

St. Giles' & St. George's Church of England Academy

Directors' report and financial statements

For the Year Ended 31 August 2018



St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

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St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Reference and administrative details
For the Year Ended 31 August 2018

Members

Church of England Central Education Trust
Mr M Alcock
Rev P Nisbeck
Rev R Daborn

Trustees

Rev R Daborn (resigned 30 September 2018)
Mr M Alcock, Chair of Trustees
Mrs L Evans, Headteacher and Accounting Officer
Rev M Ball
Rev P Nisbeck
Mrs E Sale, Staff Trustee
Mrs L Wiggs
Mrs L Kind (resigned 31 August 2018)
Mrs J Clegg (appointed 4 December 2017)
Miss S Boreham (appointed 19 March 2018)
Miss C Ashton, Staff Trustee

Company registered number

08863406

Company name

St. Giles' & St. George's Church of England Academy

Principal and registered office

St Giles' & St George's Church of England Academy, St Paul's Road, Newcastle-under-Lyme, Staffordshire, ST5 2NB

Senior management team

Mrs L Evans, Headteacher
Miss C Ashton, Deputy Headteacher
Miss A Thurley, Foundation Stage Leader
Mrs R Lawton, SENCO
Mrs M Elden, Bursar
Mrs G Barclay (from 1 September 2017), Phonics Leader

Independent auditors

Dains LLP, Suite 2 Albion House, 2 Etruria Office Village, Forge Lane, Stoke on Trent, ST1 5RQ

Bankers

Lloyds Bank, 46-48 High Street, Newcastle-under-Lyme, Staffordshire, ST5 1QY

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Trustees' report
For the Year Ended 31 August 2018

The trustees (who are also directors of the charity for the purpose of the Companies Act and the governors of the Academy) present their annual report together with the financial statements and auditor's report of St. Giles' & St. George's Church of England Academy for the year September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged between 3 and 11 serving a catchment area in Newcastle under Lyme. It has recently been extended to be able to accommodate a pupil PAN of 420 plus 60 place Nursery over time. Current numbers on roll are 284 plus 26 Nursery (as per the school census October 2018).

Structure, governance and management

Constitution

St. Giles' & St. George's Church of England Academy was incorporated on 27 January 2014 as a company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of St. Giles' & St. George's Church of England Academy are also the directors of the charitable company for the purpose of company law. A funding agreement with the secretary of state was signed on 30 September 2014 and St. Giles' & St. George's C of E Primary School converted to academy status on 1 October 2014.

The charitable company is known as St Giles' & St. George's Church of England Academy.

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

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

Method of recruitment and appointment or election of Trustees

The members shall appoint a minimum of 9 Governors plus 2 parent governors and the Headteacher:

Staff and parent governors are recruited by nomination and election from all school staff and the parent body.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for New Trustees will depend on their existing experience. Diocesan trustees are appointed by the Diocese of Lichfield. Skills gaps on the governing body are considered in the appointment of new Trustees. All new Trustees will be given a tour of the Academy. All Trustees are provided, at an appropriate time, with copies of policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as Trustees.

Organisational structure

The governance of the trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

All governors are members of the full governing board. In addition, governors are members of scrutiny groups which report to the full governing board.

- The board of governors meets twice a term to receive reports from these scrutiny groups and receive reports from the Principal Finance Officer and Responsible Officer Audits with regard to the academy's budget and financial performance. They also meet for staffing matters, remuneration, buildings and health and safety matters.

The day to day management is delegated to the Headteacher, who has a senior leadership team which meets regularly to lead development plans.

Arrangements for setting pay and remuneration of key management personnel

The Headteacher, Deputy Headteacher, Senior Leadership Team and Bursar are designated as the key management personnel members. Criteria for pay are based on performance indicators of pupil progress, leadership responsibilities linked to national standards outlined in the teachers pay and conditions document, NJC job profiles, job descriptions and the school development plan priorities. The academy uses the performance pay policy agreed by governors to guide pay decisions.

Connected organisations, including related party relationships

The academy has no related parties or connections with any other charities and organisations.

Objectives and Activities

Objects and aims

The academy's main aim is captured in its mission statement, "As God's children we aspire believe and achieve to be the very best we can be". The academy objectives for improvement are based around the following areas:

- Leadership and management
- Behaviour and Safety
- Achievement
- Quality of Teaching

As a Church of England Academy the ethos statement as follows also forms the basis for its mission.

St Giles' and St George's Church of England Academy provides an attractive, safe, well ordered, child centred place of learning within a Christian context. Maintaining and sustaining the highest standards of teaching and learning is a key concern of directors and staff. The school works positively with parents and carers to fulfil the academy's expectation that all learners achieve at the highest level of which they are capable.

As a Church of England Academy, Christian values are central to our ethos. There is a daily act of Christian based worship, which encourages spiritual development and a mutual understanding of life together.

We place a strong emphasis on positive partnerships between school, home and our two churches, St Giles' and St George's. Our priority is to strengthen our community so that we provide a service to all.

Objectives, strategies and activities

Following an Ofsted in November 2017, the academy was judged to provide a good education as follows:

Summary of key findings for parents and pupils

This is a good school

Leaders and managers have a clear understanding of the school's strengths and weaknesses. They have used this effectively to improve the quality of teaching, the curriculum and pupils' outcomes.

The headteacher and the deputy headteacher are well supported by other leaders. However, the leadership of key stage 1 is underdeveloped.

The most effective teaching is planned well to meet pupils' learning needs. It is engaging and leads to rapid progress. Although the overall quality of teaching is improving, it does not consistently deepen pupils' understanding in order to ensure that more pupils reach the highest standards.

Current pupils are making good progress across a range of subjects. All groups of pupils made strong progress during the last school year.

Outcomes improved in the end of key stage 2 assessments in 2017. The proportion of Year 6 pupils reaching the expected standard in mathematics and writing was greater than the national average. In reading, outcomes were broadly average.

Leaders are taking further action to improve outcomes in reading, spelling and boys' writing. These actions are recent and not yet fully embedded in practice. Leaders now analyse information from checking teaching and pupils' progress to decide on actions to improve teaching and outcomes.

Pupils' spiritual, moral, social and cultural development is at the heart of the school's work. Pupils' behaviour is exemplary. They manage their own behaviour very well.

Objectives, strategies and activities (continued)

There is a strong culture of safeguarding pupils across the school. Keeping children safe is a shared responsibility and all staff know what they should do if they have a concern about a pupil's welfare.

Children make a good start to their schooling in the early years provision. It is well led and managed. Teaching is good and so children make strong progress.

School staff have good working relations with parents. All parents who made their views known during the inspection would recommend the school.

Next steps for the academy are to:

Further improve the quality of teaching so that more matches the best found in the school.

Continue to improve overall outcomes, particularly in reading, spelling and boys' writing, by fully embedding strategies that are now in place.

Further increase the impact of leadership and management by:

- refining leaders' analysis of information to continue to inform prompt action to improve teaching and outcomes
- developing leadership capacity at key stage 1.

Public benefit

The Trust Directors have complied with their duty to have due regard to the guidance and public benefit published by the Charity Commission.

Strategic report

Achievements and performance

Outcomes in 2018 are as follows:

End of Foundation Stage Results 2018

Pupils are generally working below expectations at the start of their educational journey. This year we have reached a GLD of 69% compared to the national average in 2018 of 71% showing that we are just below the national average. Because of the significant increase of pupils gaining a good level of development, they have made at least good progress from their starting points.

Year 1 and Year 2 Phonics 2018

81% pupils in Year 1 achieved the threshold for phonics, which is in line with the national average.
94% Year 2 pupils have now gained the threshold for phonics.

End of Key Stage 1 2018

75% pupils achieved the expected standard in reading, 1% above the national average. 26% pupils achieved greater depth in reading, 6% below national average.
70% pupils achieved the expected standard in writing, 2% above national average. 16% pupils achieved greater depth in writing, 4% below national average.
76% pupils achieved the expected standard in maths, 2% above the national average. 22% pupils achieved greater depth, 6% below national average.

End of Key Stage 2 2018

Progress scores place the academy just below average for reading and within the average group for writing and maths. Reading, writing and maths score overall was 71%, 7% above national average.
73% pupils achieved the expected standards in reading, 2% below national average. 25% pupils achieved greater depth, 4% below national average
83% pupils achieved the expected standard in writing, 5% above national average and 21% achieved greater depth, 1% above national average
88% pupils achieved the expected standard in mathematics, 12% above national average and 29% achieved greater depth, 5% above national average.

Effectiveness of the Academy

This is judged to be good overall.

Going concern

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

Financial review

The Academy's key source of funding is the General Annual Grant (GAG) from the Education and Skills Funding Agency (ESFA). Funding from the ESFA is shown as restricted funds in the Statement of Financial Activities. During the year to 31 August 2018, the Academy received GAG of £1,295,593 in addition to other income sources. The analysis of the specific grants and income received can be seen within notes 2 to 5 to the financial statements.

During the year to 31 August 2018, total resources expended are £1,642,587 excluding depreciation. Depreciation of £101,510 has been charged during the year against the restricted fixed asset fund.

The surplus in income over expenditure for the period (excluding the movement in the pension reserve and restricted fixed asset fund) was £166,427.

At 31 August 2018, the net book value of tangible fixed assets totalled £2,445,055 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and associated support services to the students of the Academy.

Reserves policy

The governors will review the reserve levels annually. The review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors will determine an appropriate level of free reserves to provide sufficient working capital to cover delays between spending and receipt of grants and provide a cushion to deal with any unexpected emergencies.

The academy has current reserves of £433,385 (excluding the pension reserve and restricted fixed asset fund).

The academy also has restricted fixed asset reserves of £2,445,054 and a pension deficit of £653,000.

Investments policy

At the present time the Academy does not have monies to invest. Reserves held have been placed in a 32 day savings account.

Principal risks and uncertainties

The trustees have assessed the major risks to which the academy and the group is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The principal risks and uncertainties facing the academy are as follows:

Financial – the academy has considerable reliance on continued Government funding through the ESFA. Whilst this is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels.

Failures in governance and/or management – the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulation and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measure are in place to mitigate these risks.

Reputational – the continuing success of the Academy is dependent on continuing to attract pupils by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

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

Fraud and mismanagement of funds – To mitigate against this risk the Academy has appointed Dains to carry out checks on financial systems and records.

Fundraising

As a small school limited fundraising is undertaken and currently consists of fundraising events such as Summer Fairs.

Plans for future periods

The Academy will continue to improve the performance of its students at all levels through strong teaching and effective leadership.

Funds held as custodian

No funds are held on behalf of others.

St. Giles' & St. George's Church of England Academy
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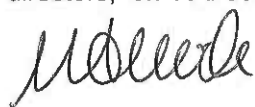
Trustees' report (continued)
For the Year Ended 31 August 2018

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a governors in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the trustees, as the company directors, on 10 December 2018 and signed on its behalf by:



Mr M Alcock
Chair of Trustees

St. Giles' & St. George's Church of England Academy
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Governance Statement

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that St. Giles' & St. George's Church of England Academy has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The governors has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St. Giles' & St. George's Church of England Academy and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The governors has formally met 6 times during the year. Attendance during the year at meetings of the governors was as follows:

Trustee	Meetings attended	Out of a possible
Rev R Daborn	4	6
Mr M Alcock, Chair of Trustees	5	6
Mrs L Evans, Headteacher and Accounting Officer	6	6
Rev M Ball	6	6
Rev P Nisbeck	6	6
Mrs L Kind	5	6
Miss C Ashton, Staff Trustee	4	6
Mrs E Sale, Staff Trustee	5	6
Mr L Wiggs	6	6
Mrs J Clegg	5	5
Miss S Boreham	3	3

Non-governors in attendance:

Trustee	Meetings attended	Out of a possible
M Elden (Bursar)	6	6
J Kelter (Clerk to Governors)	4	4
A Sargent (Clerk to Governors)	1	1
B Richmond (Clerk to Governors)	2	2

Governance Statement (continued)

Review of Value for Money

As accounting Officer, the Headteacher is responsible 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 social outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust use of its resources has provided good value for money during each academic year and reports to the governors where value for money can be improved including the use of bench marking data where available. The accounting officer for the academy had delivered improved value for money during the year by:

Continuing to employ quality staff and invest in their continuing professional development so that they have sufficient skills to fulfil their responsibilities. Training and opportunities are created so that teachers have successive routes to senior and leadership posts. Trustees appointed a second deputy to have oversight of KS 1 and EYFS.

The new build project is nearly complete. Monitoring of the project was carried out by the bursar, the headteacher and the governors to ensure a timely completion.

Close monitoring of all services and contracts ensure that the Academy obtains the best mix of quality and effectiveness. Positive, longstanding relationships with suppliers and contractors ensure that we continue to obtain best value for services supplied

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

The governors have 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 governors are in the process of implementing a formal on-going process for identifying, evaluating and managing the academy trusts' significant risks, that have been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Governance Statement (continued)

The Risk and Control Framework

The academy trust's system of internal financial control is based on a Scheme of Delegation and regular management information and administrative procedures including:

- Use of accounting software
- Controlled monitoring by the Headteacher and Governors
- Comprehensive budget setting and monitoring

The governors have considered the need for a specific internal audit function and have decided to appoint Dains LLP, the external auditors, to perform the additional checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of control account/ bank reconciliations

On a termly basis, the reviewer reports to the board of trustees on the operation of the systems of control.

The trustees confirm that the review process has been completed within the agreed schedule of work.

Review of Effectiveness

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

- the work of the external auditors;
- the work of the senior staff of the Academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external accountant.

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

Approved by order of the members of the governors on 10 December 2018 and signed on their behalf, by:



Mr M Alcock
Chair of Trustees



Mrs L Evans
Accounting Officer

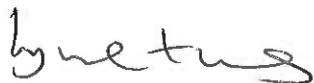
St. Giles' & St. George's Church of England Academy
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Statement on Regularity, Propriety and Compliance

As Accounting Officer of St. Giles' & St. George's Church of England Academy I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



Mrs L Evans
Accounting Officer

Date: 10 December 2018

St. Giles' & St. George's Church of England Academy
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Statement of Trustees' responsibilities
For the Year Ended 31 August 2018

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

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

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

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

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

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

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



Mr M Alcock
Chair of Trustees

Date: 10 December 2018

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of St. Giles' & St. George's Church of England Academy

Opinion

We have audited the financial statements of St. Giles' & St. George's Church of England Academy (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

St. Giles' & St. George's Church of England Academy
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Independent auditors' report on the financial statements to the members of St. Giles' & St. George's Church of England Academy

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of St. Giles' & St. George's Church of England Academy

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy 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 academy'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 academy or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the academy'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 academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Dudley (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2 Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ

Date: 10 December 2018

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Independent reporting accountants' assurance report on regularity to St. Giles' & St. George's Church of England Academy and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St. Giles' & St. George's Church of England Academy during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St. Giles' & St. George's Church of England Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St. Giles' & St. George's Church of England Academy 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 St. Giles' & St. George's Church of England Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St. Giles' & St. George's Church of England Academy's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of St. Giles' & St. George's Church of England Academy's funding agreement with the Secretary of State for Education dated 30 September 2014, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

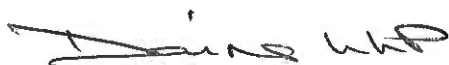
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Independent reporting accountants' assurance report on regularity to St. Giles' & St. George's Church of England Academy and the Education & Skills Funding Agency (continued)

Conclusion

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



Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2 Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ

Date: 10 December 2018

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Statement of financial activities incorporating income and expenditure account
For the Year Ended 31 August 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset fund 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations and capital grants	2	-	-	7,557	7,557	2,103,380
Charitable activities: Funding for the academy's educational operations	3	2,913	1,648,275	-	1,651,188	1,463,675
Other trading activities	4	68,008	-	-	68,008	77,357
Investments	5	782	-	-	782	1,075
Total income		71,703	1,648,275	7,557	1,727,535	3,645,487
Expenditure on:						
Raising funds		63,162	-	-	63,162	63,921
Charitable activities		-	1,579,425	101,510	1,680,935	1,488,823
Total expenditure	6	63,162	1,579,425	101,510	1,744,097	1,552,744
Net income / (expenditure) before transfers		8,541	68,850	(93,953)	(16,562)	2,092,743
Transfers between Funds	15	(8,147)	5,183	2,964	-	-
Net income / (expenditure) before other recognised gains and losses		394	74,033	(90,989)	(16,562)	2,092,743
Actuarial gains/(losses) on defined benefit pension schemes	19	-	220,000	-	220,000	(87,000)
Net movement in funds		394	294,033	(90,989)	203,438	2,005,743
Reconciliation of funds:						
Total funds brought forward		266,603	(780,647)	2,536,045	2,022,001	16,258
Total funds carried forward		266,997	(486,614)	2,445,056	2,225,439	2,022,001

The notes on pages 23 to 45 form part of these financial statements.

St. Giles' & St. George's Church of England Academy

(A company limited by guarantee)

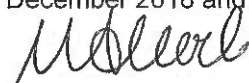
Registered number: 08863406

Balance sheet

As at 31 August 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		2,445,055		2,536,043
Current assets					
Debtors	13	68,165		61,874	
Cash at bank and in hand		482,122		308,672	
		<u>550,287</u>		<u>370,546</u>	
Creditors: amounts falling due within one year	14	(116,903)		(103,588)	
Net current assets			<u>433,384</u>		<u>266,958</u>
Total assets less current liabilities			<u>2,878,439</u>		<u>2,803,001</u>
Defined benefit pension scheme liability	19	(653,000)		(781,000)	
Net assets including pension scheme liabilities			<u><u>2,225,439</u></u>		<u><u>2,022,001</u></u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	15	166,386		353	
Restricted fixed asset fund	15	2,445,056		2,536,045	
Restricted income funds excluding pension liability		<u>2,611,442</u>		<u>2,536,398</u>	
Pension reserve		(653,000)		(781,000)	
Total restricted income funds			<u>1,958,442</u>		<u>1,755,398</u>
Unrestricted income funds	15		<u>266,997</u>		<u>266,603</u>
Total funds			<u><u>2,225,439</u></u>		<u><u>2,022,001</u></u>

The financial statements on pages 20 to 45 were approved by the Trustees, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:



Mr M Alcock
Chair of Trustees

The notes on pages 23 to 45 form part of these financial statements.

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Statement of cash flows
For the Year Ended 31 August 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>175,634</u>	<u>8,173</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		782	1,075
Purchase of tangible fixed assets		(10,522)	(303,126)
Capital grants from DfE Group		<u>7,556</u>	<u>7,141</u>
Net cash used in investing activities		<u>(2,184)</u>	<u>(294,910)</u>
Change in cash and cash equivalents in the year		173,450	(286,737)
Cash and cash equivalents brought forward		<u>308,672</u>	<u>595,409</u>
Cash and cash equivalents carried forward	18	<u><u>482,122</u></u>	<u><u>308,672</u></u>

The notes on pages 23 to 45 form part of these financial statements.

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

St. Giles' & St. George's Church of England Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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.

Notes to the financial statements
For the Year Ended 31 August 2018

1. Accounting policies (continued)

1.3 Income

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

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account 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.

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.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

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

1.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

Notes to the financial statements
For the Year Ended 31 August 2018

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account 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 incorporating income and expenditure account. 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 and assets under construction, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Donated leasehold buildings	-	2% straight line
L/Term Leasehold land	-	0.8% straight line
Leasehold property improvements-		2% straight line
Furniture and fixtures	-	20% straight line
Computer equipment	-	25% straight line

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

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

The academy trust company occupies:

- (a) land provided to it by the local authority under a 125-year lease
- (b) Land provided to it by site trustees under a mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

In Respect of:

- (a) a figure is entered which reflects advice taken on the value of the lease
- (b) Having considered the fact that the academy trust company occupies the land and such buildings as may or may come to be erected by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company under such arrangements will not be recognised on the balance sheet of the company.

1.6 Operating leases

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

Notes to the financial statements
For the Year Ended 31 August 2018

1. Accounting policies (continued)

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Taxation

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

1. Accounting policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 19, 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 incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

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

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

1. Accounting policies (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Long-term leasehold land and buildings

The long term leasehold land within the accounts relates to the academy premises which were donated to the academy on conversion on a 125 year lease from Staffordshire County Council. The leasehold land was valued using an ESFA valuation. These are being depreciated in accordance with the depreciation policies set out in note 1. No annual charge is made for the use of the land under the terms of the lease, based on management not being able to reliably measure the open market rate.

The land and buildings provided to the academy by the Lichfield Diocesan Board of Education are not reflected in the accounts. Having considered the fact that the academy occupies the land and such buildings as may or may come to be erected on it by mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company under such arrangements will not be recognised on the balance sheet of the company.

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2018

2. Income from donations and capital grants

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Capital Grants	-	-	7,557	7,557	7,141
Donated assets	-	-	-	-	2,096,239
	-	-	7,557	7,557	2,103,380
Total 2017	-	-	2,103,380	2,103,380	

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General annual grant	-	1,295,593	1,295,593	1,148,604
Other DfE/ ESFA grants	-	203,209	203,209	175,715
	-	1,498,802	1,498,802	1,324,319
Other government grants				
Local Authority grants	-	107,131	107,131	99,177
	-	107,131	107,131	99,177
Other funding				
Other income	2,913	17,298	20,211	12,156
Catering income	-	25,044	25,044	28,023
	2,913	42,342	45,255	40,179
	2,913	1,648,275	1,651,188	1,463,675
Total 2017	714	1,462,961	1,463,675	

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2018

4. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Care club income	65,314	-	65,314	67,946
Other income	2,694	-	2,694	9,411
	<u>68,008</u>	<u>-</u>	<u>68,008</u>	<u>77,357</u>
Total 2017	<u>77,357</u>	<u>-</u>	<u>77,357</u>	

5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	782	-	782	1,075
	<u>782</u>	<u>-</u>	<u>782</u>	<u>1,075</u>
Total 2017	<u>1,075</u>	<u>-</u>	<u>1,075</u>	

6. Expenditure

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	-	-	684	684	-
Support costs	59,701	-	2,777	62,478	63,921
Educational Operations:					
Direct costs	942,163	-	153,060	1,095,223	992,140
Support costs	242,734	117,020	225,958	585,712	496,683
	<u>1,244,598</u>	<u>117,020</u>	<u>382,479</u>	<u>1,744,097</u>	<u>1,552,744</u>
Total 2017	<u>1,131,788</u>	<u>74,242</u>	<u>346,714</u>	<u>1,552,744</u>	

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2018

7. Charitable activities

	Total funds 2018 £	Total funds 2017 £
Direct costs - educational operations		
Wages and salaries	687,862	609,565
National insurance	61,917	54,686
Pension cost	192,384	173,789
Depreciation	54,846	39,240
Educational supplies	63,588	81,671
Technology costs	10,773	17,038
Travel and subsistence	23,853	16,151
	<u>1,095,223</u>	<u>992,140</u>
Support costs - educational operations		
Wages and salaries	195,203	194,916
National insurance	12,371	10,173
Pension cost	35,160	28,438
Depreciation	46,665	30,759
LGPS pension adjustment	20,000	13,000
Staff development	15,312	16,310
Technology costs	6,665	5,411
Other direct costs	80,132	77,893
Recruitment and support	1,744	2,221
Maintenance of premises	39,676	25,970
Cleaning	37,158	11,110
Rates	8,446	8,543
Water rates	4,049	4,003
Energy	29,974	18,705
Insurance	6,888	5,912
Technology	15,636	8,533
Other occupancy costs	30,633	34,786
	<u>585,712</u>	<u>496,683</u>
	<u>1,680,935</u>	<u>1,488,823</u>
Other activities		
Support costs	-	63,354
	<u>1,680,935</u>	<u>1,552,177</u>

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2018

8. Net income/(expenditure)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	101,510	69,998
Auditors' remuneration - audit	6,675	6,500
Auditors' remuneration - other services	1,800	1,300
Operating lease rentals	3,162	7,166

St. Giles' & St. George's Church of England Academy
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2018

9. Staff costs

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	909,753	809,844
Social security costs	76,459	66,971
Operating costs of defined benefit pension schemes	238,105	212,546
	<u>1,224,317</u>	<u>1,089,361</u>
Supply teacher costs	20,281	42,427
	<u>1,244,598</u>	<u>1,131,788</u>

b. Staff numbers

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

	2018 No.	2017 No.
Management	6	5
Teachers	13	11
Administration and support	30	31
	<u>49</u>	<u>47</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £70,001 - £80,000	1	1

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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £373,547 (2017: £319,185).

Notes to the financial statements
For the Year Ended 31 August 2018

10. 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 Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018	2017
		£	£
Mrs E Sale	Remuneration	20,000-25,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000
Mrs L Evans	Remuneration	70,000-75,000	70,000-75,000
	Pension contributions paid	5,000-10,000	10,000-15,000
Miss C Ashton	Remuneration	45,000-50,000	45,000-50,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL).

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 £10,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

St. Giles' & St. George's Church of England Academy
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For the Year Ended 31 August 2018

12. Tangible fixed assets

	Donated Leasehold Buildings £	L/Term Leasehold Land £	Leasehold property improvements £	Fixtures and fittings £
Cost				
At 1 September 2017	2,044,170	44,107	289,091	139,787
Additions	-	-	-	3,436
At 31 August 2018	2,044,170	44,107	289,091	143,223
Depreciation				
At 1 September 2017	27,256	676	3,501	22,502
Charge for the year	40,883	-	5,781	28,087
At 31 August 2018	68,139	676	9,282	50,589
Net book value				
At 31 August 2018	1,976,031	43,431	279,809	92,634
At 31 August 2017	2,016,914	43,431	285,590	117,285
			Computer equipment £	Total £
Cost				
At 1 September 2017			101,549	2,618,704
Additions			7,086	10,522
At 31 August 2018			108,635	2,629,226
Depreciation				
At 1 September 2017			28,726	82,661
Charge for the year			26,759	101,510
At 31 August 2018			55,485	184,171
Net book value				
At 31 August 2018			53,150	2,445,055
At 31 August 2017			72,823	2,536,043

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13. Debtors

	2018 £	2017 £
Trade debtors	-	375
VAT repayable	12,244	14,672
Prepayments and accrued income	55,921	46,827
	<u>68,165</u>	<u>61,874</u>

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	27,176	25,121
Other taxation and social security	18,807	17,960
Other creditors	20,267	17,921
Accruals and deferred income	50,653	42,586
	<u>116,903</u>	<u>103,588</u>

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	31,666	26,628
Resources deferred during the year	28,237	31,666
Amounts released from previous years	(31,666)	(26,628)
Deferred income at 31 August 2018	<u>28,237</u>	<u>31,666</u>

At the balance sheet the academy was holding funds relating to trips and school meals funding relating to the 2018/19 academic year.

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15. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	266,603	71,703	(63,162)	(8,147)	-	266,997
Restricted funds						
General Annual Grant (GAG)	353	1,278,015	(1,109,018)	(2,964)	-	166,386
Other DfE/ESFA Grants	-	74,884	(83,031)	8,147	-	-
Pupil premium	-	145,903	(145,903)	-	-	-
Other Government Grants	-	107,131	(107,131)	-	-	-
Other income	-	42,342	(42,342)	-	-	-
Pension reserve	(781,000)	-	(92,000)	-	220,000	(653,000)
	<u>(780,647)</u>	<u>1,648,275</u>	<u>(1,579,425)</u>	<u>5,183</u>	<u>220,000</u>	<u>(486,614)</u>
Restricted fixed asset funds						
Transfer from legacy school	43,431	-	(353)	-	-	43,078
DfE/ESFA Capital Grants	(9,537)	7,557	(984)	2,964	-	-
Capital expenditure from GAG	433,168	-	(59,290)	-	-	373,878
Donated leasehold assets	2,068,983	-	(40,883)	-	-	2,028,100
	<u>2,536,045</u>	<u>7,557</u>	<u>(101,510)</u>	<u>2,964</u>	<u>-</u>	<u>2,445,056</u>
Total restricted funds	<u>1,755,398</u>	<u>1,655,832</u>	<u>(1,680,935)</u>	<u>8,147</u>	<u>220,000</u>	<u>1,958,442</u>
Total of funds	<u>2,022,001</u>	<u>1,727,535</u>	<u>(1,744,097)</u>	<u>-</u>	<u>220,000</u>	<u>2,225,439</u>

15. Statement of funds (continued)

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

Unrestricted General Funds

This fund represents those which may be used towards meeting any of the charitable objectives at the discretion of the trustees.

Restricted General Funds

This fund represents grants received for the academy's educational operations.

Pension Fund

This fund represents the academy's share of the pension liability on the LGPS pension fund.

Restricted Fixed Asset Fund

This fund relates to grant funding received from the ESFA to carry out works of a capital nature and the donation of leasehold land and buildings from Staffordshire County Council and a small amount of capital expenditure from GAG.

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15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
Unrestricted funds	336,592	79,145	(63,921)	(85,211)	-	266,605
Restricted funds						
General Annual Grant (GAG)	85,191	1,148,604	(1,029,762)	(203,680)	-	353
Other DfE/ESFA Grants	890	42,079	(42,969)	-	-	-
Pupil premium	-	133,637	(133,637)	-	-	-
Other Government Grants	1,813	99,177	(100,990)	-	-	-
Other income	-	39,465	(39,465)	-	-	-
Pension reserve	(622,000)	-	(72,000)	-	(87,000)	(781,000)
	(534,106)	1,462,962	(1,418,823)	(203,680)	(87,000)	(780,647)
Restricted fixed asset funds						
Transfer from legacy school	43,431	-	-	-	-	43,431
DfE/ESFA Capital Grants	14,127	7,141	(30,805)	-	-	(9,537)
Capital expenditure from GAG	156,214	-	(11,937)	288,891	-	433,168
Donated leasehold assets	-	2,096,239	(27,256)	-	-	2,068,983
	213,772	2,103,380	(69,998)	288,891	-	2,536,045
Total restricted funds	(320,334)	3,566,342	(1,488,821)	85,211	(87,000)	1,755,398
Total of funds	16,258	3,645,487	(1,552,742)	-	(87,000)	2,022,003

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	336,592	150,848	(127,083)	(93,358)	-	266,999
Restricted funds						
General Annual Grant (GAG)	85,191	2,426,619	(2,138,780)	(206,644)	-	166,386
Other DfE/ESFA Grants	890	116,963	(126,000)	8,147	-	-
Pupil premium	-	279,540	(279,540)	-	-	-
Other Government Grants	1,813	206,308	(208,121)	-	-	-
Other income	-	81,807	(81,807)	-	-	-
Pension reserve	(622,000)	-	(164,000)	-	133,000	(653,000)
	(534,106)	3,111,237	(2,998,248)	(198,497)	133,000	(486,614)
Restricted fixed asset funds						
Transfer from legacy school	43,431	-	(353)	-	-	43,078
DfE/ESFA Capital Grants	14,127	14,698	(31,789)	2,964	-	-
Capital expenditure from GAG	156,214	-	(71,227)	288,891	-	373,878
Donated leasehold assets	-	2,096,239	(68,139)	-	-	2,028,100
	213,772	2,110,937	(171,508)	291,855	-	2,445,056
	(320,334)	5,222,174	(3,169,756)	93,358	133,000	1,958,442
Total of funds	16,258	5,373,022	(3,296,839)	-	133,000	2,225,441

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16. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	2,445,056	2,445,056
Current assets	266,997	283,290	-	550,287
Creditors due within one year	-	(116,904)	-	(116,904)
Provisions for liabilities and charges	-	(653,000)	-	(653,000)
	<u>266,997</u>	<u>(486,614)</u>	<u>2,445,056</u>	<u>2,225,439</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	2,536,044	2,536,044
Current assets	266,250	104,295	-	370,545
Creditors due within one year	-	(103,588)	-	(103,588)
Provisions for liabilities and charges	-	(781,000)	-	(781,000)
	<u>266,250</u>	<u>(780,293)</u>	<u>2,536,044</u>	<u>2,022,001</u>

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(16,562)	2,092,743
Adjustment for:		
Depreciation charges	101,511	69,998
Dividends, interest and rents from investments	(782)	(1,075)
Increase in debtors	(6,290)	(6,389)
Increase/(decrease) in creditors	13,314	(115,724)
Capital grants from DfE and other capital income	(7,557)	(7,141)
Defined benefit pension scheme cost less contributions payable	72,000	59,000
Defined benefit pension scheme finance cost	20,000	13,000
Donated assets	-	(2,096,239)
Net cash provided by operating activities	<u>175,634</u>	<u>8,173</u>

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18. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	482,122	308,672
Total	482,122	308,672

19. Pension commitments

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

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

Contributions amounting to £20,150 were payable to the schemes at 31 August 2018 (2017 - 17,921) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

Notes to the financial statements
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19. Pension commitments (continued)

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

The employer's pension costs paid to TPS in the period amounted to £81,000 (2017 - £77,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £108,000 (2017 - £98,000), of which employer's contributions totalled £85,000 (2017 - £77,000) and employees' contributions totalled £23,000 (2017 - £21,000). The agreed contribution rates for future years are 21.2% for employers and 5.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.70 %	2.80 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %
Commutation of pensions to lump sums - post April 2008	75.00 %	75.00 %
Commutation of pensions to lump sums - pre April 2008	50.00 %	50.00 %

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.1
Females	26.4	26.4

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate -0.5%	245,000	238,000
Salary rate +0.5%	60,000	65,000
Pension rate +0.5%	181,000	167,000

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19. Pension commitments (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	506,100	436,240
Corporate bonds	137,370	68,880
Property	57,840	45,920
Cash and other liquid assets	21,690	22,960
	<u>723,000</u>	<u>574,000</u>
Total market value of assets	<u>723,000</u>	<u>574,000</u>

The actual return on scheme assets was £38,500 (2017 - £61,000).

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

	2018 £	2017 £
Current service cost	(157,000)	(136,000)
Interest income	16,000	11,000
Interest cost	(36,000)	(24,000)
	<u>(177,000)</u>	<u>(149,000)</u>
Total	<u>(177,000)</u>	<u>(149,000)</u>
Actual return on scheme assets	<u>38,500</u>	<u>61,000</u>

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

	2018 £	2017 £
Opening defined benefit obligation	1,355,000	1,081,000
Current service cost	157,000	136,000
Interest cost	36,000	24,000
Employee contributions	23,000	21,000
Actuarial (gains)/losses	(194,000)	95,000
Benefits paid	(1,000)	(2,000)
	<u>1,376,000</u>	<u>1,355,000</u>
Closing defined benefit obligation	<u>1,376,000</u>	<u>1,355,000</u>

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19. Pension commitments (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	574,000	459,000
Interest income	16,000	11,000
Actuarial losses	26,000	8,000
Employer contributions	85,000	77,000
Employee contributions	23,000	21,000
Benefits paid	(1,000)	(2,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	723,000	574,000
	<hr/>	<hr/>

20. Operating lease commitments

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	1,594	3,162
Between 1 and 5 years	2,587	4,550
	<hr/>	<hr/>
Total	4,181	7,712
	<hr/>	<hr/>

21. 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.

22. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.