

The Rosedale Hewens Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017



Company Registration Number:
07683702 (England and Wales)

The Rosedale Hewens Academy Trust

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The Rosedale Hewens Academy Trust

Reference and Administrative Details

The Company Members:

Beverley Amos*
Clive Neathey*
Niela Bamber

The Academy Board:

Chairman of the Board
Chief Executive (Director)
Director
Director
Director
Director
Director
Director

Beverley Amos*
Clive Neathey*
Nicole Heard
Ian O'Connor*
Jane Ellis
Stewart Duguid
Norman Deas
Marie Ashley

Clerk:

Susan Neave

Company Secretary:

Susan Galloway

Independent Reviewer and Adviser to the Academy Board:

DMC Accounting*

Academy Trust Senior Management Team:

Chief Executive (Director)
Executive Principal and Director
Executive Principal and Director
Principal and Governor
Principal and Governor (resigned 31.8.17)
Associate Principal and Governor (appointed 1.9.17)
Principal and Governor
Associate Principal and Governor (appointed 1.9.17)
Headteacher and Governor
Headteacher and Governor

Clive Neathey
Ian O'Connor*
Jane Ellis
Heidi Faure
Helen Thomas
Catriona Lund
Alison Moore
Karina Porter
Nicholas Obie
Niela Bamber

Rosedale College Local Advisory Body:

Chair of Governors (Parent Governor)
Principal and Governor
Executive Principal and Governor
Co-opted Governor
Co-opted Governor (resigned 20.10.16)
Parent Governor
Parent Governor (appointed 20.10.16)

Marie Ashley
Heidi Faure
Ian O'Connor*
Norman Deas
Phoday Jarjussey
Bhavesh Vaja
Sabrina Ghenaiet

Hewens College Local Advisory Body:

Chair of Governors (and Co-opted Governor)
Principal and Governor (resigned 31.8.17)
Associate Principal and Governor (appointed 1.9.17)
Executive Principal and Governor
Co-opted Governor
Parent Governor (appointed 27.02.17)
Parent Governor

Beverley Amos*
Helen Thomas
Catriona Lund
Ian O'Connor*
Peter Curling
Marie Ashley
Vacancy

Parkside Studio College

Chair of Governors (and Co-opted Governor)
Associate Principal and Governor
Executive Principal and Governor
Co-Opted Governor (appointed 16.05.17)
Parent Governor

Nicole Heard
Karina Porter
Ian O'Connor*
Debra Smith
Vacancy

The Rosedale Hewens Academy Trust

Reference and Administrative Details (continued)

De Salis Studio College

Chair of Governors (Co-opted Governor) (Interim)
Headteacher and Governor
Executive Headteacher and Governor
Co-opted Governor
Co-opted Governor
Parent Governor
Parent Governor (appointed 15.10.16)

Nicole Heard
Alison Moore
Ian O'Connor*
Stewart Duguid
Paras Joshi
Fiona Ghoumamri
Ali Warsama

Rosedale Primary School Local Advisory Body:

Chair of Governors (and Co-opted Governor)
Headteacher and Governor
Executive Headteacher and Governor
Co-opted Governor
Parent Governor
Parent Governor

Gill Bennett
Niela Bamber
Jane Ellis
Debra Smith
Michelle Drummond
Perminder Kaur

Hewens Primary School

Chair of Governors (Co-opted Governor)
Executive Headteacher and Governor
Co-opted Governor
Parent Governor (appointed 08.02.16)
Parent Governor (appointed 08.02.16)

Maureen Atkinson
Jane Ellis
Debra Smith
Christopher Luff
Mandeep Bains

Brookside Primary School Local Advisory Body

Chair of Governors (Co-Opted Governor)
Headteacher and Governor
Executive Headteacher and Governor
Co-opted Governor
Parent Governor
Parent Governor (appointed 10.02.16)

Elizabeth Wakling
Nicholas Obie
Jane Ellis
Norman Deas
Zainab Jamil
Faizah Ahmed

*** Members of the Finance and Pay Committee**

Principal and Registered Office

The Rosedale Hewens Academy Trust
Wood End Green Road, Hayes, Middx UB3 2SE

Company Registration Number

07683702 (England and Wales)

Independent Auditor

Kingston Smith LLP
The Shipping Building, The Old Vinyl Factory
Hayes, London, UB3 1HA

Bankers

HSBC Bank
2 Station Road, Hayes, Middlesex UB3 4BY

Solicitors:

Clark Holt Commercial Solicitors
Hardwick House, Prospect Place
Swindon SN1 3LJ

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

The Academy Board present their annual report together with the financial statements and auditors' report of the Academy Trust for the year ended 31 August 2017. This annual report serves as a trustees' report as required by charity law and also meets the requirements of a directors' report in compliance with company law.

Structure, Governance and Management

Constitution

The Rosedale Hewens Academy Trust is a company ("the company") limited by guarantee, and an exempt charity with charitable status within the meaning of Section 12 of the Academies Act 2010. The Memorandum and Articles of Association are the primary governing documents of the Academy Board ("the Board"). The trustees of The Rosedale Hewens Academy Trust are also the directors of the charitable company for the purposes of company law. Directors are appointed to the Academy Board by Members of the Company as principal sponsor, or by the Secretary of State for Education.

Members of the Company, and Trustees/Directors may also serve as governors on individual Local Advisory Bodies (LABs). Details of these individuals, which are included in the Reference and Administrative information on pages 1 and 2, served throughout the financial year to which this report relates, with the exception of those noted.

Members' Liability

Each member of the Academy Trust undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees, Directors and Governors' Indemnities

The Rosedale Hewens Academy Trust ("the Trust") has taken out professional indemnity insurance which provides cover for Trustees, Directors and Governors regarding liabilities arising from acts of neglect, errors and/or omissions committed in good faith. In addition it has taken out fidelity guarantee insurance to cover losses caused by the dishonesty of the above individuals. Both of these policies have maximum insured limits, reviewed on an annual basis, as required by the Companies Act 2006 Section 236.

Principal Activities

The principal object and activity of the Trust is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools and colleges (the Academies) offering a broad and balanced curriculum. Working in collaboration with the London Borough of Hillingdon, the Trust first allocates places to those children with Special Educational Needs and who have named a school and college specifically. All other applicants are offered places according to the criteria set out in the Admissions Policy of each school and college. When applicants exceed the total number of places available at any school or college for the relevant age group, a waiting list is established.

Recruitment, Election, Appointment, Induction and Training of Governors

Members of the Company can also be charitable Trustees and Company Directors. Directors are appointed by a unanimous resolution of the existing Members. The Members hold the Sponsor Governor positions on the Academy Board. The Academy Board has standing sub-committees in each Academy known as Local Advisory Boards (LABs). These operate under a Schedule of Delegation which is reviewed and approved by the Board. Local Governors are appointed in accordance with the Articles of Association to be responsible for the affairs of each school or college and the management of these under the terms of the Schedule of Delegation along with senior staff.

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

The Trust currently oversees the work of four secondary colleges, including two studio colleges plus three standalone primary schools. Accordingly the governance of the Trust is structured as follows:-

- The Academy Board ('The Board') is the main body responsible for overall governance of schools and colleges ("The Academies") which are sponsored by the Trust, having the following representation:
 - 3 x Directors including one member (Company), two from local/corporate business
 - 3 x Directors (drawn from the parent community to represent each of the educational phases.
 - 3 x Executive Directors, comprising the Chief Executive (Company), Executive Headteacher (Primary Phase) and Executive Principal (Secondary Phase);

- Local Advisory Body (LAB) operates under a schedule of delegation and is responsible for the affairs of individual schools or colleges, having the following representation:
 - Rosedale College – 1 x director (executive member drawn from the academy board); the principal of the academy; 2 x co-opted governors (drawn from the local community); 2 x additional governors (drawn from the parent body)
 - Hewens College – 1 x director (executive member drawn from the academy board); the principal of the academy; 2 x co-opted governors (drawn from the local community); 2 x additional governors (drawn from the parent body)
 - Parkside Studio College – 1 x director (executive member drawn from the academy board); the principal of the academy; 2 x co-opted governors (drawn from the local business community); 2 x additional governors (drawn from the parent body)
 - De Salis Studio College – 1 x director (executive member drawn from the academy board); the principal of the academy; 2 x co-opted governors (drawn from the local business community); 2 x additional governors (drawn from the parent body)
 - Rosedale Primary – 1 x director (executive member drawn from the academy board); the headteacher of the school; 2 x co-opted governors (drawn from the local community); 2 x additional governors (drawn from the parent body)
 - Hewens Primary - 1 x director (executive member drawn from the academy board); the headteacher of the school; 2 x co-opted governors (drawn from the local community); 2 x additional governors (drawn from the parent body)
 - Brookside Primary – 1 x director (executive member drawn from the academy board); the headteacher of the school; 2 x co-opted governors (drawn from the local community); 2 x additional governors (drawn from the parent body)

During the period under review there were three meetings of the Board and three meetings of each LAB. The training and induction provided for new trustees/directors and governors was dependent on their past experience and particular skills which have made them eligible for the post. The range of training provided by the Trust included raising awareness about the Trust's obligations in terms of educational provision, financial matters, legal matters and charitable status. As a matter of routine each new governor/director was provided with a detailed tour of the school and college estate focusing particularly on the institution for which major responsibility was to be held. This was further reinforced throughout the year by organising Board Meetings at different school and college venues during the working day. All governors and directors were provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. Induction continues to be tailored to meet the specific needs of the individual involved; further improvement in the financial year (2016/17) the Academy Board invested in Trust Governor, a software package recommended by the Department for Education.

Organisational Structure

The Academy Board is the regulatory authority of the Trust and as such is responsible for setting the strategic direction, operational priorities and policy at a corporate level across the group of academies and schools within the Trust. The Trustees approve a Scheme of Delegation which covers key functions and levels of responsibility for

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Trustees and Local Governors in terms of governance and levels of responsibility for senior staff in terms of Leadership and Management. In short, the remit of the Board is to provide coherent leadership and management across all of the schools and colleges sponsored by the Trust. It is therefore responsible for allocating resources by approving an annual budget plan, monitoring the use of these resources and making major decisions about the use of capital and revenue by setting the general strategy and direction of travel for the Trust.

Local Advisory Boards are responsible for advising and assisting in the formulation of general policies concerned with the standards of high quality teaching; review and report on the curriculum offered at the respective schools with reference to national and local requirements; monitor and review the progress of students in terms of academic achievements, attendance, punctuality and behavior, benchmarked against national and local performance and to prepare written documents reporting the above considering the recommendations made by the principal/headteacher and senior leadership team of that school; to actively promote the work of the respective school within the community; responding to external feedback from national and local bodies to continuously improve the offering of the school and wider Academy Trust.

The Chief Executive is authorised to incur expenditure within the approved budget and the appointment of staff without further authorisation from the Board. The management structure within each academy and school consists of a senior leadership team, which is led by the principal and includes vice principals and assistant principals (also known as Directors of Teaching and Learning). The senior leadership team (SLT) is responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

Disabled Employees Policy

The Academy Trust's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Employees who become disabled are retained in existing posts where possible. Procedures relating to training, career development and promotion are adapted to ensure that the employment policies outlined below are fully available equally for disabled and non-disabled employees.

Employment Policy

The Academy Trust depends on the skills and commitment of its employees to perform well. Selection and development procedures are designed to ensure equal opportunities exist for all applicants and employees regardless of gender, marital status, race, age or disability, decisions being based on an individual's aptitude and ability. Employees are kept well informed and encouraged to discuss matters of concern.

Arrangements for setting pay and remuneration of key management personnel

The Rosedale Hewens Academy Trust continues to exercise its freedoms and flexibilities through its pay policy varying a number of provisions made nationally through the School Teachers Pay and Conditions Document (STPCD) as they apply to maintained schools in England. The purpose of this policy is to set out the framework which is applied when making decisions regarding teacher's pay and progression. As such, the policy should be read in conjunction with other policies which regulate the employment of teachers within the Trust, particularly in respect of Performance Management. The policy recognises that the Education Act 2002 ("the Act") gives the Secretary of State power to issue guidance on pay and condition matters as well as to the independent sector. The Trust pays due regard to this when annually reviewing the basis on which different teaching staff are to be paid and whether there is opportunity for further progression. Accordingly, the policy systematically reviews remuneration on an annual basis and also when other circumstances or changes occur. This is to ensure that the pay policy continues to reflect the latest legal position. In so doing, the Trust is confident that all procedures in determining pay are consistent with the principles of public life, namely objectivity, openness and accountability.

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All pay related decisions are taken in compliance with:

- The Equality Act 2010;
- The Employment Rights Act 1996;
- The Employment Relations Act 1999;
- The Employment Act 2002;
- The Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000;
- The Employment Act 2002 (Dispute Resolution) Regulations; and
- The Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002.

In adopting the policy the aim of the Trust is to:

- maximise the quality of teaching and learning;
- support each school and college in the implementation of its respective Raising of Achievement Strategic Plan (RASP) and any other relevant improvement, development and action plans, in addressing the issues which emerge from routine self-evaluation;
- support the recruitment and retention of a high quality teacher workforce;
- recognise and reward teachers appropriately for the contribution they each make at school or college level;
- ensure that decisions on pay are managed in a fair, just and transparent way.

For teachers paid on the leadership and management scale, the Trust has carefully benchmarked remuneration against scales published in the STPCD. This is to ensure that the Trust is able to remain competitive in recruiting and retaining high quality senior leaders. Accordingly, the number of pupils on roll at each school and college is a determining factor for Principals/Headteachers; Vice Principals; Assistant Principals/Headteachers (which are also designated as Directors of Teachers and Learning - secondary), Associate Directors of Teaching and Learning (secondary only); being set by applying the principles contained within The School Governance (Collaboration) (England) Regulations 2003, as a starting point. This requires a calculation to be made by combining the unit score of each school or college for which overall responsibility is held. When determining salary for the Executive Group, the Pay Committee takes into account all of the permanent responsibilities of the role whilst adjusting salary from time to time to take account of any specific challenges or other considerations.

Related Parties and other Connected Charities and Organisations

Several of the schools and colleges within the Trust have a long history of working in collaboration and cooperation with others. At secondary level, for example, there has for many years been engagement with the local business community including a partnership with the Intercontinental Hotels Group which saw the development of a virtual catering academy. There has been on-going commitment to provide opportunities for the local community to have access to specialist facilities at different campuses, particularly in terms of sport, dance and performance. In some instances, these extended services have arisen as part of the Trust's support for local authority initiatives. Equally, there have been a number of directors recruited to the academy board having worked with the Trust in various capacities.

- Norman Deas, for example became a director of the Trust in November 2015 having worked with the schools and colleges in the capacity as a Management Catering Consultant, since the Trust's inception in 2011. In order to avoid any potential conflict of interest, the academy board established a service level agreement so that he could continue to offer advice regarding the development of the Trust's in house catering operation. The service level agreement ensures that all profits made through the operation are re-invested in developing the catering operation. His knowledge, commitment and expertise continue to be invaluable keeping the operation up to date regarding legislation and any other requirements. This includes weekly management visits, as well as monthly health and safety audits together with managerial advice which together has resulted in a 5 Star rating from Environment Health.

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- Likewise, Clive Neathey established the Rosedale College Community Enterprise Limited in the capacity of non-salaried director. Working in conjunction with the London Borough of Hillingdon, this saw Rosedale College designated as a full service extended provider. At the heart of the development, daycare provision which was set up in 2008 to complement services offered by Sure Start at Barra Hall. Whilst the designation is no longer relevant, the Trust has continued to give access to the local community including the use of indoor and outdoor facilities; the most popular provision being a 3G Synthetic Turf pitch, jointly funded by the Football Foundation and Hillingdon Community Trust. As part of this commitment, the Trust has set aside funds so that the pitch can be re-surfaced within the next year or two and remain a valuable local resource. A similar arrangement is in place at Hewens College where there is a floodlit sand filled synthetic pitch regularly used by local clubs. Meanwhile, Rosedale Primary School has a multi use games area (MUGA) which is used for 5 a-side football, tennis, netball and basketball. Both the Rosedale campus and the Hewens site open up indoor areas such as the sports hall for community use.
- Little Marvels Nursery Services Limited was set up in order to support the Local Authority regarding under 2's nursery provision. Clive Neathey established the company in December 2015 as a non-salaried Director in order to provide appropriate provision at Rosedale College, Hewens College and Brookside Primary School. The provision has been staffed and has been operating fully in the financial year.
- Rowensbrook Training and Development Limited was set up in March 2017 in order to operate apprenticeship training with particular emphasis on nursery provision to go hand in hand with Little Marvels Nursery Services Limited apprenticeships. Although not trading within the 2016/17 financial year, this will be ready to go within 2017/18 and has been established by Clive Neathey as a non-salaried Director in order to provide appropriate training provision.

Objectives and Activities

Objects and Aims

The overall aims of the Trust through its schools, colleges and associated enterprises, is to offer high quality provision starting with the early years through to university and beyond. The Trust has a fine track record of engaging with other training providers by offering opportunities to school leavers to embark on apprenticeships. The underlying principle of the Trust provision is to offer choice and diversity allowing children and young people to develop in accordance with individual aptitudes, abilities and interests. With this in mind, the Trust has established a variety of small settings which in particular allows secondary age pupils to follow a specialized curriculum having successfully completed the Key Stage Three curriculum. As such, each secondary provider places particular emphasis on specific areas of the curriculum. Rosedale College, for example, previously designated as a specialist Technology College, continues to be recognized locally for the priority given to Science, Technology, Engineering and Mathematics (STEM). By contrast, Hewens College, previously designated as a specialist Humanities College, has considerable expertise in History, Geography, Religious Education, Citizenship and Sociology. As an alternative, Parkside Studio College offers specialist pathways in Construction, Media, Hair and Beauty, Catering and Hospitality, Health and Social Care and Sport; whilst De Salis Studio College is a business school offering courses in Accountancy, Computer Science, Law, Psychology, Sociology and Languages for business. Through its Articles of Association, the company has adopted a scheme of governance which facilitates this provision, having been approved by the Secretary of State for Education and subsequently underwritten by Education and Skills Funding Agency. The scheme amongst other things, specifies the basis for admitting pupils and students to each of the Trust's schools and colleges.

With that said the common objectives shared by schools and colleges throughout the Trust are summarised below:

- to raise the standard of educational achievement of all students;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition, safeguarding and care;
- to improve the effectiveness of each Academy/School by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;

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- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct our business in accordance with the highest standards of integrity, probity and openness.

Through the operation of its schools and colleges, the main activity of the Company is to provide a broad and balanced education, across the full spectrum of abilities for children and young adults, aged 3 to 19 years.

Organised over three campus sites, the Company aims to provide the opportunity for through education in developing campus based learning communities which cater for all age groups. This has been tried and tested at the Wood End Green Road campus whilst the Hewens Road campus is still undergoing development to this end.

Strategies and Activities

The strategic approach of the Academy Trust is encompassed in its strap line which talks of success through collaboration in that it is recognised that a great deal of social capital can be accumulated by drawing on the expertise and capacity of established education providers, other stakeholders and the wider community. In this, the Trust emphasizes the importance of the local business community as a means by which students of all abilities can acquire a range of attitudes, skills and abilities which will make them 'work ready'; the long term objective being to create an agile and flexible workforce which will improve the prospects of the economy locally. The activities provided which place 'students at the heart' include:-

- improvement in the achievement and the aspiration of children and young people through the expansion of the primary phase using vehicles such as academy conversion and free schools;
- wide ranging and innovative learning opportunities for young people and the wider community through the development for studio school provision and other work place programmes;
- developing strong and meaningful links with business in line with the Academy Trust's specialisms;
- a programme of extended school and life long learning activities for students and the community;
- a supportive and developmental ethos based values and standards to guide and develop the 'whole person' and address the every child matters agenda;
- development opportunities for all staff;

Public Benefit

The principal object and activity of The Rosedale Hewens Academy Trust is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools (the Academies) offering a broad and balanced curriculum. The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' when reviewing the Trust's aims and objectives.

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Strategic Report

Achievements and Performance including key performance indicators

Rosedale College

A highly successful school committed to providing a learning experience which is rich, varied and responsive to the ambitions and aspirations of students. Because learners consistently out-perform all expectations based on prior attainment, the College was again ranked amongst the top 5% of schools nationally as a measure of student progress. The College offers an outstanding curriculum, tailored and personalised to meet the needs of individual. The programme is enriched by extensive catch-up, booster and master class sessions, which ensure that every child is able to reach full potential. Rosedale continues to have an enviable reputation both locally and nationally, being at the forefront of much innovation including national pilots. Beyond Government league tables, the proven track record of Rosedale College has also been highlighted by local media. Certainly, a Parent's Guide, previously published by the Uxbridge Gazette, named Rosedale College as the first choice for parents in the London Borough of Hillingdon. It also confirmed Rosedale as amongst the top five schools PAN London resulting in the COLLEGE becoming significantly over-subscribed 2016/17. Obviously, progress at Key Stage 3 remains a Key Performance Indicator (KPI), allowing highly ambitious targets to be set and achieved by the end of Key Stage 4. The College's reputation as a high performing secondary provider guarantees that students will regularly exceed all expectations in terms of progress at the point of completing Key Stage 2 compared with GCSE outcomes at the end of Key Stage 4. Once again, this year, the College celebrated excellent GCSE results in 2017 bucking the trend with a +0.72 progress score. This indicates that, on average, Rosedale students achieve a grade in each subject which is seven tenths better than the average student in the average school.

Examination performance Unvalidated 2017

Indicators	Unvalidated 2017	Local Authority Average	National Average (England)
Progress 8	+0.72	Validated data available January 2018	
Attainment 8	50.7 points	46.7 points	44.2 points
Grade 5 or above English and Mathematics	56%	44.8%	39.1%
Achieving EBacc at Grade 5/C or above	29%	23.7%	19.5%
Entering EBacc	49%	45%	34.9%
Grade 4 or above in English and mathematics GCSEs	68%	66.1%	63%
Achieving EBacc at grade 4/C or above	29%	26.8%	23.5%
Pupils staying in education or employment for at least two terms after key stage 4	96%	94%	94%

Post 16 A Level

Indicators	Unvalidated 2017	Unvalidated 2017 Grade	Local Authority Average	National Average (England)
Progress	-0.52	TBC	Validated data available January 2018	
Average Result		D	C-	C+
Average Result		21.64	28.11	31.79

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Hewens College

Acknowledged by SSAT (2017) as being amongst the top 20% of schools nationally in terms of the progress made by students, Hewens College is committed to further improvement in 2017/18. Performance data held within the school confirms that the college is on target to achieve this upward trajectory in GCSE outcomes in the new academic year.

Examination performance Unvalidated 2017

Indicators	Unvalidated 2017	Local Authority Average	National Average (England)
Progress 8	-0.7	Validated data available January 2018	
Attainment 8	30.8 points	46.7 points	44.2 points
Grade 5 or above English and Mathematics	26%	44.8%	39.1%
Achieving EBacc at Grade 5/C or above	3%	23.7%	19.5%
Entering EBacc	26%	45%	34.9%
Grade 4 or above in English and mathematics GCSEs	35%	66.1%	63%
Achieving EBacc at grade 4/C or above	3%	26.8%	23.5%
Pupils staying in education or employment for at least two terms after key stage 4	92%	94%	94%

Post 16 A Level

Indicators	Unvalidated 2017	Unvalidated 2017 Grade	Local Authority Average	National Average (England)
Progress	-0.64	TBC	Validated data available January 2018	
Average Result		D	C-	C+
Average Result		21.23	28.11	31.79

De Salis Studio College

Judged by Ofsted as outstanding in February 2017, De Salis Studio College is a unique specialist business school for 13 to 19 year olds. Offering an innovative curriculum that combines high quality teaching and learning with well-structured project based activities, learning goes beyond the classroom and into the wider business community. Students at De Salis not only continue to gain qualifications in traditional core subjects, such as English, Mathematics and Science, but also in a broad range of other subjects which provide them with valuable skills in business and commerce. Teaching and learning remains at the heart of De Salis where the combination of academic and vocational learning with work placements complement students' individual learning pathways and career aspirations. The College's reputation as a high performing secondary provider guarantees that students will regularly exceed all expectations in terms of progress. Again this year, examination outcomes at De Salis demonstrate high levels of attainment with 100% of students gaining grades 9-4 in English and 92% of students achieving this standard in mathematics.

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Examination performance Unvalidated 2017

Indicators	Unvalidated 2017	Local Authority Average	National Average (England)
Progress 8	+0.46	Validated data available as of January 2018	
Attainment 8	49.5 points	46.7 points	44.2 points
Grade 5 or above English and Mathematics	54%	44.8%	39.1%
Achieving EBacc at Grade 5/C or above	Studio Schools are exempted from the EBacc measure	23.7%	19.5%
Entering EBacc	Studio Schools are exempted from the EBacc measure	45%	34.9%
Grade 4 or above in English and mathematics GCSEs	92%	66.1%	63%
Achieving EBacc at grade 4/C or above	Studio Schools are exempted from the EBacc measure	26.8%	23.5%
Pupils staying in education or employment for at least two terms after key stage 4	TBC	94%	94%

Post 16 A Level

Indicators	Unvalidated 2017	Unvalidated 2017 Grade	Local Authority Average	National Average (England)
Progress	-0.16	Validated data available as of January 2018		
Average Result		C-	C-	C+
Average Result		27.59	28.11	31.79

Parkside Studio College

Parkside Studio College was the first of its kind in the area, providing 13-19 learning experiences which meet the needs of young people of all abilities. It is particularly suited to those young people who enjoy a more hands on practical approach to learning, delivered through a personalised curriculum which suits their specific skills and interests. Parkside provides an alternative approach to learning which is based on the Studio School model. The core subjects are taught alongside vocational pathways in the state of the art facilities. In 2016/17, levels of progress improved dramatically due to the rigorous approach to learning and achievement. Parkside remains a successful college with a 100% pass rate in specialist vocational subjects. The college benefits from a very strong relationship with the Rosedale Hewens Academy Trust where the 13-19 curriculum offer is second to none. Building on this success, the Trust anticipates further improvement in progress and attainment in 2017/18.

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Examination performance Unvalidated 2017

Indicators	Unvalidated 2017	Local Authority Average	National Average (England)
Progress 8	-0.64	Validated data available January 2018	
Attainment 8	29.5 points	46.7 points	44.2 points
Grade 5 or above English and Mathematics	13%	44.8%	39.1%
Achieving EBacc at Grade 5/C or above	Studio Schools are exempted from the EBacc measure	23.7%	19.5%
Entering EBacc	Studio Schools are exempted from the EBacc measure	45%	34.9%
Grade 4 or above in English and mathematics GCSEs	35%	66.1%	63%
Achieving EBacc at grade 4/C or above	Studio Schools are exempted from the EBacc measure	26.8%	23.5%
Pupils staying in education or employment for at least two terms after key stage 4	TBC	94%	94%

Post 16 Applied General Qualification

Indicators	Unvalidated 2017	Unvalidated 2017 Grade	Local Authority Average	National Average (England)
Progress	-0.84		Validated data available January 2018	
Average Result		Merit +	Dist-	Dist+
Average Result		28.48	32.4	34.7

Rosedale Primary School

As a new school, Rosedale Primary was inspected by Ofsted and rated to be good. Although it originally opened in temporary buildings, the School is now well established in purpose built accommodation provided through Local Authority expansion funding. Impressive new buildings, designed and built to the very highest specification, help make the School a popular choice for parents. Indeed, in the new academic year, it will reach full capacity with Key Stage 2 results available in 2017/18.

From the outset Rosedale Primary has proved to be a happy, caring and successful school, where children do well. In 2017, the School not only exceeded its own Key Stage 1 targets but also performed exceptionally well in relation to national benchmarks in many areas of development at the Early Years Foundation Stage. However, the school serves a diverse community drawing children from areas of the borough which are known to have pockets of severe deprivation. As such, in many areas of the curriculum there is great challenge in overcoming barriers to learning. As pupils enter Key Stage 2, the academic targets have been set to ensure that all make progress, at least in line with expectation. The performance data to date shows that Rosedale Primary is on track to exceed targets set for 2017/18 and outperform national expectations.

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Hewens Primary School

Hewens Primary opened in September 2013 as a brand new 2 form entry free school for children between 3 and 11 years of age. From the outset, it was judged by Ofsted to be a 'good' school and acknowledged as a popular choice with families within the catchment and beyond. The School is guided by the principles, values and policies, which have delivered success for learners consistently across the entire Trust. Being smaller than many local schools, staff are well placed to actively engage parents, guardians and carers in order to carefully plan each child's learning journey. In establishing the School, the Trust worked closely with both the Department for Education and Education and Skills Funding Agency. In monitoring the quality of teaching, together with the progress of pupils, there can be no doubt that the School is now well established. This is not only reflected through systematic audits by external partners, including the Local Authority, but also confirmed by progress data held at the School. However, the School continues to provide for children drawn from diverse communities where there is significant deprivation, and is therefore continuously challenging achievement in terms of reading, writing and number. As such additional resources have been provided by the Trust to support the school in delivering improvements in this area.

Key Stage 2

Indicators	Unvalidated 2017	Local Authority Average	National Average (England)
Progress Score Reading	-2.15	Validated data available January 2018	
Progress Score Writing	+0.66		
Progress Score Mathematics	+1.17		
Reading, Writing and Mathematics	41%	60%	61%
Average Scale Score Reading	98.4	104.0	104.1
Average Scale Score Mathematics	103.8	105.4	104.2

Brookside Primary School

Since leaving authority control, Brookside Primary School has made significant progress. Above all else, there is now evidence of a strong learning culture, high expectations and a positive ethos. Pupils respond well, apply themselves in terms of their learning and thrive. Early indications suggest a strong upward trajectory in progress and attainment in respect of the Early Years Foundation Stage and outcomes at Key Stages 1 and 2. It is anticipated that these will be in line with national expectation in 2017/18 based on a raft of strategies implemented. Certainly, strong green shoots of recovery are in evidence providing the means to embed these improvements. This impact is being measured by the Trust School Improvement Team on a week by week basis.

Key Stage 2

Indicators	Unvalidated 2017	Local Authority Average	National Average (England)
Progress Score Reading	+0.14	Validated data available January 2018	
Progress Score Writing	+2.26		
Progress Score Mathematics	+2.02		
Reading, Writing and Mathematics	55%	60%	61%
Average Scale Score Reading	100.8	104.0	104.1
Average Scale Score Mathematics	104.4	105.4	104.2

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Going Concern

After making appropriate enquiries with the Local Authority, given its responsibility for planning schools places, the Trust remains confident that it will be in a position to draw down adequate resources into the foreseeable future. For this reason the Trust continues to prepare its financial statements on a going concern basis. Further details of this can be found in the Statement of Accounting Policies.

Financial Review

As in previous reporting periods, the Academy Trust continues to obtain the majority of its income from the Education and Skills Funding Agency (ESFA) in the form of grants, some of which are restricted to particular purposes. The grants received from the DfE and other government bodies during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy Trust also receives grants for fixed assets from the ESFA. In accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP (FRS 102)), such grants are shown in the statement of financial activities as restricted income within the fixed assets fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful economic life of the assets concerned.

During the year ended 31 August 2017, total expenditure of £16,968k was met by grant funding from the ESFA and other government bodies together with other incoming resources. Total incoming resources for the year of £16,709k. Total net deficit for the year ended 31st August 2017 was £259k, before actuarial gains and losses, which reflects the planned investment of accumulated funds brought forward into the schools in the form of refurbishments and improvement works.

Our combined pension liability, valued in line with FRS 102, although continuing to cause concern for The Rosedale Hewens Academy Trust, as it does with all other academies in the UK has seen the deficit of £3,155k reduce by £776k in 2016/17 with a new liability of £2,378k. This is based on the assumptions, market forces, reliances and limitations by Hymans Robertson LLP and documented in the Actuarial Valuation. The Academy Trust continues to make contributions to the Scheme in accordance with the Scheme's strategy to fund the deficit over a period of 20 years. The Trust currently pays 24.5% employers superannuation per employee paying into the scheme.

Reserves Policy

The Academy Trust has a strong local presence offering high quality educational provision from Early Years to apprenticeships and adult education. It has a fine reputation built entirely on its demonstrable capacity to deliver educational transformation in the schools and colleges which it sponsors. As such, there is an imperative to build and maintain a healthy level of reserves in order to safeguard the delivery of new provision which relies on the timescales and processes of other external organisations. As such, the Academy Board regularly reviews the level of reserves held by the Trust, factoring this in to its annual budget planning process. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy Board determines what the level of free reserves should be with an aim to ensure that there are sufficient funds in place to cover any delays between spending and receipt of grants. In short, the reserves cushion the Company in terms of cash flow and also allows the Board to address any unforeseen emergencies which might arise from the urgent maintenance of aging buildings previously designated as life expired.

The Rosedale Hewens Academy Trust is responsible for the maintenance and development of estates over three separate campus sites; buildings which vary enormously in terms of age, condition and suitability. At each campus site there is evidence of phased expansion over decades, clearly highlighted by changes in architectural

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

style, use of materials and building technologies adopted in the construction of different teaching blocks. At the Hewens campus, for example, much of the accommodation dates from the original 1948 build with other teaching blocks having been added in the 1960's, 1980's and 1990's. A significant portion of the site has now been totally remodeled with a combination of EFA funding, sponsorship and other surpluses. The remainder of the site however, is in poor condition due to the absence of planned maintenance over many decades. The Trust, in assuming responsibility for the campus, has invested heavily in mainly infrastructure projects including a boiler and heating plant replacement programme, window and door replacement programme, roof replacement programme and the complete upgrade of all incoming services and utilities. Even so, there is much to be done if the mechanical and electrical installation is to be brought up to date across the whole campus. Beyond this, there are other priorities which arise from proposed changes in the curriculum and the need for a general upgrade in terms of toilet facilities, foyers, stairwells and circulation areas. Some of the site is not DDA compliant in terms of accessibility. All of the above work is essential if the campus is to become an attractive and meaningful option for local families. Like all of the Trust's estate, no investment was made by the LA or others when Building Schools for the Future funding was available.

Hewens Campus (Hewens College, Hewens Primary School and De Salis Studio College):

- Refurbishment of the main toilet facilities and changing rooms (Hewens College)
- Re-modelling of foyer and reception areas (Hewens College)
- Refurbishment of the stairwells and circulation areas (Hewens College)
- Refurbishment of science and technology specialist rooms (Hewens College)
- Refurbishment of the Post 16 Centre (Hewens College)
- Installation of electronic gates (campus wide)
- Window and door replacement programme (Hewens College)
- Refurbishment of ICT specialist teaching rooms (Hewens College)
- Upgrade of the electrical and mechanical installation (Hewens College)
- Completion of the boiler plant renewal programme - gymnasium and changing rooms (Hewens College)
- Refurbishment of the gymnasium (Hewens College)
- Complete replacement of the CCTV installation (campus wide)
- Floodlit Multi Use Games Area (De Salis)
- Traffic calming measures to protect fire evacuation doors (campus wide)
- Fit out of kitchen (Hewens Primary)
- Upgrade of fire alarm system (Hewens Primary School)
- Creation of a practical learning hub – art, music and technology (Hewens Primary)
- Installation of lift and upgrade of adjacent cloakroom area (Hewens Primary)

Rosedale campus too has an assortment of teaching blocks which vary in terms of age, condition and suitability. The main classroom stock is located in the original grammar school building which dates from 1955. This accommodation was deemed to be life expired some 10 years ago given that the classrooms are undersize and no longer fit for purpose. The general structural elements of the building are defective, requiring constant attention in terms of repair and maintenance. The building is not DDA compliant in terms of accessibility and has many problems in terms of the mechanical and electrical installation. This block also requires a total window and door replacement programme.

Two further buildings were added approximately 10 years ago housing Science, Technology, Engineering, Mathematics and Information Technology. This building now requires a light decorative refresh although there are some endurance issues regarding levels of heating in one of the buildings. The campus has reasonable sports facilities which date from the same period but now require further investment in order to replace worn out playing surfaces. There is considerable work to be done to bring the entire site up to a common standard.

The Trust has undertaken significant capital projects on campus focusing on measures to keep the buildings wind and water tight. Roof repairs, boiler replacement and general refurbishment has improved the situation. Many of the buildings have also been over-clad to extend life cycle. Flexibility in the use of the site is offered in the sense

The Rosedale Hewens Academy Trust

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that some temporary buildings have been retained post construction. However, there is now a pressing need to replace the main teaching block as significant areas of the curriculum are now impoverished.

By contrast, Rosedale Primary School is a purpose built 2-form entry primary school which was funded through the Local Authority Primary Expansion Programme. The standard of accommodation is good although there remains a number of accommodation issues which have arisen as a result of value engineering measures which were deemed necessary at the time. These outstanding matters now need to be addressed as the school reaches full capacity.

All of the above work will need to be addressed once priorities have been established given the number of competing interests on site.

Rosedale Campus (Rosedale College, Rosedale Primary School and Parkside Studio College):

- Rebuilding the Main Teaching Block – East Building (Rosedale College)
- Refurbishment of the kitchen and dining area (Rosedale College)
- Refurbishment of the library (Rosedale College)
- Replacement of the shock pad and synthetic turf surface together with dividing nets (Rosedale College)
- Installation of electronic gates (campus wide)
- Upgrading ICT infrastructure (campus wide)
- Upgrade of CCTV installation (campus wide)
- Re-modelling of ground floor accommodation to provide a Performing Arts studio (Parkside Studio College)
- Provision of science laboratories (2 in number) and prep room (Parkside Studio College)
- Completion of creative media and broadcasting centre (Parkside)
- Completion of the hair and beauty suite (Parkside)
- Installation of floodlights to the Multi Use Games Area (Rosedale Primary)
- Installation of retractable seating for the main hall (Rosedale Primary)
- Fitting out of special needs hygiene room (Rosedale Primary)

At Brookside, the main teaching accommodation is housed in a concrete prefabricated single storey structure laid out on a grid system. There is also a new teaching block which was built in 2011/12 to provide for Year 5 and Year 6 pupils. Although much of the outside space has been improved, there are no adequate sports facilities, particularly for older pupils. Investment has been made in replacement roof coverings, ICT infrastructure, toilet refurbishment and outdoor play spaces for the Early Years Foundation Stage. A new CCTV monitoring system has also been installed given the location of the school and prevailing factors within the local community. Funding notionally agreed on conversion to academy status has not been forthcoming, hence the backlog of issues yet to be addressed.

Brookside Primary Campus:

- Installation of a floodlit Multi Use Games Area
- Re-modelling of hall spaces to accommodate assemblies, performances, physical education and dining
- Re-modelling of the reception area to improve security

With all of the above in mind, the Trust will allocate funding to some but not all of the projects identified above in accordance with health and safety priorities and curriculum development. In some instances the projects listed will need to be completed in the absence of further ESFA funding.

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

As at 31 August 2017 the Academy Trust Balance Sheet had total funds of £85,732k. This comprises: restricted fixed assets fund of £79,879k (being £79,640 fixed assets plus £239k capital funds unspent as at 31st August 2017. Restricted general fund £3,050k (being £5,429k restricted general reserve less £2,379k restricted pensions deficit) and unrestricted fund of £2,803k.

Investment Policy

Under the Articles of Association, the Academy Trust has the power to invest any funds not immediately required for the furtherance of its charitable objects while ensuring that due regard is made to ensure that any investments are prudent and suitable to its needs. The Academy Trust maximises available interest income through the use of deposit accounts.

Principal Risks and Uncertainties

In accordance with the Companies Act 2006, the Trust is required to demonstrate how it identifies and mitigates any potential risk or uncertainties that might otherwise threaten its ability to continue in operational existence. To address this requirement the Trust has established a risk management process which operates at both a high level to review the overall business of the Trust and also in terms of individual developmental projects. This follows the traditional orthodoxy found elsewhere in project management using the principles of an overall Risk Register and interim red-amber-green ("RAG") rated update reports.

Principal risks and uncertainties identified are as follows:

- De Salis Studio College - The recruitment of students to the college has not met expectations meaning that the funding available is extremely limited when set against the aspirations of the Trust. This has mainly been due to the lack of permanent buildings which were finally handed over in April 17. Whilst the project is all but complete, there are nevertheless specific facilities in abeyance whilst additional funding streams are found. Even so, the Governing Body will now turn its attention to an active marketing strategy with the prospect of organizing special events to show case the provision and thus draw young people in. The public examination results were again extremely impressive, the details of which can be found on page 11.
- Parkside Studio College – Whilst the college remains popular with many students already attending secondary schools within the Trust, there has been little uptake by students in secondary schools elsewhere. Part of this is due to the image of vocational subjects which seems to assume that the provision is only suitable for lower ability students or those who have not been able to make a success in other local schools. In consequence, there is considerable turbulence within the college given that many students have been placed, in year, as a result of managed moves and fair access panels. Although significant progress has been made in terms of examination outcomes in 2016/17. There is still much work to be done to sustain this upward trajectory. Meanwhile, the college continues to refresh its own marketing strategy so that the aims and objectives of Parkside are better understood by the local authority and other secondary providers. Accordingly, the Governing Body have been tasked to review the curriculum offer and ensure that vocational pathways offer progression routes Post 16.
- Recruitment of teachers – There can be no doubt that there is a growing crisis within the teaching profession regarding the recruitment and retention of high quality teachers. This has been widely reported, resulting in various initiatives by the Government to recruit mathematics and science specialists in particular. As previously reported, the Academy Board identified this as a major risk and took early steps to recruit teachers from overseas. This has proved to be extremely successful with the vast majority of these individuals having achieved qualified teacher status. The Trust continues to recruit good graduates as teaching and learning associates/teaching partners offering training and support to those who wish to become qualified teachers through the assessment only route. Active succession planning is in place.

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Financial Risk Management Objectives and Policies

The Academy Trust is exposed to minimal financial risk as its assets consist mainly of funds held with banks while other assets and liabilities are generally small in comparison. Our main objective is to ensure that the Academy Trust has an effective budget and monitoring system in place to ensure that there are sufficient funds to meet our key objectives. The Academy Trust receives professional advice in respect of its defined benefit pension deficit to ensure that this is reduced over time.

Plans for Future Periods

The strategic mission of The Rosedale Hewens Academy Trust remains unchanged in that its declared purpose is to secure high quality educational provision in Hayes and the adjoining areas. Unlike other multi academy trusts, there is no interest in or appetite for the acquisition of a string of academies across a wide geographical area in that the principles on which the Trust was founded are to increase the choice and diversity of provision for local families. There are ongoing developments in all areas of work from pre-school to apprenticeships and training. With this in mind, the Academy Board has established a tradition of evaluating all of the services it provides and using this feedback to determine where potential and future gaps may exist. To triangulate this evidence base, the Trust makes good use of demographic data and other information from a variety of sources, much of which is held by the Local Authority. In the period 2017-18, the Trust will continue to reconfigure its school estate to reflect changing priorities highlighted at local and national levels. In order to consolidate these developments, there will be an ongoing focus on Early Years provision and alternative pathways for 14 to 19 year olds.

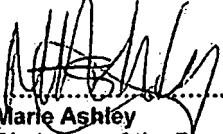
Auditor

In so far as the governors are aware:

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

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

The Trustees' report, incorporating a strategic report, was approved by order of the members of the Academy Board, as the company directors, on 14.12.17 and signed on the board's behalf by:


.....
Marie Ashley
Chairman of the Board

Dated: 14.12.2017

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Governance Statement for the year ended 31 August 2017

Scope of Responsibility

As a central government public body, The Rosedale Hewens Academy trust is required to provide assurance that it is appropriately managed in terms of controlling the resources for which it is responsible.

The Board acknowledges that it has overall responsibility for maintaining an effective and appropriate system of control, financial and otherwise. With that said, any such system can only be designed to manage rather than eliminate the risk of failure in relation to the Trusts declared business objectives. In this sense, the scope of responsibility is to provide reasonable rather than absolute assurance against material misstatement or loss.

The Trust has delegated day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management. These requirements and responsibilities are assigned through the funding agreement between The Rosedale Hewens Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Governance

The information provided below supplements that described in the Report of the Academy Board and in the Statement of Governors' Responsibilities. The Board met formally each term with the attendance at each of the three meetings as follows:-

Governor	Meetings Attended	Out of a possible
B. Amos	3	3
C. Neathey	3	3
I.O'Connor	3	3
J. Ellis	3	3
N. Heard	0	3
S. Duguid	2	3
M. Ashley	3	3
N. Deas	3	3

Following an external review of local governance in 2016, significant changes were made to the membership of the Local Advisory Bodies. This included the appointment of new community governors and the election of parent governors. A significant effort was made to ensure that new governors were properly inducted and had access to an on-going training programme, particularly in the primary phase. New terms of reference were issued to accompany the existing scheme of delegation; clearly setting out the responsibilities of individuals and groups at different levels of governance. Further feedback from Ofsted inspections suggested that whilst the governance structure was sound, the quality of governance at LAB level was variable depending on the engagement, experience and commitment of the individuals concerned. The Academy Board has made a commitment to carry out a route and branch review in the new academic year.

The Finance and Audit committee is a sub-committee of the main board of trustees. Its purpose is to monitor all financial aspects of the Trust including the setting of budgets and monitoring of expenditure against budgets to be put forward to the Academy Board for approval. A total of three meetings took place as follows:

Trustee	Meetings Attended	Out of a possible
B. Amos	3	3
C. Neathey	3	3
D. Roberts	3	3
I. O'Connor	3	3

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Governance Statement for the year ended 31 August 2017

Review of Value for Money

As accounting officer, the Chief Executive has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the tax payer resources received.

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

1. Use of resources to achieve outstanding examination results as outlined in the Trustee's section above, by enhancing and improving aspects of learning for all schools by setting up an interschool curriculum timetable in order for each school to obtain the expertise of subject specialists. This has enabled deployment of staff efficiently to support and target areas of the curriculum in need of development and also incorporates the sharing of an SEN specialist across all schools within the Trust together with a Children and Families Officer and Counsellor.
2. Continued savings of £39K per annum on its tender for photocopiers and printers trust wide.
3. Savings on tendering of a new telephone system which interlinked between all three campuses. This ensured all internal calls across the Trust were free between the three campuses making considerable savings on telephone calls.
4. Continued use of an ICT managed service which covers all seven schools across three campuses. This contract made a saving of £37K per annum when benchmarked against the pre-managed service ICT salaries for each campus.
5. New budgeting software for the Trust with a saving of £5K pa. Also huge time saving as this has been developed by the Trust's finance system supplier and budgets can be uploaded straight into the Trust's accounting system.
6. A Trust paper analysis was carried out in the financial year with a saving of over £6,120 per annum
7. Consolidation of refuse collection making a saving of £10,777 per annum

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 Academy 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 The Rosedale Hewens Academy Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Rosedale Hewens Academy Trust

Annual Report of the Academy Board for the year ended 31 August 2017

Governance Statement for the year ended 31 August 2017

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Academy Board;
- regular reviews by the Academy Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks;
- clarifying the responsibility of the Senior Leadership Teams to implement the Academy Board's policies and to identify and evaluate risks for the governors consideration;
- ensuring that employees understand that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedding the control system in the Academy Trust's operations so that it becomes part of the culture of the Academy Trust;
- developed systems to respond quickly to evolving risks arising from factors within the Academy Trust and to changes in the external environment;
- procedures for reporting failings immediately to appropriate levels of management and the governors together with details of corrective action being undertaken.

The Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trust has appointed DMC Accounting as an independent reviewer (previously referred to as the Responsible Officer) to carry out a programme of internal checks. The role includes giving advice on financial matters and performing a range of checks on the Academy Trusts financial systems. The reviewer reports to the Academy Board on any matters on the operation of the systems of control and on the discharge of the Academy Boards financial responsibilities.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The Rosedale Hewens Academy Trust

Governance Statement for the year ended 31 August 2017

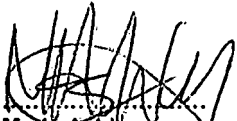
Review of Effectiveness

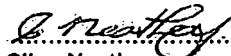
As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

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


Marie Ashley
Chairman of the Board


Clive Neathey
Accounting Officer

Dated: 14th December 2017.

The Rosedale Hewens Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer

of The Rosedale Hewens Academy Trust I have considered my responsibility to notify the academy trust governing body 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 academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Board are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



Clive Neathey
Chief Executive
Accounting Officer

Dated: 14-12-17

The Rosedale Hewens Academy Trust Statement of Governors' Responsibilities

The governors (who act as trustees for charitable activities of The Rosedale Hewens Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Academy Board and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

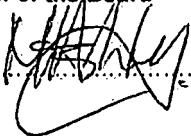
The governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have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

The governors 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 the legislation in other jurisdictions.

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

Marie Ashley
Chairman of the Board

Dated:



14-12-17

The Rosedale Hewens Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Rosedale Hewens Academy Trust

Opinion

We have audited the financial statements of The Rosedale Hewens Academy Trust ('the Academy Trust'), for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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 company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Rosedale Hewens Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Rosedale Hewens Academy Trust

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Rosedale Hewens Academy Trust
Independent Auditor's Report on the Financial Statements
to the Members of The Rosedale Hewens Academy Trust

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kingston Smith LLP

Date: 18 December 2017

James Cross (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes, London
UB3 1HA

The Rosedale Hewens Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Rosedale Hewens Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 12 November 2014 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 The Rosedale Hewens Academy Trust during the period 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 The Rosedale Hewens Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Rosedale Hewens Academy 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 The Rosedale Hewens Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Rosedale Hewens Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Rosedale Hewens Academy Trust's funding agreement with the Secretary of State for Education dated 31 August 2014 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 period 1 September 2016 to 31 August 2017 has 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 academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry
- Inspection and review
- Observation and reperformance

The Rosedale Hewens Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Rosedale Hewens Academy Trust and the Education and Skills Funding Agency

Conclusion

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

Kingston Smith LLP

Date: 18 December 2017

James Cross (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes, London
UB3 1HA

The Rosedale Hewens Academy Trust

Statement of Financial Activities for the year ended 31 August 2017
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000	Total 2016 £000
Income and endowments from:						
Donations and capital grants	2	6	-	61	67	1,366
Charitable activities:						
Funding for the academy trust's educational operations	3		16,253	-	16,253	14,517
Other trading activities	4	385	-	-	385	364
Investments	5	4	-	-	4	19
Total		395	16,253	61	16,709	16,266
Expenditure on:						
Raising funds	6	48	-	-	48	52
Charitable activities:						
Academy trust educational operations	7	-	14,552	2,368	16,920	17,350
Total		48	14,552	2,368	16,968	17,402
Net income / (expenditure)		347	1,701	(2,307)	(259)	(1,136)
Transfers between funds		-	(404)	404	-	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	25	-	952	-	952	(1,141)
Net movement in funds		347	2,249	(1,903)	693	(2,277)
Reconciliation of funds						
Total funds brought forward at 1 September 2016		2,456	801	81,782	85,039	87,316
Total funds carried forward at 31 August 2017		2,803	3,050	79,879	85,732	85,039

All of the academy's activities derive from continuing operations during the above two financial periods.

A statement of Total Recognised Gains and Losses is not required as all gain and losses are included in the Statement of Financial Activities.

The Rosedale Hewens Academy Trust

Balance Sheet
as at 31 August 2017

	Notes	2017 £000	2017 £000	2016 £000	2016 £000
Fixed assets					
Tangible assets	12		79,640		81,032
Current assets					
Stock	14	92		86	
Debtors	23	963		1,839	
Cash at bank and in hand		<u>7,947</u>		<u>6,273</u>	
		9,002		8,198	
Liabilities					
Creditors : Amounts falling due within one year	16	<u>(531)</u>		<u>(1,036)</u>	
Net current assets/(liabilities)			<u>8,471</u>		<u>7,162</u>
Total assets less current liabilities			<u>88,111</u>		<u>88,194</u>
Net assets excluding pension liability			<u>88,111</u>		<u>88,194</u>
Defined benefit pension scheme liability	25		<u>(2,379)</u>		<u>(3,155)</u>
Total net assets			<u>85,732</u>		<u>85,039</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	79,879		81,782	
General fund	17	5,429		3,956	
Pension reserve	17	<u>(2,379)</u>		<u>(3,155)</u>	
Total restricted funds			<u>82,929</u>		<u>82,583</u>
Unrestricted income funds	17		2,803		2,456
Total funds			<u>85,732</u>		<u>85,039</u>

The financial statements on pages 30 to 48 were approved by the trustees, and authorised for issue on 15 December 2017 and are signed on their behalf by:



Clive Neathey
Chief Executive

The Rosedale Hewens Academy Trust

Statement of Cash Flows
for the year ended 31 August 2017

	Notes	2017 £000	2016 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	2,585	1,548
Cash flows from investing activities	22	(915)	(2,759)
Cash flows from financing activities	21	4	19
Change in cash and cash equivalents in the reporting period		<u>1,674</u>	<u>(1,192)</u>
Cash and cash equivalents at 1 September 2016		6,273	7,465
Cash and cash equivalents at 31 August 2017	23	<u>7,947</u>	<u>6,273</u>

The Rosedale Hewens Academy Trust

Notes to the Financial Statements
for the year ended 31 August 2017

1 Statement of Accounting Policies

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

Company information

The Rosedale Hewens Academy Trust is a limited company domiciled and incorporated in England and Wales. The registered office is Wood End Green Road, Hayes, United Kingdom, UB3 2SE.

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS102, 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 the ESFA, the Charities Act 2011 and the Companies Act 2006.

The Rosedale Hewens Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pound.

Going Concern

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

Income

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

Grants

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

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

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

The trust is benefiting from the ESFA's Free School Building Programme for the construction of De Salis Studio College. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the trust controls through lease, the site where the development is occurring.

Sponsorship Income

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

Donations

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

Other income

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

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

1 Statement of Accounting Policies (continued)

Donated goods, facilities and services

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

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

Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

Expenditure

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

Charitable Activities

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

Expenditure on Raising Funds

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold and long leasehold buildings	2%
Fixtures, fittings and equipment	10-20%
Motor Vehicles	20%

On conversion to an academy trust, the land and buildings occupied by Brookside Primary School were assigned to the academy trust under a 125-year lease by The London Borough of Hillingdon. For the purposes of these financial statements the buildings were recognised at their estimated cost for insurance, and no value was attributed to the land due to its restriction in use to educational purposes. Other assets transferred to the academy trust conversion were recognised at insurance reinstatement cost as an approximation for fair value.

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

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

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

1 Statement of Accounting Policies (continued)

Liabilities

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

Provisions

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

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

Leased Assets

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

Stock

Unsold uniforms are valued at the lower of cost or net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

1 Statement of Accounting Policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

1 Statement of Accounting Policies (continued)

Pensions Benefits

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

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

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency and London Borough of Hillingdon

Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions

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

Local Government Pension Scheme

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 25, 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 2017 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Capital grants	-	61	61	1,361
Other donations	6	-	6	5
	<u>6</u>	<u>61</u>	<u>67</u>	<u>1,366</u>

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	14,294	14,294	12,608
Start Up Grants	-	97	97	188
Other DfE/ESFA grants	-	1,103	1,103	1,039
	<u>-</u>	<u>15,494</u>	<u>15,494</u>	<u>13,835</u>
Other Government grants				
Local authority grants	-	759	759	682
Special educational projects	-	-	-	-
	<u>-</u>	<u>759</u>	<u>759</u>	<u>682</u>
Other Income from the academy trust's educational operations	-	16,253	16,253	14,517

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Uniforms	76	-	76	76
Letting fees	6	-	6	11
Other Income	44	-	44	39
Training	29	-	29	43
Catering	177	-	177	153
Trips	53	-	53	42
	<u>385</u>	<u>-</u>	<u>385</u>	<u>364</u>

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Short term deposits	4	-	4	19
	<u>4</u>	<u>-</u>	<u>4</u>	<u>19</u>

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

6 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2017 £000	Total 2016 £000
		Premises £000	Other £000		
Expenditure on raising funds	-	-	48	48	52
Academy's educational operations:					
Direct costs	9,839	-	2,815	12,654	12,823
Allocated support costs	1,631	1,093	1,542	4,266	4,527
	<u>11,470</u>	<u>1,093</u>	<u>4,405</u>	<u>16,968</u>	<u>17,402</u>
2016 Total	<u>11,632</u>	<u>870</u>	<u>4,900</u>	<u>17,402</u>	<u>17,402</u>

Net income / (expenditure) for the period includes:

	2017 £000	2016 £000
Operating leases	23	14
Depreciation	2,368	2,300
Fees payable to auditor for:		
- Audit	17	34
- Other services - accountancy and non-statutory assurance	4	10

7 Charitable Activities

	Total 2017 £000	Total 2016 £000
Direct costs - educational operations	12,654	12,823
Support costs - educational operations	4,266	4,527
	<u>16,920</u>	<u>17,350</u>

Support costs - educational operations

	Educational operations £000	Total 2017 £000	Total 2016 £000
Support staff costs	1,630	1,630	1,486
Technology costs	331	331	255
Premise costs	788	788	870
Pension finance costs	67	67	73
Other support costs	1,426	1,426	1,789
Governance costs	24	24	54
Total direct and support costs	<u>4,266</u>	<u>4,266</u>	<u>4,527</u>

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

8 Staff

a. Staff costs

	2017 £000	2016 £000
Staff costs during the period were:		
Wages and salaries	7,941	8,656
Social security costs	746	715
Operating costs of defined benefit pension scheme	1,000	1,004
Apprenticeship Levy	10	-
	<u>9,697</u>	<u>10,375</u>
Supply staff costs	1,773	1,257
	<u>11,470</u>	<u>11,632</u>

b. Staff numbers

The average number of persons employed by the academy during the period was as follows:

	2017 No.	2016 No.
Teachers	120	128
Educational support	44	62
Administration and support	46	45
Management	36	40
	<u>246</u>	<u>275</u>

c. Higher paid staff

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

	2017 No.	2016 No.
£60,001 - £70,000	4	2
£70,001 - £80,000	3	3
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£200,001 - £210,000	1	1

Remuneration disclosed above includes the following amount paid to the highest paid director:

	2017 £000	2016 £000
Remuneration for qualifying services	206	206
Company pension contributions to defined benefit scheme	-	-
	<u>206</u>	<u>206</u>

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,059,164 (2016: £1,135,250).

9 Disclosure of central services

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

human resources;
financial services
legal services

These costs are allocated to schools on the basis of pupil numbers. During the year this was as follows:

	2017	2016
Rosedale College	32%	32%
Rosedale Primary	12%	12%
Hewens College	12%	12%
Parkside Studio College	5%	5%
Brookside Primary School	24%	24%
Hewens Primary School	12%	12%
De Salis Studio College	3%	3%

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

10 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

	Remuneration		Pension Contributions	
	2017 £000	2016 £000	2017 £000	2016 £000
Clive Neathey (Chief Executive)	£205 - £210	£205 - £210	£nil	£nil
Jane Ellis (Executive principal - primary)	£75 - £80	£75 - £80	£10 - £15	£10 - £15
Ian O'Connor (Executive principal - secondary)	£105 - £110	£100 - £105	£15 - £20	£15 - £20

The number of directors to whom defined benefit pension contributions are accruing under the Teacher's Pension Scheme is 2 (2016: 2).

During the year ended 31 August 2017, travel and subsistence expenses totalling £nil (2016: £nil) were reimbursed to Governors.

Other related party transactions involving the trustees are set out in note 26.

11 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2017 is included in the total insurance cost for the year.

12 Tangible fixed assets

	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Furniture and Equipment £000	Motor Vehicles £000	Total £000
Cost					
At 1 September 2016	72,823	13,740	3,343	102	90,008
Additions	614	-	362	-	976
At 31 August 2017	<u>73,437</u>	<u>13,740</u>	<u>3,705</u>	<u>102</u>	<u>90,984</u>
Depreciation					
At 1 September 2016	6,562	934	1,403	77	8,976
Charged in year	1,456	275	629	8	2,368
At 31 August 2017	<u>8,018</u>	<u>1,209</u>	<u>2,032</u>	<u>85</u>	<u>11,344</u>
Net book values					
At 31 August 2017	<u>65,419</u>	<u>12,531</u>	<u>1,673</u>	<u>17</u>	<u>79,640</u>
At 31 August 2016	<u>66,261</u>	<u>12,806</u>	<u>1,940</u>	<u>25</u>	<u>81,032</u>

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

13 Financial instruments	2017	2016
	£000	£000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>539</u>	<u>611</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>76</u>	<u>112</u>
14 Stock	2017	2016
	£000	£000
Uniform	<u>92</u>	<u>86</u>
	<u>92</u>	<u>86</u>
15 Debtors	2017	2016
	£000	£000
VAT recoverable	577	649
Prepayments and accrued income	<u>386</u>	<u>1,190</u>
	<u>963</u>	<u>1,839</u>
16 Creditors: Amounts falling due within one year	2017	2016
	£000	£000
Trade creditors	35	40
Taxation and social security	181	196
ESFA creditor: abatement of GAG	153	608
Accruals and deferred income	<u>162</u>	<u>192</u>
	<u>531</u>	<u>1,036</u>
Deferred income	2017	2016
	£000	£000
Deferred Income at 1 September 2016	120	102
Resources deferred in the year	121	120
Amounts released from previous years	<u>(120)</u>	<u>(102)</u>
Deferred Income at 31 August 2017	<u>121</u>	<u>120</u>

At the balance sheet date the academy trust was holding funds received in advance in respect of grants for universal infant free school meals relating to the year ended 31 August 2017.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

17 Funds

	Balance at 1 September 2016 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant (GAG)	3,956	14,294	(12,153)	(668)	5,429
Start Up Grant	-	97	(97)	-	-
Other DfE grants	-	1,103	(1,103)	-	-
Other restricted funds	-	759	(759)	-	-
Pension reserve	(3,155)	-	(440)	1,216	(2,379)
	<u>801</u>	<u>16,253</u>	<u>(14,552)</u>	<u>548</u>	<u>3,050</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	750	61	-	(572)	239
Transfer on conversion	72,342	-	(2,368)	-	69,974
Fixed assets purchased with capital and other funding	6,442	-	-	-	6,442
Capital expenditure from GAG	2,248	-	-	976	3,224
	<u>81,782</u>	<u>61</u>	<u>(2,368)</u>	<u>404</u>	<u>79,879</u>
Total restricted funds	<u>82,583</u>	<u>16,314</u>	<u>(16,920)</u>	<u>952</u>	<u>82,929</u>
Total unrestricted funds	<u>2,456</u>	<u>395</u>	<u>(48)</u>	<u>-</u>	<u>2,803</u>
Total funds	<u>85,039</u>	<u>16,709</u>	<u>(16,968)</u>	<u>952</u>	<u>85,732</u>

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

General Annual Grant

This includes all monies received from the ESFA to carry out the objectives of the academy trust. It includes the School Budget Share and education services grants.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Start Up Grant

This represents the amount received on conversion to academy status for start up costs.

Other DfE/ESFA grants

This represents revenue grants received from the ESFA for specific purposes, including funds provided to support individual pupils with a SEN statement and development grants received by the academy trust.

Other restricted funds

This represents revenue grants received from the Local Education Authorities for specific purposes.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme which was transferred to the academy on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and monies transferred from the GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

Transfers between funds

Transfers from the General Annual Grant Fund to the fixed asset fund of £404,000 relate to fixed assets purchased from the GAG funds. Transfers from the General Annual Grant Fund to the restricted pension fund of £264,000 relate to funds paid into the LGPS defined benefit pension scheme.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

17 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total £000
Rosedale College	4,315
Rosedale Primary	1,380
Hewens College	476
Parkside Studio College	161
Brookside Primary School	780
Hewens Primary School	1,819
De Salis Studio College	(738)
Central services	39
Total before fixed assets and pension reserve	8,232
Restricted fixed asset fund	79,879
Pension reserve	(2,379)
Total	85,732

De Salis Studio College is carrying a net deficit as shown above, due to capital investment of £764k.

While the fund balances carried forward have been separately disclosed for each academy, the academy trust manages its surplus funds on a central basis. Making these central funds available for spending on special and long-term capital projects.

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding depreciation) £000	Total £000
Rosedale College	3,448	538	72	926	4,984
Rosedale Primary	1,114	173	32	301	1,620
Hewens College	1,431	340	23	599	2,393
Parkside Studio College	700	83	23	160	966
Brookside Primary School	1,467	269	37	246	2,019
Hewens Primary School	974	169	37	456	1,636
De Salis Studio College	705	59	9	141	914
Central Services	-	-	-	68	68
Academy Trust	9,839	1,631	233	2,897	14,600

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

18 Analysis of net assets between Funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	79,640	79,640
Current assets	3,334	5,429	239	9,002
Current liabilities	(531)	-	-	(531)
Pension scheme liability	-	(2,379)	-	(2,379)
Total net assets	2,803	3,050	79,879	85,732

19 Financial Commitments

Operating Leases

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

	2017 £000	2016 £000
Hire of plant and machinery		
Amounts due within one year	19	14
Amounts due between two and five years	13	36
Amounts due after five years	-	-
	32	50

20 Reconciliation of Net Expenditure to Net Cash Inflow from Operating Activities

	2017 £000	2016 £000
Net expenditure	(259)	(1,136)
Adjusted for:		
Depreciation (note 11)	2,368	2,300
Capital Grants from DfE and other capital income	(61)	(1,361)
Interest receivable (note 5)	(4)	(19)
Defined benefit pension scheme cost less contributions payable (note 24)	109	4
Defined benefit pension scheme finance cost (note 24)	67	73
Increase/(decrease) in stocks	(6)	17
(Increase)/decrease in debtors	876	1,811
Increase/(decrease) in creditors	(505)	(141)
Net Cash provided by / (used in) Operating Activities	2,585	1,548

21 Cash flows from financing activities

	2017 £000	2016 £000
Interest received	4	19
Net cash provided by / (used in) financing activities	4	19

22 Cash flows from investing activities

	2017 £000	2016 £000
Purchase of tangible fixed assets	(976)	(4,120)
Capital grants from DfE/ESFA	61	1,361
Net Cash provided by / (used in) Operating Activities	(915)	(2,759)

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

23 Analysis of cash and cash equivalents

	At 31 August 2016 £000	Cash flows £000	At 31 August 2017 £000
Cash in hand and at bank	6,273	1,674	7,947
Total cash and cash equivalents	6,273	1,674	7,947

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 £10 for the debts and liabilities contracted before he/she ceases to be a member.

25 Pension and Similar Obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effect 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 of 3.0% in excess of prices and 2% in excess of earnings. The rate or real earnings growth is assumed to be 2.75%. The assumed normal 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.

Teachers' Pension Scheme Changes

The employer's pension costs paid to TPS in the period amounted to £640,035 (2016: £721,000).

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

Under the definitions set out in FRS 102, the TPS is 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.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

25 Pension and Similar Obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £330,000 (2016: £363,000), of which employer's contributions totalled £264,000 (2016: £290,000) and employees' contributions totalled £66,000 (2016: £73,000). The agreed contribution rates for future years are 24.5% for employers and 5.5% and 12.5% for employees.

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

Principal Actuarial Assumptions	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	2.8%	3.1%
Rate of increase for pensions in payment/inflation	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.1%

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	22.6 years	22.7 years
Females	24.6 years	24.7 years
<i>Retiring in 20 years</i>		
Males	24.0 years	24.3 years
Females	26.5 years	26.9 years

Sensitivity Analysis

Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2017:

	At 31 August 2017 £000	At 31 August 2016 £000
0.5% increase in the salary increase rate	157	285
0.5% increase in the pension increase rate	451	470
0.5% decrease in real discount rate	622	779

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
Equities	1,305	1,457
Bonds	505	628
Property	253	301
Cash	42	126
Total market value of assets	2,105	2,512
Present value of scheme liabilities	(4,484)	(5,667)
Deficit in the scheme	(2,379)	(3,155)

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

The Rosedale Hewens Academy Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2017

25 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Amounts recognised in the statement of financial activities	2017 £000	2016 £000
Current service cost	(373)	(294)
Net interest cost	(67)	(73)
Total operating charge	(440)	(367)

Changes in the fair value of defined benefit obligations were as follows:

	2017 £000	2016 £000
At 1 September	5,667	3,769
Current service cost	373	294
Interest cost	123	149
Employee contributions	66	73
Actuarial (gain)/loss	(1,717)	1,422
Benefits paid	(28)	(40)
Plan introductions, benefit changes, curtailments and settlements		
At 31 August	4,484	5,667

Changes in the fair value of Academy's share of scheme assets:

	2017 £000	2016 £000
At 1 September	2,512	1,832
Return on plan assets (excluding net interest on the net defined pension liability)	56	76
Employee contributions	66	73
Employer contributions	264	290
Actuarial (loss)/gain	(765)	281
Benefits paid	(28)	(40)
At 31 August	2,105	2,512

The estimated value of employers contributions for the year ended 31 August 2018 is £257,000

26 Related Party Transactions

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

The academy trust has known related parties as described on pages 6-7.

The following related party transactions took place in the period of account:

Rosedale College Community Enterprise Limited is a company incorporated in England and Wales. The company is not directly owned by the Trust but Clive Neathey, Chief Executive, also acts as (non-salaried) director of the trading company. The company operates a number of the Trust's facilities for the benefit of pupils and the local community. It is administered by the Trust's staff and management. The Trust includes Rosedale College Community Enterprise Limited under its insurance policies.

Little Marvels Nursery Services Limited is a company incorporated in England and Wales. The company is not directly owned by the Trust but Clive Neathey, Chief Executive, also acts as (non-salaried) director of the trading company. The company operates a number of the Trust's facilities for the benefit of pupils and the local community. It is administered by the Trust's staff and management. The nursery offers support staff as and when required for the trust's three primary schools.

During the year, the academy trust incurred fees totalling £8,100 (2016:£8,100) in respect of catering consultancy services carried out by Norman Deas who has been with the Trust as a consultant overseeing the catering operation and has worked with the Trust since its inception and prior to that with Rosedale College since 2006, before becoming a director in November 2015.