**

During the year the academy saw a surplus of £29k (2016: deficit of £121k) because student numbers have increased year on year in each of the last 3 years but lagged funding has not supported the increase in staff costs required to meet the needs of the growing student population. The Trust continues to monitor total staff costs which this year are expected to be no more than 77% of total income. It is anticipated the academy will return to cumulative surplus in 2019/20.

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

**ANALYSIS OF ACADEMIES BY COST**

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

|                        | Teaching<br>and<br>educational<br>support<br>staff costs<br>£ | Other<br>support<br>staff costs<br>£ | Educational<br>supplies<br>£ | Other costs<br>excluding<br>depreciation<br>£ | Total<br>2017<br>£ | Total<br>2016<br>£ |
|------------------------|---|--------------------------------------|------------------------------|---|--------------------|--------------------|
| TGPA Haselor           | 306,270   | 56,818                               | 18,391                       | 64,622  | 446,101            | 477,585            |
| TG Samworth<br>Academy | 2,681,460   | 1,758,015                            | 227,213                      | 1,203,537                                     | 5,870,225          | 4,276,325          |
| TGA Redditch           | 1,668,406   | 1,142,582                            | 212,850                      | 632,442                                       | 3,656,280          | 4,441,467          |
| TGA Solihull           | 3,845,860   | 2,664,909                            | 277,375                      | 1,103,324                                     | 7,891,468          | 7,001,657          |
| TGPA St James          | 539,180   | 238,184                              | 43,262                       | 135,771                                       | 956,397            | 816,280            |
| TGA Trust              | 3,217   | 1,143,741                            | 16,509                       | 591,726                                       | 1,755,193          | 1,400,462          |
| TGA Worcester          | 3,043,032   | 1,365,027                            | 316,550                      | 768,926                                       | 5,493,535          | 5,417,110          |
|                        | <u>12,087,425</u>   | <u>8,369,276</u>                     | <u>1,112,150</u>             | <u>4,500,348</u>                              | <u>26,069,199</u>  | <u>23,830,886</u>  |

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

|                                     | Unrestricted<br>funds<br>2017<br>£ | Restricted<br>funds<br>2017<br>£ | Restricted<br>fixed asset<br>funds<br>2017<br>£ | Total<br>funds<br>2017<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets               | -                                  | -                                | 53,428,429                                      | 53,428,429                  |
| Current assets                      | 1,283,319                          | 941,906                          | 3,773,375                                       | 5,998,600                   |
| Creditors due within one year       | (636,842)                          | (885,124)                        | (612,489)                                       | (2,134,455)                 |
| 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>           |

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

|                                     | Unrestricted<br>funds<br>2016<br>£ | Restricted<br>funds<br>2016<br>£ | Restricted<br>fixed asset<br>funds<br>2016<br>£ | Total<br>funds<br>2016<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets               | -                                  | -                                | 54,192,730                                      | 54,192,730                  |
| Current assets                      | 370,855                            | 2,037,665                        | 1,492,403                                       | 3,900,923                   |
| Creditors due within one year       | (13,589)                           | (1,573,512)                      | (1,317,705)                                     | (2,904,806)                 |
| Creditors due in more than one year | -                                  | -                                | (114,784)                                       | (114,784)                   |
| Pension scheme liability            | -                                  | (10,903,000)                     | -   | (10,903,000)                |
|                                     | <u>357,266</u>                     | <u>(10,438,847)</u>              | <u>54,252,644</u>                               | <u>44,171,063</u>           |

**TUDOR GRANGE ACADEMIES TRUST  
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**22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|  | 2017<br>£        | 2016<br>£        |
|--|------------------|------------------|
| Net income for the year (as per Statement of Financial Activities) | 779,115          | 15,916,043       |
| <b>Adjustment for:</b>   |                  |                  |
| Depreciation charges   | 1,558,026        | 1,805,489        |
| Interest received  | (1,525)          | (2,492)          |
| Decrease in stocks   | 5,065            | 11,937           |
| Increase in debtors  | (1,331,871)      | (1,126,525)      |
| (Decrease)/increase in creditors                                   | (790,739)        | 893,626          |
| Capital grants   | (1,750,300)      | (2,609,669)      |
| Defined benefit pension scheme cost less contributions payable     | 1,128,000        | 198,000          |
| Defined benefit pension scheme finance cost                        | 217,000          | 281,000          |
| Funds brought in on conversion less net assets                     | -                | (15,700,196)     |
| <b>Net cash used in operating activities</b>                       | <b>(187,229)</b> | <b>(332,787)</b> |

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

|                          | 2017<br>£        | 2016<br>£        |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | 2,814,767        | 2,043,896        |
|                          | <b>2,814,767</b> | <b>2,043,896</b> |

**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. CAPITAL COMMITMENTS**

At 31 August 2017 the Multi Academies Trust had capital commitments as follows:

|   | 2017<br>£ | 2016<br>£ |
|---|-----------|-----------|
| Contracted for but not provided in these financial statements | 2,008,000 | -         |

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.

**TUDOR GRANGE ACADEMIES TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. PENSION COMMITMENTS**

The Multi 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. All 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 £228,327 were payable to the schemes at 31 August 2017 (2016: 226,609) 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
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £1,234,406 (2016: £1,326,495).

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

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**27. PENSION COMMITMENTS (continued)**

([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £1,077,000 (2016: £1,129,000), of which employer's contributions totalled £833,000 (2016: £871,000) and employees' contributions totalled £244,000 (2016: £258,000). 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  
Leicester County Council Pension Scheme: TG Samworth 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:

|  | 2017   | 2016   |
|--|--------|--------|
| Discount rate for scheme liabilities                 | 2.60 % | 2.10 % |
| Rate of increase in salaries                         | 4.20 % | 3.75 % |
| Rate of increase for pensions in payment / inflation | 2.70 % | 2.00 % |

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

|                      | 2017 | 2016 |
|----------------------|------|------|
| Retiring today       |      |      |
| Males                | 21.8 | 23.1 |
| Females              | 24.3 | 25.8 |
| Retiring in 20 years |      |      |
| Males                | 24   | 25.3 |
| Females              | 26.6 | 28.1 |

Warwickshire County Council Pension Fund (TGPA Haselor)

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

|  | 2017   | 2016   |
|--|--------|--------|
| Discount rate for scheme liabilities                 | 2.50 % | 2.10 % |
| Rate of increase in salaries                         | 3.00 % | 4.10 % |
| Rate of increase for pensions in payment / inflation | 2.40 % | 2.10 % |

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**27. 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:

|                      | 2017 | 2016 |
|----------------------|------|------|
| Retiring today       |      |      |
| Males                | 22.5 | 22.4 |
| Females              | 24.7 | 24.4 |
| Retiring in 20 years |      |      |
| Males                | 24.3 | 24.4 |
| Females              | 26.7 | 26.6 |

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

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

|  | 2017   | 2016   |
|--|--------|--------|
| Discount rate for scheme liabilities                 | 2.50 % | 2.10 % |
| Rate of increase in salaries                         | 3.70 % | 3.30 % |
| Rate of increase for pensions in payment / inflation | 2.20 % | 1.90 % |

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

|                      | 2017 | 2016 |
|----------------------|------|------|
| Retiring today       |      |      |
| Males                | 22.6 | 23.5 |
| Females              | 25.6 | 25.9 |
| Retiring in 20 years |      |      |
| Males                | 24.8 | 25.8 |
| Females              | 27.9 | 28.2 |

Leicestershire County Council Pension Fund (TGA Samworth)

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

|  | 2017   | 2016   |
|--|--------|--------|
| Discount rate for scheme liabilities                 | 2.50 % | 2.10 % |
| Rate of increase in salaries                         | 3.40 % | 3.10 % |
| Rate of increase for pensions in payment / inflation | 2.40 % | 2.10 % |

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

|                      | 2017 | 2016 |
|----------------------|------|------|
| Retiring today       |      |      |
| Males                | 22.1 | 22.2 |
| Females              | 24.3 | 24.3 |
| Retiring in 20 years |      |      |
| Males                | 23.8 | 24.2 |
| Females              | 26.2 | 26.6 |



**TUDOR GRANGE ACADEMIES TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**27. PENSION COMMITMENTS (continued)**

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

|                                     | Fair value at<br>31 August<br>2017<br>£ | Fair value at<br>31 August<br>2016<br>£ |
|-------------------------------------|---|---|
| Equities                            | 7,832,000                               | 7,215,000                               |
| Debt instruments                    | 1,411,000                               | 1,359,000                               |
| Property                            | 774,000                                 | 797,000                                 |
| Cash                                | 461,000                                 | 260,000                                 |
| Government bonds                    | 208,000                                 | 170,000                                 |
| Other                               | 465,000                                 | 342,000                                 |
| <b>Total market value of assets</b> | <b>11,151,000</b>                       | <b>10,143,000</b>                       |

The actual return on scheme assets was £2,039,000 (2016: £1,938,000).

Breakdown of Trust pension liability by school:

|                                 | 2017<br>£          | 2016<br>£           |
|---------------------------------|--------------------|---------------------|
| TGPA Haselor                    | (103,000)          | (133,000)           |
| TG Samworth Academy             | (2,992,000)        | (3,257,000)         |
| TGA Redditch                    | (1,335,000)        | (2,207,000)         |
| TGA Solihull and TGPA St. James | (3,340,000)        | (2,580,000)         |
| TGA Worcester                   | (2,018,000)        | (2,726,000)         |
| <b>Total</b>                    | <b>(9,788,000)</b> | <b>(10,903,000)</b> |

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

|                      | 2017<br>£          | 2016<br>£          |
|----------------------|--------------------|--------------------|
| Current service cost | (1,280,000)        | (1,010,000)        |
| Past service cost    | (567,000)          | (59,000)           |
| Interest income      | 156,000            | 305,000            |
| Interest cost        | (373,000)          | (586,000)          |
| <b>Total</b>         | <b>(2,064,000)</b> | <b>(1,350,000)</b> |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. PENSION COMMITMENTS (continued)**

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

|                                    | 2017<br>£         | 2016<br>£         |
|------------------------------------|-------------------|-------------------|
| Opening defined benefit obligation | 21,046,000        | 8,326,000         |
| Current service cost               | 1,280,000         | 1,010,000         |
| Interest cost                      | 373,000           | 586,000           |
| Employee contributions             | 212,000           | 258,000           |
| Actuarial (gains)/losses           | (2,398,000)       | 4,892,000         |
| Benefits paid                      | (141,000)         | (384,000)         |
| Liability transferred on joining   | -                 | 6,299,000         |
| Past service costs                 | 567,000           | 59,000            |
|                                    | <u>20,939,000</u> | <u>21,046,000</u> |
| Closing defined benefit obligation | <u>20,939,000</u> | <u>21,046,000</u> |

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

|                                     | 2017<br>£         | 2016<br>£         |
|-------------------------------------|-------------------|-------------------|
| Opening fair value of scheme assets | 10,143,000        | 3,493,000         |
| Interest income                     | 156,000           | 305,000           |
| Actuarial gains                     | 62,000            | 1,317,000         |
| Employer contributions              | 719,000           | 871,000           |
| Employee contributions              | 212,000           | 258,000           |
| Benefits paid                       | (141,000)         | (384,000)         |
| Asset transferred on conversion     | -                 | 4,283,000         |
|                                     | <u>11,151,000</u> | <u>10,143,000</u> |
| Closing fair value of scheme assets | <u>11,151,000</u> | <u>10,143,000</u> |

**28. OPERATING LEASE COMMITMENTS**

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

|                         | 2017<br>£      | 2016<br>£      |
|-------------------------|----------------|----------------|
| <b>AMOUNTS PAYABLE:</b> |                |                |
| Within 1 year           | 80,421         | 148,093        |
| Between 1 and 5 years   | 26,613         | 83,710         |
|                         | <u>107,034</u> | <u>231,803</u> |
| Total                   | <u>107,034</u> | <u>231,803</u> |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**29. RELATED PARTY TRANSACTIONS**

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.

**30. POST BALANCE SHEET EVENTS**

On 1 September 2017, Robert Smyth Academy joined Tudor Grange Academies Trust. All assets and liabilities were transferred at this date. The results of Robert Smyth Academy from this date forwards will be included within the financial statements of Tudor Grange Academies Trust.

**31. AGENCY ARRANGEMENTS**

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2017 the Academy received £51,326 and disbursed £14,690 from the fund. An amount of £13,816 was brought forwards and £50,452 is included in other creditors relating to undistributed funds that is repayable to ESFA.

