

Company Registration No. 10455406 (England and Wales)

RAINFORD ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

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RAINFORD ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Howlett
S Pierce
R Nichols (resigned 28 September 2018)
K Haw
F Gill

Trustees

J Best (Appointed 10 October 2017)
F Gill
M Howlett (Appointed 10 October 2017)
J Lloyd (Appointed 10 October 2017)
R Nichols (Chair)
K Powell (Appointed 10 October 2017)
K Rogan
F Seddon (Resigned 8 October 2018)
M Seeley
J Southern (Appointed 19 March 2018)
I Young (Accounting Officer)
L Bradshaw (Resigned 31 January 2018)
P Hesketh (Appointed 10 October 2017 and resigned 5 November 2018)

Senior leadership team

- Principal	I Young
- Vice principal	I Murphy
- Director of Business and Finance	A Marsh
- Assistant principal	M Winn
- Assistant principal	J Kenyon
- Associate principal	S Wheelock
- Associate principal	J Burgess
- Associate principal	C Benbow

Company secretary

A Marsh

Company registration number

10455406 (England and Wales)

Principal and registered office

Rainford Academies Trust
Higher Lane
Rainford
St Helens
Merseyside
WA11 8NY

Independent auditor

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

RAINFORD ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank PLC
Horsemarket Street
Warrington
WA1 1TP

Solicitors

Hill Dickinson LLP
No.1 St Pauls Square
Liverpool
L3 9SJ

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 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 charitable company is known as Rainford Academies Trust and was incorporated on 1st November 2016.

The Academy trust operates an Academy for pupils aged 11-19 serving a large catchment area in St Helens attracting students from St Helens and surrounding areas. The school was built for a capacity of 270 in each year group and 250 in the sixth form. The school has since increased its PAN to 290 in each year group and 250 in the sixth form. The number on roll in the school census on 5th October 2017 was 1605. The school is heavily oversubscribed with a large number of first choice applications. The projections show that the school will have the same capacity by September 2020. The Trustees vision for the school is that we are the outstanding, inclusive 11-19 comprehensive school of first choice for all students from the local community.

Rainford Academies Trust is a multi-academy trust, however there is currently only one academy within the trust - Rainford High Technology College ("Rainford High").

Structure, governance and management

Constitution

The Academy trust is 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 Rainford Academies Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these accounts are approved, 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

The Companies Act 2006 s236 requires disclosure concerning qualifying third-party indemnity provisions. Trustees have been indemnified in respect of their legal liability for financial loss arising because of a negligent act, accidental error or omissions in their official duties. The limit of this indemnity is £5,000,000.

Method of recruitment and appointment or election of Trustees

On 1st November 2016 Members appointed all those governors that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed on a new term of office of four years. New Trustees have since been appointed on a four-year term of office thus ensuring a staggered re-election or replacement process.

The Academy shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- Up to 11 Trustees, appointed under Article 50
- A minimum of 2 parent trustees elected or appointed under Articles 53-56
- The Principal who shall be treated for all purposes as an ex officio Trustee

The term of office for any Trustee shall be 4 years save that this time limit shall not apply to the Principal.

There has been a number of retirements and appointments during the period reflected in changes in applicable governance structures applying to the Academy trust and, in some cases, resignations due to ill health.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Policies and procedures adopted for the induction and training of Trustees

All newly appointed Trustees receive a basic introduction to their membership by an external provider. This includes the provision of all relevant papers and reports and a tour of the school in which they meet all senior staff.

All Trustees complete a skills audit and are subject to the necessary Disclose and Barring Service checks.

All Trustees are provided with information about training courses organised by the LA and National Governors' Association and are encouraged to attend appropriated courses. There is a training budget for Trustees.

Organisational structure

The management structure consists of two levels: the Board of Trustees and the Senior Management Team of the Academy. The Principal is the Accounting Officer. The aim of the structure is to devolve responsibility to those best able to make appropriate decisions.

The full Board of Trustees meets a minimum of six times per year. They establish an overall framework for governance of the Academy and determine membership terms of reference and procedures of it's committees. It receives reports, including policies from its Committees, for ratification and monitors activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are four principal committees meeting regularly all of whom are responsible for school policy practice and performance and monitor aspects of their work by discussions/review/challenge.

- Finance, Resources and Remuneration Committee
- Curriculum and Progress Committee
- Safeguarding, Inclusion and Student Support Committee
- Audit Committee

During the academic year, the Trustees reviewed the structure and skills of the Board. It concluded that the current board structure is appropriate.

Arrangements for setting pay and remuneration of key management personnel

When determining the pay range for key management personnel the board will consider all the permanent responsibilities of the role, any challenges specific to the role and other relevant circumstances including recruitment or retention difficulties. All appointments are made having regard to the School Teachers Pay and Conditions Document (STPCD) details of which are published in the Academy's pay policy.

The Principal's pay range is calculated based on the school group size and performance management objectives.

The governing board has determined that one Vice Principal posts and two Assistant Principal posts are to be included in the Academy's staffing structure, these roles are all classed as key management personnel. The pay range for these positions is determined in accordance with the STPCD with due regard to pay rates for other teaching posts. The salaries are agreed by the Trustees after taking advice from the Principal in line with performance management objectives.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulation 2017, and where the Academy has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. Currently the school has no trade union reps internally.

The Academy had no staff members acting as trade union representatives in the 2017/2018 year.

The Trustees would have referred to Statutory Instrument 2017 No 328, The Trade Union (Facility Time Publication Requirement Regulations 2017 for calculation details.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Related parties and other connected charities and organisations

The Academy has strong collaborative links with its feeder primary schools and local high schools. This includes working closely with Alsop High in Liverpool offering support around English, Maths and Science. The Academy is also supporting the Maths SSIF Project with Deep Learning TSA and North West Maths Hub 3. The Academy's support is focused on Hope Academy, St Augustine's of Canterbury Catholic High School and All Saints High School in Kirkby. The Academy has also worked closely with Wellfield High School in Durham to support English and to share good practice around a number of areas. The Academy has close working relationships with David Campbell Soccer. The Academy is the main secondary strategic partner for North West Maths Hub 3 and is the secondary strategic partner for St Helens Teaching School Alliance taking part in training, LLE and SLE support work.

Rainford High School was built as a PFI (Private Finance Initiative). Interserve Facilities Management manages the facilities which are owned by Interserve.

Objectives and activities

Objects and aims

The principle objective of the trust is to operate Rainford High School, to provide a broad and balanced education for students between the ages of 11-19.

Our vision

The vision of the Trustees of Rainford High School is that we are *the outstanding, inclusive 11-19 comprehensive school of first choice for all students in the local community*. We aim to develop confident learners with the skills to take ownership of their learning, who are proud of their achievements and are well prepared for life in modern Britain.

Ethos

The school has a clear ethos that *Everyone Matters, Everyone Helps and Everyone Succeeds*. This can be evidenced in the daily work of the school where Everyone matters means we expect our community to be polite and respectful, Everyone Helps means we expect our community to make good choices and Everyone Succeeds means we expect our community to work hard.

This is achieved by staff, students and parents working together so we can ensure that every child receives an excellent all-round education. Schools are fantastic places because they are about making dreams a reality. Rainford delivers this through a broad and balanced curriculum offer alongside excellent opportunities, extra-curricular experiences and students achieving strong outcomes in public examinations. It is our job to prepare our young people for the future.

Objectives, strategies and activities

The Strategic Goals for 2017/2018 taken from the schools Development plan are as follows;

1. The Rainford Way. To increase consistency of best practice across the school
2. Teaching and Learning - Stretch, Challenge and Progress. To impact on improved P8 score to move above 0 in Summer 2019. Address issues in Science and Humanities (the EBAC buckets)
3. Behaviour for Learning - By positive reinforcement raise standards and expectations based on the school ethos of effort, attitude and success.
4. Curriculum Development - embed new KS4 specifications, development of KS3 assessment and curriculum and the alternative curriculum.
5. Delivering a linear curriculum more effectively for improved outcomes for all groups including disadvantaged.
6. Mental Health and Well being Development and balance teacher workload.

A small section of the highlights from 2017/18 are detailed below to give an insight into the activities on offer that help us to achieve our strategic goals: -

- Greater whole school consistency in daily operations

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

- P8 score increased from -0.15 to -0.09. Attainment in Science for 2 GCSE above 4 increased from 69% to 73%. A*-A 21% to 9-7 25%. Attainment in Geography increased from 15% A*-A to 36% 9-7 and 59% A*-C and 9-4 74%. Attainment in History increased from A*-A 21% to 34% 9-7 and A*-C 61% to 9-4 73.5% this has reduced the EBAC P8 from -0.4 to -0.28.
- One of our students was one of 732 students to achieve Top grades across the board in her exams at a grade 9.
- Improved B4L with reduction in whole school detention increase in attendance from 95.8 to 96% and increase in positive rewards and recognitions.
- School maintained and improved its outcomes and progress based on the new linear exams systems.
- Clear adoption of workload initiative and development of Mental and Health and Well Being Strategy supported by the whole academy. Mental Health Policy introduced in September 2018.
- Post 16 over 25% of students went to Russell group universities. The number of students achieving 3 A levels at an ABB increased from 7% to 24%.
- The Academy continues to be oversubscribed and financially solvent.

The strategic priorities for the Sixth form in 2017-18 were:

1. Increase recruitment both internally and externally from other providers.
2. Improved retention for Y12 to Y13 supported by improved Information Advice Guidance.
3. Improved academic outcomes for all students.

Sixth Form pathways:

- L3 Academic (A Levels/EPQ)
- L3 Vocational (BTEC/CTEC/NCFE)
- L3 Bespoke Vocational (Double BTEC/NCFE Performing Arts with MD Productions / Double NCFE Sport and Physical Exercise with David Campbell Soccer – both with work placement)
- L3 Mixed (a combination of the above subjects)

To enable this cohort to be ahead of the rest when they apply to Russell Group universities (inc Oxbridge), the Academy runs a 2 year Honours Programme offer that includes:

- Half-termly bespoke workshops for students with a GCSE APS of 7.0+
- Oxbridge Programme, including residential and application guidance
- UCAS personalised support programme*
- Personalised IAG support*

50% of pupils received offers from Russell Group universities in 2017-18, and 36% accepted those offers. This support extends beyond the Honours Programme. The asterisked points above apply to all students.

In 2017/18, the Honours Programme saw:

- 8/13 students attend the University of Oxford Residential and Open Day in July.
- 13/13 students attended the Oxbridge conference in March.
- 8/13 attended the Oxbridge/RG application workshops delivered by the University of Cambridge at Rainhill High in September 2018.

In terms of the whole cohort:

- All students accessed careers guidance through Employability Days
- Approximately 50 students accessed one-to-one appointments with the Careers Advisor

In order to allow for a broad curriculum and allow students to fulfil a wide range of extra-curricular activities students could take place in the following:-

Sport, Lower school mentoring, Sixth Form magazine, Duke of Edinburgh Gold, Agent Marketing work into apprenticeship, Sixth Form TV, Anti bullying Ambassadors working in lower school, Subject Ambassadors in Maths, Modern Languages and Computing and ICT, College Council working with the lower school student council, organising social and charity events, The ongoing Ghana project with students visiting Ghana to build a STEM centre.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

The school converted to an academy on 1 September 2017. As such there are no Ofsted judgements over the period since conversion. The date of the last Ofsted Inspection was March 2015. The school continues to be judged as 'Good'.

In 2017 the Board approved a set of Key Performance Indicators (KPIs) in its Strategic Priorities document. In terms of standards and achievement, these were as follows:

Key Stage 5 * (these results remain provisional as at 10th December 2018)

Students at Rainford High School have achieved an excellent set of examination results in 2018 and are in line with previous years.

Detail	2018
A Level Cohort	115
APS per entry	32.04
No in AAB, 2 in Facilitating Subjects measure	54
%AAB	24.1%
No in Best 3 measure	54
APS in best 3 A levels measure	35.62
Applied General Cohort	56
APS per entry	31.65
Tech Level Cohort	N/A
APS per entry	N/A
English Re-sit Cohort	5
Average Progress English	0.6
Maths re-sit Cohort	6
Average Progress Maths	0.67

2017-18 was a very good year for our students and reflects the hard work put in by students and their teachers. Over 40% of all A Level equivalent grades were at A*-B: there were a total of 105 'gold standard' grades A* to B.

Key Stage 4* (these results remain provisional as at 10th December 2018)

2018 saw the introduction of the grading system of 1-9 for all GCSE subjects.

The overall attainment in school improved to a provisional 55.46 and Basics Measures at 5+ improved to 67% and remained consistent at 4+ at 82%.

The attainment of disadvantaged students in 2018 was 42.22; but the attainment gap between them and their non-disadvantaged peers in school widened in 2018. The percentage of disadvantaged students attaining Basics at 4+ improved to 60% but declined at 5+ to 33%.

The high attainment in many subjects across the curriculum enabled students to progress to a range of A Levels in school.

The indicative P8 score for 2018 is -0.09, an improvement from -0.15 in 2017. The indicative P8 score for disadvantaged students declined to -0.41.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

This year also witnessed impressive individual performances with high numbers of students achieving top grades across the board. This is a culmination of hard work, dedication and talent on behalf of the students coupled with inspirational teaching and fantastic guidance and support from parents.

- 22 students gained grades 7-9 across the board;
- 3 students gained grades 8-9 across the board;
- 1 student gained grade 9 across the board, one of approximately 730 students in the country to do so.

Financial review

Most of the Academy's income is obtained from the DfE in the form of grants, the use of which is restricted to educational purposes. The grants received from the DfE during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statements of financial activities.

The Trust also receives grants for fixed assets, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The land and other assets were transferred to the Academy upon conversion and are shown in restricted fixed assets. The buildings occupied by Rainford High Technology College are under a PFI agreement which was also transferred to the Trust on conversion. This is an off balance sheet amount and is disclosed under operating lease commitments.

The deficits in the Local Government Pension Schemes (LGPS) which were inherited on conversion in September 2017 are recognised on the balance sheet in accordance with the provisions of FRS 102.

Key financial policies adopted or reviewed during the period include the Financial Procedures Handbook which lays out the framework for financial management including financial responsibilities of the Trustees, Principal (Accounting Officer), Director of Finance and Business (Principal Finance Officer), budget holders and other staff, as well as delegated authority for spending.

During the year ended 31 August 2018, total expenditure of £7.831m was covered by recurrent grant funding together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds & donated pension deficits) was £505,337.

In excess of the unrestricted funds transferred on conversion of £412,145 the in-year surplus has been generated from reductions in staffing costs and a penalty through the PFI contract for a failing in the heating system amounting to additional reserves of £93,912 of which £3,084 are restricted funds. This surplus will be added onto the Academy's reserves in line with the reserves policy.

The actual reserves for the period 1 September 2017 to 31 August 2018 were £38,707.

Reserves policy

The Trustees aim to maintain the general reserves balance as a minimum amount of one months total payroll. The balance of the reserve is expected to be between 5 – 10% of the total GAG income and is to be made up of any in year surplus and funds generated. A general reserves balance higher than this figure must be supported by an appropriate plan, for example for expenditure on Academy improvement or capital works, or to mitigate a specific foreseen risk. The combined amount that schools are required to contribute to reserves will vary from year, as this amount is defined by what is required to make the reserves balance between 5 - 10% of GAG target.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The current forecast for the next three years, based on our current delivery model, shows an overall surplus position for 2018/19, 2019/20 and 2020/21.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

The reserves of the Academy are broken down into Fixed Asset Reserves (restricted), Unrestricted Reserves (free reserves); Restricted General Reserves and the Pension reserves.

Restricted General Reserves

Restricted Income Funds are the restricted general reserves balance from income and costs purely for the provision of education, or to help fund capital projects purely for the better education of students and children. The restricted income funds of the trust as at 31 August 2018 were £3,084.

Unrestricted Reserves

Unrestricted income funds are those funds that the trust can spend how they believe appropriate. As at 31 August 2018 the unrestricted reserves of the trust are £502,253.

Combined Reserves

The combined reserves of the trust for restricted income funds and unrestricted income funds (excluding pension deficits) are £505,337. The Trust has assessed that it requires approximately £400,000 safety reserves to fund any deficits, allow for any unforeseen conditions and sustain the Trusts' effective delivery model.

Pensions Reserves

The pension deficit reserve of £1.961m represents an inherited deficit on conversion in respect of the Local Government Pension Scheme. The trust does not have an obligation to settle the full liability immediately and there are no indications that it will crystallise in the foreseeable future, in addition in July 2013, the Department for Education gave a guarantee concerning LGPS liabilities if an academy were to close.

Investment policy

Apart from the cash held for the operation of the Academy, Rainford Academies Trust has no realisable investments. With respect to its cash holdings the Trust has adopted a low risk strategy. Future plans for investments are to include suitable sweeping and switching procedures with the Academy's bank to ensure that adequate funds are always available in the current account.

Principal risks and uncertainties

The uncertainty around the actual impact of the introduction of a National Funding Formula has made future financial planning more difficult than usual. The senior leadership team and Trustees are considering various financial scenarios going forward to ensure that the school remains financially viable.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Fundraising

The school community is dedicated to helping others, this year the school has raised funds for the following charities and causes:

BBC Children in need	£766	Tommy Stiles	£150
The Zac Barston Tribute Fund	£100	Jack of Hearts	£101
The Smile Fund	£150	Gareth Binsdale	£276
Willowbrook hospice	£150	Alder Hey	£197
Zoe's Place	£150	National Aids Trust	£20
Chrysalis Centre for chang	£100	Sports Relief	£84
Teardrops	£200	St Helens Carers	£286
St Vincents School for the blind	£1,626	Clatterbridge	£197

The Academy raises money for charities which are selected by the student council throughout the year. The activities include voluntary non-uniform days, sponsored sporting activities, a Christmas fayre and various other events throughout the school year.

All fundraising activities carried out conform to the recognised standards, there are no fundraising activities carried out by a third party on behalf of the trust. The trust ensures that there is no unreasonably intrusive or persistent fundraising approaches, including undue pressure to donate.

Fundraising is carried out by the student body with oversight from staff who are aware of their duties in line with the "Charity fundraising: a guide to trustee duties". The Academy does not engage with professional fundraisers or commercial participators and as such has not received any complaints regarding their fundraising activities.

Plans for future periods

We will continue with our drive to deliver excellence for all based on our clear vision and values and developing excellence in teaching and learning, leadership and outcomes. We will review our strategy, systems and monitoring and tracking procedures to ensure that we close the gap further for disadvantaged students who are entitled to Pupil Premium.

The Academy will continue to deliver a broad and balanced curriculum that has a breadth of extra-curricular opportunity to support the all-round development of all students. We will build on our inclusive model of education that supports students achieving the best education possible.

To ensure our future numbers on roll we will continue with our marketing strategy by further utilising our school website, extended Open Evening and working day visits and taking advantage of opportunities to celebrate the achievements of the school and its students in the local and national media.

The school has been heavily oversubscribed for the past 5 years with a small percentage of applicants coming from out of the immediate catchment area. The school is aware that a very high percentage of its student population reside in the school catchment area and a high proportion of the remainder are reliant upon expensive public transport.

The next stage is to develop the Multi Academy Trust by proactively seeking partners and developing a track record of school improvement beyond the Academy. The MAT will also look to grow in 2018/19 to include a primary and a secondary school. The MAT will work to develop a collaborative model of partnership and school improvement and become a designated sponsor to lead school improvement work in the region.

Funds held as custodian trustee on behalf of others

Throughout the year, the trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

RAINFORD ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Auditor

In so far as the Trustees are aware:

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

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



R Nichols
Chair



I Young
Accounting Officer

RAINFORD ACADEMIES TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Rainford Academies Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Rainford Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met six times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Board of Trustees	Meetings attended	Out of possible
J Best (Appointed 10 October 2017)	5	6
F Gill	5	6
M Howlett (Appointed 10 October 2017)	5	5
J Lloyd (Appointed 10 October 2017)	6	6
R Nichols (Chair)	6	6
K Powell (Appointed 10 October 2017)	4	6
K Rogan	5	6
F Seddon (Resigned 8 October 2018)	2	6
M Seeley	4	6
J Southern (Appointed 19 March 2018)	1	2
I Young (Accounting Officer)	6	6
L Bradshaw (Resigned 31 January 2018)	1	6
P Hesketh (Appointed 10 October 2017 and resigned 5 November 2018)	5	6

There have been no significant changes to the composition of the board of trustees.

The Board has appointed a Review Officer to carry out robust checks on all financial controls. The RO made two visits in the first year of the school becoming an academy. The first of these reviews being seen by the ESFA officer when they visited the school to confirm the FMGS in January 2018. The Board considered the outcomes of the RO reviews and actions identified were actioned. There were no significant issues.

The Board has appointed a Review Officer to carry out robust checks on all financial controls. The RO made two visits in the first year of the school becoming an academy. The first of these reviews being seen by the ESFA officer when they visited the school to confirm the FMGS in January 2018. The Board considered the outcomes of the RO reviews and actions identified were actioned. There were no significant issues.

The Board receives information from the Principal in relation to student progress and attainment. They are able to carry out the checks and challenges with the information presented to them. They ensure that all information has been quality assured before making any decisions.

RAINFORD ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Governance review

The academy trust have carried out a review of governance in the year, as part of this review the Board has had training on their roles. However, they will undertake an external review of governance as defined by the National College for Teaching and Leadership by and NLG in January 2019.

The finance committee is a committee of the main board of Trustees. Its purpose is to provide guidance and assistance to the Principal and Trustees in all matters relating to budgeting and finance, and the use of resources.

Attendance at meetings in the year was as follows:

Members	Meetings attended	Out of possible
R Nichols (Chair)	4	5
K Powell (Appointed 10 October 2017)	5	5
M Seeley	5	5
I Young (Accounting Officer)	4	5
P Hesketh (Appointed 10 October 2017 and resigned 5 November 2018)	2	5

The Audit committee is a new committee of the main board of trustees. Its purpose is to assist the Board in fulfilling its oversight responsibilities for internal controls and for maintaining an appropriate relationship with the Trust's external auditors.

Attendance at meetings in the year was as follows:

Members	Meetings attended	Out of possible
M Howlett (Appointed 10 October 2017)	1	1
J Lloyd (Appointed 10 October 2017)	1	1
K Rogan	1	1

Review of value for money

As accounting officer the Principal 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 taxpayer resources received.

The Accounting Officer considers how the Academy 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 Academy has delivered improved value for money during the year by:

- Collaborating with other schools where possible
- Adhering to the school Financial Regulations and getting quotes as necessary
- Using preferred suppliers
- Retendering contracts as necessary

RAINFORD ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 in Rainford Academies Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees 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 Board of Trustees 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 period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

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 Board of Trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an external reviewer.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account and bank reconciliations
- testing of income
- testing of assets

There were two reviewer's checks carried out during the year. The reviewer reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. There were no material control issues arising from the reviewer's work.

RAINFORD ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Review of effectiveness

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

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

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

Approved by order of the members of Board of Trustees on 10 December 2018 and signed on its behalf by:



R Nichols
Chair



I Young
Accounting Officer

RAINFORD ACADEMIES TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

As Accounting Officer of Rainford Academies Trust I have considered my responsibility to notify the Academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between 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 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.



I Young
Accounting Officer

10 December 2018

RAINFORD ACADEMIES TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also the directors of Rainford Academies Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts 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 accounts for each financial year. Under company law the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on 10 December 2018 and signed on its behalf by:



R Nichols
Chair



I Young
Accounting Officer

RAINFORD ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINFORD ACADEMIES TRUST

FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the accounts of Rainford Academies Trust for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

RAINFORD ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINFORD ACADEMIES TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated 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 accounts 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.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Academy 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

RAINFORD ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINFORD ACADEMIES TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Use of our report

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



Stephen Grayson FCCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

10 December 2018

Chartered Accountants
Statutory Auditor

St James Building
79 Oxford Street
Manchester
M1 6HT

RAINFORD ACADEMIES TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAINFORD ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter 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 Rainford Academies Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Rainford Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Rainford Academies Trust's funding agreement with the Secretary of State for Education dated 29 August 2017 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 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 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.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of Rainford Academies Trust for the period ended 31 August 2018 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

RAINFORD ACADEMIES TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAINFORD ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Stephen Grayson FCCA (Senior Statutory Auditor)

Reporting Accountant

UHY Hacker Young Manchester LLP

St James Building

79 Oxford Street

Manchester

M1 6HT

Dated: 10 December 2018

RAINFORD ACADEMIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and capital grants	3	-	-	31,096	31,096	-
Charitable activities:						
- Funding for educational operations	4	32,000	7,407,686	-	7,439,686	-
Other trading activities	5	57,672	250,545	-	308,217	-
Investments	6	436	-	-	436	-
Total		<u>90,108</u>	<u>7,658,231</u>	<u>31,096</u>	<u>7,779,435</u>	<u>-</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	7,835,647	6,027	7,841,674	-
Charitable expenditure - transfer from local authority on conversion	23	(412,145)	2,135,000	(1,492,801)	230,054	-
Total	7	<u>(412,145)</u>	<u>9,970,647</u>	<u>(1,486,774)</u>	<u>8,071,728</u>	<u>-</u>
Net income/(expenditure)		502,253	(2,312,416)	1,517,870	(292,293)	-
Transfers between funds	16	-	23,500	(23,500)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	331,000	-	331,000	-
Net movement in funds		<u>502,253</u>	<u>(1,957,916)</u>	<u>1,494,370</u>	<u>38,707</u>	<u>-</u>
Reconciliation of funds						
Total funds brought forward		-	-	-	-	-
Total funds carried forward		<u>502,253</u>	<u>(1,957,916)</u>	<u>1,494,370</u>	<u>38,707</u>	<u>-</u>

RAINFORD ACADEMIES TRUST

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,494,370		-
Current assets					
Debtors	13	302,568		-	
Cash at bank and in hand		468,934		-	
		<u>771,502</u>		<u>-</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(266,165)		-	
Net current assets			505,337		-
Net assets excluding pension liability			1,999,707		-
Defined benefit pension scheme liability	18		(1,961,000)		-
Net assets			<u>38,707</u>		<u>-</u>
Funds of the Academy trust:					
Restricted funds	16				
- Fixed asset funds			1,494,370		-
- Restricted income funds			3,084		-
- Pension reserve			(1,961,000)		-
Total restricted funds			<u>(463,546)</u>		<u>-</u>
Unrestricted income funds	16		502,253		-
Total funds			<u>38,707</u>		<u>-</u>

The accounts on pages 23 to 42 were approved by the Trustees and authorised for issue on 10 December 2018 and are signed on their behalf by:



R Nichols
Chair



I Young
Accounting Officer

Company Number 10455406

RAINFORD ACADEMIES TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	19		32,853		-
Cash funds transferred on conversion			412,145		-
			<u>444,998</u>		<u>-</u>
Cash flows from investing activities					
Bank interest received		436		-	
Capital grants from DfE Group		31,096		-	
Purchase of tangible fixed assets		(7,596)		-	
		<u>23,936</u>		<u>-</u>	
Net cash provided by/(used in) investing activities			23,936		-
			<u>468,934</u>		<u>-</u>
Net increase in cash and cash equivalents in the reporting period			468,934		-
Cash and cash equivalents at beginning of the year			-		-
			<u>468,934</u>		<u>-</u>
Cash and cash equivalents at end of the year			<u>468,934</u>		<u>-</u>

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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.

Rainford Academies Trust meets the definition of a public benefit entity under 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 charitable 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 accounts 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 accounts.

1.3 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from Rainford High Technology College to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Charitable activities – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Tangible fixed assets, cash and the pension deficit have been introduced at their fair value on conversion. Further details of the transaction are set out in note 23.

1.4 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

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

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.

Transfer of assets on conversion

Where assets and liabilities are received by the Academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

Investment income

Investment income is recognised in the period it is receivable.

1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the Academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, Trustees' meetings and reimbursed expenses.

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net liabilities are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Expenditure equal to the net liabilities transferred on conversion is recognised separately on the Statement of Financial Activities.

1.6 Tangible fixed assets and depreciation

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 that require 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 or reducing balance basis over its expected useful life, as follows:

Leasehold Land	2% straight line (land not depreciated)
Fixtures, fittings & equipment	33% straight line
Motor vehicles	25% reducing balance

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

1.7 Liabilities

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

1.8 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.10 Taxation

The Academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 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 and the assets are held separately from those of the Academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

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

1.12 Fund accounting

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

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

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.13 Comparative period

The comparative period relates to a period of 10 months from the date of incorporation at 1 November 2016 to 31 August 2017. The trust was dormant during this period and started trading on 1 September 2017.

1.14 PFI agreement

The Academy occupies buildings which are owned by St Helens Council and utilised by the Academy under a PFI agreement. The Academy pays revenue contributions in respect of the facilities management and buildings use. The contract will expire in the year 2038. The Academy does not have any rights or obligations of ownership in respect of these assets and therefore they are not included on the Academy's balance sheet. The revenue payment is recognised in the SOFA. Where the Academy procures and pays for additional furniture or equipment or changes to the building, the costs are capitalised and depreciated in accordance with the tangible fixed assets policy.

2 Critical accounting estimates and areas of judgement

Accounting 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.

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Capital grants	-	31,096	31,096	-

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

4 Funding for the Academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	6,999,856	6,999,856	-
Start up grants	-	37,000	37,000	-
Other DfE group grants	-	190,155	190,155	-
	-	7,227,011	7,227,011	-
Other government grants				
Local authority grants	-	180,675	180,675	-
Other funding				
Other incoming resources	32,000	-	32,000	-
Total funding	32,000	7,407,686	7,439,686	-

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	30,897	-	30,897	-
School trip income	-	172,008	172,008	-
Other income	26,775	78,537	105,312	-
	57,672	250,545	308,217	-

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Short term deposits	436	-	436	-

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

7 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
	£	Premises	Other	2018	2017
	£	£	£	£	£
Academy's educational operations					
- Direct costs	4,838,997	-	617,551	5,456,548	-
- Allocated support costs	814,166	876,318	694,642	2,385,126	-
	<u>5,653,163</u>	<u>876,318</u>	<u>1,312,193</u>	<u>7,841,674</u>	<u>-</u>

Net income/(expenditure) for the year includes:

	2018	2017
	£	£
Fees payable to auditor for:		
- Audit	7,000	-
- Other services	2,500	-
Operating lease rentals		
- PFI Unitary charge	820,892	-
Depreciation of tangible fixed assets	6,027	-
Net interest on defined benefit pension liability	52,000	-
	<u>888,419</u>	<u>-</u>

8 Charitable activities

	2018	2017
	£	£
All from restricted funds:		
Direct costs		
Educational operations	5,456,548	-
Support costs		
Educational operations	2,385,126	-
	<u>7,841,674</u>	<u>-</u>

	2018	2017
	£	£
Analysis of support costs		
Support staff costs	814,166	-
Depreciation	6,027	-
Technology costs	293,866	-
Premises costs	870,291	-
Other support costs	236,636	-
Governance costs	164,140	-
	<u>2,385,126</u>	<u>-</u>

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

Staff costs

Staff costs during the year were:

	2018 £	2017 £
Wages and salaries	4,212,518	-
Social security costs	408,212	-
Pension costs	712,416	-
Staff costs	5,333,146	-
Agency staff costs	237,876	-
Staff restructuring costs	24,000	-
Staff development and other staff costs	58,141	-
Total staff expenditure	5,653,163	-
Staff restructuring costs comprise:		
Severance payments	24,000	-

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £24,000. Individually, the payments were: £8,500 made on 1 November 2017, £7,500 made on 17 April 2018 and £8,000 made on 19 June 2018.

Staff numbers

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

	2018 Number	2017 Number
Teachers	89	-
Administration and support	62	-
Management	9	1
	160	1

Higher paid staff

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

	2018 Number	2017 Number
60,001 - 70,000	1	-
100,001 - 110,000	1	-

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

(Continued)

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 £522,416.

10 Trustees' remuneration and expenses

One or more of the 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, and not in respect of their services as Trustees.

The value of trustees' remuneration and other benefits was as follows:

I Young (Chief Executive Officer and Principle):

Remuneration £100,001 - £105,000

Employer's pension contributions (annual) £15,001 - £20,000

11 Trustees and officers insurance

In accordance with normal commercial practice, the Academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

	Leasehold Land	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2017	-	-	-	-
Transfer on conversion	1,477,000	12,601	3,200	1,492,801
Additions	-	7,596	-	7,596
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2018	1,477,000	20,197	3,200	1,500,397
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2017	-	-	-	-
Charge for the year	-	5,227	800	6,027
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2018	-	5,227	800	6,027
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 August 2018	1,477,000	14,970	2,400	1,494,370
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

12 Tangible fixed assets		(Continued)	
The net book value of land comprises:			
		2018	2017
		£	£
Long leaseholds (over 50 years)		1,477,000	-
		<u>1,477,000</u>	<u>-</u>
The academy trust's transactions relating to land included the acquisition of the leasehold land at Rainford High School which was gifted to the academy trust on conversion at a value of £1,477,000.			
13 Debtors		2018	2017
		£	£
Trade debtors		17,348	-
Other debtors		130,769	-
Prepayments and accrued income		154,451	-
		<u>302,568</u>	<u>-</u>
14 Creditors: amounts falling due within one year		2018	2017
		£	£
Trade creditors		45,053	-
Other creditors		1,458	-
Accruals and deferred income		219,654	-
		<u>266,165</u>	<u>-</u>
15 Deferred income		2018	2017
		£	£
Deferred income is included within:			
Creditors due within one year		188,812	-
		<u>188,812</u>	<u>-</u>
Deferred income at 1 September 2017		-	-
Resources deferred in the year		188,812	-
		<u>188,812</u>	<u>-</u>
Deferred income at 31 August 2018		188,812	-

At the balance sheet date the Academy trust was holding funds of £102,420 being School trip income received in advance of the academic year commencing September 2018, Pupil Premium of £59,445, Rates Relief of £26,387 and £560 received in advance for lettings booked for the autumn term 2018.

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	6,999,856	(7,678,647)	681,875	3,084
Start up grants	-	37,000	-	(37,000)	-
Other DfE / ESFA grants	-	190,155	-	(190,155)	-
Other government grants	-	180,675	-	(180,675)	-
Other restricted funds	-	250,545	-	(250,545)	-
Pension reserve	-	-	(2,292,000)	331,000	(1,961,000)
	-	7,658,231	(9,970,647)	354,500	(1,957,916)
Restricted fixed asset funds					
Transfer on conversion	-	-	1,492,801	(6,027)	1,486,774
DfE group capital grants	-	31,096	(6,027)	(25,069)	-
Capital expenditure from GAG	-	-	-	7,596	7,596
	-	31,096	1,486,774	(23,500)	1,494,370
Total restricted funds	-	7,689,327	(8,483,873)	331,000	(463,546)
Unrestricted funds					
General funds	-	90,108	412,145	-	502,253
Total funds	-	7,779,435	(8,071,728)	331,000	38,707

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

(Continued)

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

- (i) General Annual Grant (GAG) must be used for the normal running costs of the academy.
- (ii) The other government grants fund is used to track grants provided by local and central government departments.
- (iii) The other restricted fund tracks grants, donations and other income arising from sources other than grants provided by central and local government departments.
- (iv) The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.
- (v) The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward as well as the current fixed assets held.

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

As the trust was dormant in the prior period there is no comparative funds note.

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	1,494,370	1,494,370
Current assets	502,253	269,249	-	771,502
Creditors falling due within one year	-	(266,165)	-	(266,165)
Defined benefit pension liability	-	(1,961,000)	-	(1,961,000)
Total net assets	502,253	(1,957,916)	1,494,370	38,707

As the trust was dormant in the prior period, closing net assets and funds were £nil.

18 Pension and similar obligations

The Academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Merseyside Pension Fund. 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 that of the LGPS related to the period ended 31 March 2016.

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

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed 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%

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 the TPS in the period amounted to £433,829 (2017: £nil)

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 an unfunded multi-employer pension scheme. The Academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 13.7% for employers and 5.5 to 12.5% for employees.

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

(Continued)

The LGPS obligation relates to the employees of the Academy trust who were employees transferred as part of the conversion from the maintained school (as described in note 23) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy trust at the balance sheet date.

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

Total contributions made	2018 £	2017 £
Employer's contributions	170,000	-
Employees' contributions	51,000	-
Total contributions	221,000	-

Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	3.7	
Rate of increase for pensions in payment/inflation	2.3	
Discount rate for scheme liabilities	2.9	
Inflation assumption (CPI)	2.2	

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

	2018 Years	2017 Years
Retiring today		
- Males	22	
- Females	24.8	
Retiring in 20 years		
- Males	25	
- Females	27.8	

Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows:

	2018	2017
Discount rate + 0.1%	(82,000)	
Mortality assumption + 1 year	54,000	
CPI rate + 0.1%	84,000	

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations (Continued)

The Academy trust's share of the assets in the scheme	2018 Fair value £	2017 Fair value £
Equities	589,000	-
Bonds	171,000	-
Cash	35,000	-
Property	103,000	-
Other assets	233,000	-
Total market value of assets	<u>1,131,000</u>	<u>-</u>

The actual return on scheme assets was £52,000 (2017: £nil)

Amount recognised in the Statement of Financial Activities	2018 £	2017 £
Current service cost	275,000	-
Interest income	(24,000)	-
Interest cost	76,000	-
Total operating charge	<u>327,000</u>	<u>-</u>

Changes in the present value of defined benefit obligations	2018 £
Obligations acquired on conversion	2,993,000
Current service cost	271,000
Interest cost	76,000
Employee contributions	51,000
Actuarial gain	(299,000)
At 31 August 2018	<u>3,092,000</u>

Changes in the fair value of the Academy trust's share of scheme assets	2018 £
Assets acquired on conversion	858,000
Interest income	20,000
Actuarial gain	32,000
Employer contributions	170,000
Employee contributions	51,000
At 31 August 2018	<u>1,131,000</u>

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Reconciliation of net expenditure to net cash flow from operating activities

	2018	2017
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(292,293)	-
Adjusted for:		
Net deficit on conversion to academy	230,054	-
Capital grants from DfE/ESFA and other capital income	(31,096)	-
Investment income receivable	(436)	-
Defined benefit pension costs less contributions payable	105,000	-
Defined benefit pension net finance cost	52,000	-
Depreciation of tangible fixed assets	6,027	-
(Increase) in debtors	(302,568)	-
Increase in creditors	266,165	-
Net cash provided by operating activities	32,853	-

20 Commitments under operating leases

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

	2018	2017
	£	£
Amounts due within one year	942,059	-
Amounts due in two and five years	4,134,358	-
Amounts due after five years	19,244,337	-
	<u>24,320,754</u>	<u>-</u>

The Academy has a commitment to make a unitary payment to St Helens Council under a PFI contract which commenced on 1 September 2017. The annual commitment for the year was £821k. The contract is until 31 August 2038 and the annual unitary charges increase by inflation.

21 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.

22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

RAINFORD ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

23 Conversion to an academy

On 1 September 2017 Rainford High Technology College converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Rainford Academies Trust from St Helens Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance an expense. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the Statement of Financial Activities as charitable activities expenditure – transfer from local authority on conversion.

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

Net assets transferred:				2018
				£
Leasehold land				1,477,000
Other tangible fixed assets				15,801
Cash				412,145
LGPS pension surplus/(deficit)				(2,135,000)
				<u>(230,054)</u>
				<u><u>(230,054)</u></u>

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2018
	£	£	£	£
Fixed assets funds	-	-	1,492,801	1,492,801
LA budget funds	412,145	-	-	412,145
LGPS pension funds	-	(2,135,000)	-	(2,135,000)
	<u>412,145</u>	<u>(2,135,000)</u>	<u>1,492,801</u>	<u>(230,054)</u>
	<u><u>412,145</u></u>	<u><u>(2,135,000)</u></u>	<u><u>1,492,801</u></u>	<u><u>(230,054)</u></u>