



UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

UXBRIDGE HIGH SCHOOL ACADEMY TRUST

(A Company Limited by Guarantee)

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**UXBRIDGE HIGH SCHOOL ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Company registered number: 07623418 (England & Wales)

Independent Auditors: MHA MacIntyre Hudson, Abbey Place, 24 – 28 Easton Street,
High Wycombe, Buckinghamshire, HP11 1NT

Bankers: Royal Bank of Scotland Plc (Uxbridge Branch), 1-4 High Street, Uxbridge,
Middlesex, UB8 1BP

Solicitors: Browne Jacobson LLP, Mowbray House, Castle Meadow Road, Nottingham,
NG2 1BJ

**UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Governors of Uxbridge High School Academy Trust present their annual report together with the financial statements and auditors' reports for the year ended 31 August 2016. The annual report serves the purposes of both a Governors' report, and a Directors' Report under company law.

The Trust operates an academy for pupils aged 11 to 18 serving a catchment area in the London Borough of Hillingdon. It has a pupil capacity of 1,340 and had a roll of 1,219 in the school census on 20 May 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Uxbridge High School Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are its primary governing documents.

The Governors of Uxbridge High School Academy Trust act as the Governors for the charitable activities of the trust, and are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Uxbridge High School Academy Trust.

Details of the Governors who served throughout the year are included in the Reference and Administrative Details on pages 1-2.

Members Liability

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

Governors' Indemnities

Uxbridge High School Academy Trust has joined the Department of Education's Risk Protection Arrangement (RPA). Whilst the RPA is not an insurance scheme, it is a mechanism through which the cost of risks that materialise are covered by government funds. Under this scheme the cover for Governor's Liability is up to £10m for any one loss in any one membership year.

Method of Recruitment and Appointment or Election of Governors

Under the Articles of Association of Uxbridge High School Academy Trust, the Academy Trust shall have the following Governors:

- Up to four Community Governors, appointed by the Governing Body. These governors must live or work in the community served by the academy;
- Up to four Partnership Governors, appointed by the Governing Body;
- Up to six Parent Governors, but no less than two, elected by the parents of registered pupils at the academy;
- Up to three Staff Governors, elected by staff employed by the academy;
- The Principal automatically becomes an Ex-Officio Governor;
- One Member Governor;
- Further governors may be appointed by the Secretary of State.

The term of office for each Governor is four years, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

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**GOVERNORS' REPORT (continued)
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Policies and Procedures Adopted for the Induction and Training of Governors

All new Governors of Uxbridge High School Academy Trust are subject to Disclosure and Barring Service (DBS) checks as part of their acceptance to the Governing Body. All governors are required to complete a declaration of business interests on acceptance, and annually thereafter.

The training and induction provided to new Governors depends on their existing experience. Induction is tailored specifically for each new Governor, and may include training on academies, educational matters, financial and governance duties. All Governors are encouraged and supported to attend ongoing training as appropriate to their roles.

All Governors are given access to school policies, procedures, minutes, accounts, budgets, plans, and any other documents that they need access to undertake their role as a Governor.

All new Governors are offered a tour of the academy and the chance to meet with the Principal, staff and students. Governors also visit the school throughout the year.

Organisational Structure

The management structure at Uxbridge High School Academy Trust consists of three levels: The Governors; The Leadership Team; and The Management Team. It is impracticable for the Governing Body to undertake day-to-day activities, and therefore the aim of the management structure is to delegate responsibility to its committees, the Principal, the Leadership and Management Team. This encourages involvement in decision-making at all levels.

The Principal is the designated Accounting Officer for the academy and has overall responsibility for the day-to-day financial management of the Charitable Company.

The Governing Body meets at least three times each year and is responsible for the strategic direction of the academy. The Governing Body is responsible for setting policies, approving the budget, monitoring financial, operational and educational outcomes, setting the organisational staffing structure and appointing senior staff. The Governors have formed five committees: Admissions; Attendance, Discipline and Safeguarding; Educational Standards; Facilities; and Human Resources. These meetings are attended by members of the Senior Leadership Team and meet between three and six times a year in order to advise and direct the Leadership Team in the operational running of the Academy Trust.

The Senior Leadership Team controls the Academy Trust at an executive level, implements the policies set by the Governors, and reports back to them. The Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, and meets weekly to discuss matters and to develop strategies for future development. Each member of the Senior Leadership Team has specific areas of responsibility.

Some spending control is devolved to members of the management team, within limits.

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**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Arrangements for setting pay and remuneration of key management personnel

At Uxbridge High School Academy Trust each member of the Leadership Team is paid within a specific pay range within the leadership pay scales. Annual pay progression within the range of each post is not automatic. Members of the Leadership Team must demonstrate sustained high quality performance in respect of school leadership and management and student progress, and are subject to a review of performance through appraisal and against their performance objectives, before any salary increments can be awarded.

Appraisals are completed or reviewed by the Principal, as appropriate, who then makes the recommendations to the Governor's Pay Committee. For the Principal, decisions regarding pay progression are made in reference to the Principal's appraisal which is then assessed by the Human Resources Committee. The Human Resources Committee seeks advice from an external school improvement partner (SIP).

Related parties and other connected charities and organisations.

Uxbridge High School Academy Trust is a single entity academy which is neither supported by a wider federation of academies, nor by significant sponsorship from the private sector or religious organisations. The Academy Trust acts independently in managing its operating policies and in delivering its objectives. Various traded services are purchased from the London Borough of Hillingdon.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Uxbridge High School Academy Trust is an academy for girls and boys aged 11-18 years, and enjoys an open greenfield site with easy access by public transport.

The aim of the Academy Trust is to provide a warm and positive environment in which young people can be happy and enjoy a purposeful and well-ordered programme of studies and experiences which are relevant to a rewarding adult life and employment. The academy believes strongly in working in partnership with students, staff and parents. It is this partnership which enables our students to achieve success.

Objectives, Strategies and Activities

During the year 2015-16, Uxbridge High School Academy Trust has worked toward achieving these aims by:

- creating a warm and friendly atmosphere where students feel and are safe;
- encouraging students to develop their academic studies to the highest possible level;
- providing a purposeful and well-ordered programme of studies;
- involving all students in a range of extra-curricular activities;
- equipping and supporting student for entry to University and the world of work;
- ensuring success in some form is a daily occurrence for every child.

The vision of the Academy Trust is to be a school of choice where, through outstanding teaching, inspirational opportunities and exceptional learning, we **open minds** and develop **unique** individuals. Students and staff have the best possible environment in which to achieve, progress, learn and thrive. They are **positively** focused, **determined** and demonstrate **respect** for all. The academy trust is at the heart of the local community, a school in which all students, parents, staff, stakeholders and partners are **PROUD** to make success happen.

This year the academy has also successfully worked on:

- meeting national average targets for English and Mathematics;
- narrowing the gaps of specific groups including Pupil Premium and White British pupils;
- improving Post-16 achievement.

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GOVERNORS' REPORT (continued)
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Public Benefit

In setting the academy's objectives and in planning its activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit, and in particular its supplementary guidance on advancing education.

STRATEGIC REPORT

Achievements and Performance

Exam Performance

Results were as follows:

| KS4 | 2013-14 | 2014-15 | 2015-16 | Trend |
|-------------------------------------|----------------|----------------|----------------|--------------|
| Attainment 8 | 4.44 D+ | 4.41 D+ | 4.6 C- | |
| EBACC | 25% | 24% | 21% | |
| English & Maths A* - C | 55% | 44% | 55% | |
| English A* - C | 57% | 58% | 60% | |
| Expected Progress English | 56% | 65% | 60% | |
| More Than Expected Progress English | 17% | 25% | 19% | |
| Maths A* - C | 72% | 60% | 63% | |
| Expected Progress Maths | 65% | 66% | 59% | |
| More Than Expected Progress Maths | 31% | 25% | 26% | |
| 5 A* - C incl English & Maths | 52% | 39% | 50% | |

| Post-16 | 2013-14 | 2014-15 | 2015-16 |
|---|----------------|----------------|----------------|
| A Level Points Score per entry (Average) | 184.4 D | 198.9 C- | 26.7 C- |
| Academic Points Score per entry (Average) | 184.6 D | 199.4 C- | 25.6 C- |
| Vocational Points Score per entry (Average) | 208.6 M+ | 206.2 M+ | 35.9 D |

The academy was successful in closing the gap in attainment between pupil premium and non-pupil premium pupils for English and Mathematics, to 2% (29% in 2014-15).

Ofsted

Uxbridge High School Academy Trust was subject to a full Ofsted Inspection in June 2016 which found the overall effectiveness to be Requires Improvement. However, the effectiveness of leadership and management of the school was found to be good, as well as behaviour and the sixth form. Teaching and learning and the outcomes for pupils were found to be still requiring improvement.

The following strengths were identified as part of the report:

- The Principal and key post holders in the senior team understand the school's weaknesses, provide strong direction and have a clear strategy for improvement.
- The Governing Body is ambitious for the school to move forward and has a healthy balance of support and challenge in the way that it works with the Leadership Team.
- The most-able pupils make good progress in most subjects.
- Significant changes to the pastoral systems have improved behaviour and established a growing engagement with the school's 'PROUD' values.
- Pupils feel safe and the school has effective systems to ensure that safeguarding has a high priority.
- The Sixth Form is increasingly popular. Good teaching and effective careers information, advice and guidance prepare pupils well for work, apprenticeships or university.

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GOVERNORS' REPORT (continued)
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The Governing Body and Leadership Team of the school are confident that the quality of teaching is improving and will continue to improve, and will have a significant impact on the educational outcomes of pupils. This is a clear focus for management at all levels and the majority of staff have embraced professional development opportunities including a coaching programme, mentoring and tailor-made courses both within and outside the academy.

Pupil Recruitment

The recruitment of pupils remains steady and the Governing Body are looking at ways to increase the popularity of the school and increase the number of first place options entered by parents. The Sixth Form has become increasingly popular, and retention has increased with 51% of pupils staying from Year 11 to the Sixth Form.

Pupil Attendance

Pupil Attendance has improved to 95.4%, from 94.5% in the previous year. This is in part a result of the work undertaken by the Attendance Officer in this year and the use of truancy call. In addition, a Wessex House group was established this year for dealing with persistent absences, and as a result the attendance of 73.3% of these pupils has increased by at least 20%. The Learning Mentor responsible for the Wessex group has achieved this by making daily phone calls home for those not attending or are late to school, home visits, monitoring during the school day and off-site provision for 13.3% of the pupils to support them getting back into education and not becoming NEET ('Not in Education, Employment or Training').

Key Financial Performance Indicators

The academy revenue balances are currently £725,522 in restricted funds and £229,232 in unrestricted funds. This is a decrease on last year of £318k. In addition, the academy held £1.8m in capital funding which has funded the new Orsino building, along with in year contributions from revenue (which accounts for the decrease in revenue balances). The combined revenue balance is equivalent to 12% of total annual incoming revenue resources. The academy also aims to hold as a minimum, one month's GAG as a surplus, but not exceed two month's GAG – which has been achieved.

Financial performance is monitored throughout the year against the budget approved by Governors. The Governors receive termly information to enable their oversight of the finances of the academy.

Going Concern

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

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GOVERNORS' REPORT (continued)
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FINANCIAL REVIEW

The principal source of funding for Uxbridge High School Academy Trust is the General Annual Grant (GAG) and other grants received from the Education Funding Agency (EFA), which are restricted for educational purposes. The grants received from the EFA during the year ending 31 August 2016 and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice (SORP 2015), Accounting and Reporting by Charities, such grants, if received are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

For the year ended 31 August 2016, the Academy Trust received £7.4m as GAG, which is the same as the previous year. The remaining restricted funds are made up of other EFA and government grants. Unrestricted income relates mainly to lettings. A high percentage of this income is allocated to salaries and support costs to deliver the provision of education. In addition, the academy has spent some of its reserves on the new Drama and Music building that was completed this year.

The Academy Trust holds surplus balances within both restricted and unrestricted funds. At 31 August 2016, the academy has balances of £954,754, (At 31 August 2015 - £1,272,689). This is comprised of £725,522, (At 31 August 2015 - £1,065,360) restricted funds, and £229,232, (At 31 August 2015 - £207,329) unrestricted funds.

The results for the period are shown on page 22.

Reserves Policy

The Governors of Uxbridge High School Academy Trust are aware of the requirement to balance current and future needs. The Governors aim to set a balanced budget, with annual expenditure not exceeding annual income. The Governors review the reserve levels at least annually at the year end and as part of budget planning processes. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Particular regard is given to the likely levels of future income to be received from the EFA and the likelihood that these will reduce in future years.

The academy plans to hold as a minimum, one month's GAG as a surplus, but not exceed two month's GAG. The GAG for 2015-16 was £7.4m which means that the current surplus is within these limits.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the academy recognises a significant pension fund deficit of £2,232,000, (At 31 August 2015 - £1,193,000). This does not mean an immediate liability, but instead such a deficit generally results in increased employer or employee contributions in the future or changes to scheme benefits in order to fund it in the longer term.

The academy held consolidated fund balances at 31 August 2016 of £23.1m which comprised of:

| | £ |
|-------------------------------|--------------------------|
| Restricted: | |
| Fixed Asset Fund | 24,376,999 |
| GAG & Other Government Grants | 725,522 |
| Pension Reserve | (2,232,000) |
| Unrestricted: | 229,232 |
| Total Reserves: | <u>23,099,753</u> |

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**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Investment Policy

Uxbridge High School Academy Trust keeps surplus deposits in a high interest bank account. The aim is to ensure that funds that the academy does not immediately need to cover anticipated expenditure, are invested in such a way as to maximise the academy's income but with minimal risk. The Governors considers the current arrangements to be in the best interest of the academy.

Principal Risks and Uncertainties

Uxbridge High School Academy Trust monitors risk closely. Risks are reported to the relevant sub-committee of the Governing Body and these are reported to the full Governing Body with proposed mitigation, and the risk is monitored until it has been adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. Major risks are therefore resolved by the full Governing Body, whilst minor risks are dealt with by the Leadership Team. Any major risks that have been highlighted at committee meetings are presented to the full Governing Body with proposed mitigating actions, and subsequently monitored until the risk has been adequately mitigated.

The Governing Body has identified the following areas of risk:

- **Performance & Reputation**

Reputation can be undermined if academic standards fall or are perceived to be deteriorating. The continued success and financial viability of the academy is dependent on attracting sufficient pupils, and this is in part dependent on educational standards. The Governing Body constantly monitors academic performance of the school. All students are assigned a staff mentor, and students are coached to achieve their full potential at all times (not only at the time of exams). The pastoral system in place at Uxbridge High School is helping to mitigate this risk through improved pupil behaviour and more targeted support for students to enable academic performance. Demand for places at Uxbridge High School Academy Trust is increasing.

- **Financial**

The main financial risk is a reduction and possible changes in funding by the government, the unfunded increases in employer contributions and unbudgeted or unexpected costs. These risks are mitigated by prudent and robust budgeting processes and a three year rolling budget that links closely to the School Improvement Plan and accounts for all possible costs that can be reasonably foreseen. Close monitoring of the budget, thorough forecasting and clear reporting throughout the year also helps to mitigate the risk of the unforeseen. The Academy has a scheme of Financial Delegation which defines the financial expenditure limits, systems and procedures to be followed by all levels of management, and all staff in the school. The Academy Trust is also subject to an annual external audit review which checks that procedures are being followed.

- **Safety**

The safety and security of students and staff is paramount. Safety is mitigated by the Academy Trust's comprehensive Appraisal and Grievance policies. The Academy Trust also has a very effective Child Protection and Safeguarding Policy in place, and this is reviewed annually in order to ensure the continued protection of pupils. Students are closely supervised at all times, including on trips. Tight control is exercised over site visitors and there is a rigorous anti-bullying policy in place. An annual Health and Safety audit is also conducted and any issues identified are addressed promptly.

- **Buildings**

The older buildings on site remain a challenge to maintain. Any risk is mitigated by a planned maintenance programme. There is a strategic development plan in place that ensures the maintenance of the buildings and facilities over the long term. The academy has also joined the DfE's Risk Protection Arrangement which will cover the cost of the majority of unforeseen risks that could materialise.

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**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

PLANS FOR FUTURE PERIODS

Uxbridge High School Academy Trust will continue to strive to:

- be a school of choice;
- improve levels of achievement (progress and attainment) of students, at all levels;
- reduce any gaps in attainment between all groups of pupils;
- provide the best opportunities for students to move into further training, continuing education or permanent employment;
- provide the best possible environment for students and staff to achieve, progress, learn and thrive.

The Academy Trust will continue to build on the growth and successes of the Sixth Form.

The Academy Trust will continue to maintain and develop its estate, and seek financial support through bids and grants to improve the condition of older buildings.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

AUDITOR

In so far as the Governing Body is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Governing Body has 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.

Governors' report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 12 December 2016 and signed on the board's behalf by:

.....
Mr Peter Waine
Chair of the Governing Body

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that Uxbridge High School Academy 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 Governing Body 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 Uxbridge High School Academy Trust and the Secretary of State for Education. The Principal is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met four times during the year.

Following a review of governance in 2014-15, changes to the makeup of the Governing Body were implemented for 2015-16. During the year one governor resigned and three new governors were appointed. Attendance during the year at meetings of the Governing Body was as follows:

| Governor | | Meetings attended | Out of a possible |
|-----------------------|------------------------------|--------------------------|--------------------------|
| Ben Beadle | <i>Appointed Oct 2015</i> | 2 | 4 |
| Jessica Beishon | | 3 | 4 |
| David Benson | <i>Resigned May 2016</i> | 2 | 3 |
| Noelia Bowman | | 4 | 4 |
| Jonathon Churchill | | 4 | 4 |
| Nigel Clemens | Principal/Accounting Officer | 4 | 4 |
| Robert Dixon | Vice Chair | 4 | 4 |
| Alicia Guerrero | | 3 | 4 |
| Melanie Kindley-Deeks | | 4 | 4 |
| Martin McElreavey | | 4 | 4 |
| Nigel McGreeghan | <i>Appointed Nov 2015</i> | 0 | 3 |
| Elaine O'Sullivan | | 3 | 4 |
| Minesh Parmar | | 4 | 4 |
| Kiran Ranchod | | 3 | 4 |
| Hussein Rehmanji | <i>Appointed Nov 2015</i> | 1 | 3 |
| Allan Steele | | 3 | 4 |
| Peter Waine | Chair | 4 | 4 |

The Facilities Committee is a sub-committee of the Governing Body. Its purpose is to oversee all aspects of the finances of the academy, including medium-term and long-term planning. The Facilities Committee assists the decision-making of the Governing Body by facilitating more detailed analysis and discussion to ensure proper planning, monitoring and probity.

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**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

GOVERNANCE (continued)

One governor joined the Facilities Committee in October 2015. Attendance during the year at meetings of the Facilities Committee was as follows:

| Governor | | Meetings attended | Out of a possible |
|-----------------------|------------------------|--------------------------|--------------------------|
| Robert Dixon | Vice Chair | 3 | 3 |
| Alicia Guerrero | <i>Joined Oct 2015</i> | 1 | 2 |
| Melanie Kindley-Deeks | | 2 | 3 |
| Martin McElreavey | | 3 | 3 |
| Elaine O'Sullivan | Chair | 3 | 3 |
| Minesh Parmar | | 3 | 3 |
| Peter Waine | | 2 | 3 |

The key issues faced by the Governing Body during the year were:

- ongoing challenge of raising standards and achievement of pupils.
- ongoing challenge of narrowing the gap between various groups of pupils.
- continual changes by the government of the national curriculum and therefore the associated examination structures.
- the current and forecasted financial pressures due to changes in funding, real-terms funding cuts and continuing increases in employer contribution costs.

Ofsted has recognised the Governing Body as being 'ambitious for the school to move forward' and having 'a healthy balance of support and challenge in the way that it works with the leadership team'.

A new Leadership Team structure began operation this year and has led on a range of positive changes in the school. The Principal and Leadership Team have a clear strategy for improvement.

Governance Review

In 2014-15 the Governing Body undertook a full detailed review of Governance to address weaknesses identified by Ofsted. Following the review, a consultant has been appointed to work with the Governing Body on an annual basis. These reviews have continually sharpened the work of the Governing Body and have ensured efficient but intuitive work by committees in challenging the school appropriately. In the most recent Ofsted in June 2016, Ofsted found that the Governing Body was highly outcome focused and maintains a high degree of understanding and accountability on behalf of the school.

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**GOVERNANCE STATEMENT (continued)
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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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of Governors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Raising Achievement and Standard of Teaching & Learning
The academy has used its resources to achieve significant improvements to Teaching and Learning. At the end of the year 73% of teachers were formally graded as 'good' or better. Achievement data in all stages demonstrates an upward trend of achievement.
- Robust Budget Setting
The three year rolling budget is reviewed annually and adjusted to take account of any known changes to costs and services, staffing and curriculum offers, and in line with the Academy Improvement Plan. This is approved by the Governing Body each year, as well as the Annual Accounts and the External Auditors Management Report.
- Budget-Holder Accountability
Budget Holders are held accountable for the use of their budgets, and are assisted by the Finance Department in sourcing best value. Budget Holders have been given real time access to monitor their allocated budget spends and enables more accountability and greater control over their delegated funds.
- Effective Budget Monitoring
Monthly budget monitoring reports produced by the Director of Finance & Operations, are reviewed by the Principal and Vice Principal with responsibility for Finance. Any remedial action taken is also reviewed, and where there are significant variances that may require further action, these are discussed and appropriate action taken through the line management structure.
- Contracts and Services
Contracts and services are regularly reviewed and re-negotiated where appropriate, to ensure value for money is obtained. Tender exercises are undertaken for high value contracts to ensure that contracts remain competitive. The academy also regularly benchmarks financial performance against similar schools to ensure costs remain low and that best value is always sought.
- Purchasing
Obtaining the best price and supplier switching for reduced prices is a well-embedded process in the Finance Department. Purchases for small items, such as stationery, are benchmarked regularly amongst the main approved suppliers of the school, and orders are redirected to take advantage of better prices and discounts. Larger items are price checked online and/or with the school's main suppliers before orders are placed. This ensures that the school obtains best value on purchases.

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**GOVERNANCE STATEMENT (continued)
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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 the Academy Trust's 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 Uxbridge High School Academy Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body;
- regular reviews by the Facilities 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The Governing Body has appointed MHA MacIntyre Hudson, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial system. The auditor also reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. Recommendations from the auditor's report has been addressed to ensure continuous improvement of the financial system and the controls in place.

**UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 additional checks performed by the external auditor;
- the work of the external auditor on the financial statements and regularity;
- the financial management and governance self-assessment process;
- the work of the Leadership Team 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 reviewer and these have been addressed to ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 12 December 2016 and signed on its behalf by:

.....
Mr Peter Waine
Chair of the Governing Body

.....
Mr Nigel Clemens
Accounting Officer

**UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2016**

As Accounting Officer of Uxbridge High School Academy Trust I have considered my responsibility to notify the Academy Trust's Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Trust's Governing body 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 2015.

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 Governors and EFA.

.....
Mr Nigel Clemens
Accounting Officer

12 December 2016

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Governors on 12 December 2016 and signed on its behalf by:

.....
Mr Peter Waine
Chair of the Governing Body

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UXBRIDGE HIGH SCHOOL ACADEMY TRUST**

We have audited the financial statements of Uxbridge High School Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UXBRIDGE HIGH SCHOOL ACADEMY TRUST**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Governors' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

16 December 2016

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO UXBRIDGE
HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 10 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Uxbridge High School Academy Trust during the year 1 September 2015 to 31 August 2016 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 Uxbridge High School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Uxbridge High School Academy Trust and the EFA 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 Uxbridge High School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF UXBRIDGE HIGH SCHOOL ACADEMY TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Uxbridge High School Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO UXBRIDGE
HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquires of the Accounting Officer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

16 December 2016

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

| | Note | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | | |
| Donations and capital grants | 2 | - | - | 30,231 | 30,231 | 26,731 |
| Charitable activities | 5 | - | 8,131,453 | - | 8,131,453 | 8,189,629 |
| Other trading activities | 3 | 42,628 | 82,404 | - | 125,032 | 231,285 |
| Investments | 4 | - | - | - | - | 2,209 |
| TOTAL INCOME | | 42,628 | 8,213,857 | 30,231 | 8,286,716 | 8,449,854 |
| EXPENDITURE ON: | | | | | | |
| Charitable activities | 7 | 20,725 | 7,860,836 | 500,055 | 8,381,616 | 8,871,962 |
| TOTAL EXPENDITURE | 6 | 20,725 | 7,860,836 | 500,055 | 8,381,616 | 8,871,962 |
| NET INCOME / (EXPENDITURE) BEFORE TRANSFERS | | | | | | |
| Transfers between Funds | 17 | 21,903 | 353,021 | (469,824) | (94,900) | (422,108) |
| | | - | (781,858) | 781,858 | - | - |
| NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES | | | | | | |
| | | 21,903 | (428,837) | 312,034 | (94,900) | (422,108) |
| Actuarial gains/(losses) on defined benefit pension schemes | 22 | - | (950,000) | - | (950,000) | 36,000 |
| NET MOVEMENT IN FUNDS | | 21,903 | (1,378,837) | 312,034 | (1,044,900) | (386,108) |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 207,329 | (127,641) | 24,064,965 | 24,144,653 | 24,530,761 |
| TOTAL FUNDS CARRIED FORWARD | | 229,232 | (1,506,478) | 24,376,999 | 23,099,753 | 24,144,653 |

The notes on pages 25 to 47 form part of these financial statements.

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07623418

BALANCE SHEET
AS AT 31 AUGUST 2016

| | Note | £ | 2016 £ | £ | 2015 £ |
|--|------|-------------|--------------------------|--------------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 14 | | 24,376,999 | | 22,287,192 |
| CURRENT ASSETS | | | | | |
| Debtors | 15 | 409,064 | | 569,127 | |
| Cash at bank and in hand | | 1,324,336 | | 3,141,262 | |
| | | | <u>1,733,400</u> | <u>3,710,389</u> | |
| CREDITORS: amounts falling due within one year | 16 | (778,646) | | (659,928) | |
| NET CURRENT ASSETS | | | <u>954,754</u> | | <u>3,050,461</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>25,331,753</u> | | <u>25,337,653</u> |
| Defined benefit pension scheme liability | 22 | | (2,232,000) | | (1,193,000) |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITIES | | | <u><u>23,099,753</u></u> | | <u><u>24,144,653</u></u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted income funds: | | | | | |
| Restricted income funds | 17 | 725,522 | | 1,065,359 | |
| Restricted fixed asset funds | 17 | 24,376,999 | | 24,064,965 | |
| | | | <u>25,102,521</u> | <u>25,130,324</u> | |
| Restricted income funds excluding pension liability | | | 25,102,521 | 25,130,324 | |
| Pension reserve | 17 | (2,232,000) | | (1,193,000) | |
| | | | <u>22,870,521</u> | <u>23,937,324</u> | |
| Total restricted income funds | | | <u>22,870,521</u> | <u>23,937,324</u> | |
| Unrestricted income funds | 17 | | 229,232 | 207,329 | |
| TOTAL FUNDS | | | <u><u>23,099,753</u></u> | <u><u>24,144,653</u></u> | |

The financial statements were approved by the Governors, and authorised for issue, on 12 December 2016 and are signed on their behalf, by:

.....
Mr Peter Waive
Chair of the Governing Body

The notes on 25 to 47 form part of these financial statements.

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

| | Note | 2016 £ | 2015 £ |
|--|------|---------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | <u>742,705</u> | <u>1,658,674</u> |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | - | 2,209 |
| Purchase of tangible fixed assets | | (2,589,862) | (478,288) |
| Capital grants from DfE/EFA | | 30,231 | 26,731 |
| Net cash used in investing activities | | <u>(2,559,631)</u> | <u>(449,348)</u> |
| Change in cash and cash equivalents in the year | | (1,816,926) | 1,209,326 |
| Cash and cash equivalents brought forward | | <u>3,141,262</u> | <u>1,931,936</u> |
| Cash and cash equivalents carried forward | 20 | <u><u>1,324,336</u></u> | <u><u>3,141,262</u></u> |

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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 of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Uxbridge High School Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Uxbridge High School Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Uxbridge High School Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 26.

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.2 Income

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

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations are recognised on a receivable basis where there are no performance related conditions and there is probability of receipt and the amount can be reliably measured.

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

1.3 Expenditure

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

Termination benefits are recognised when employment is terminated by the academy before normal retirement date or whenever the employee accepts voluntary redundancy in exchange for termination benefits.

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

All resources expended are inclusive of irrecoverable VAT.

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.4 Fund accounting

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

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 and include grants from the Department for Education and Education Funding Agency.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

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

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

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

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

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---------------------------|---|-----------------------|
| Freehold property | - | 2% per annum on cost |
| Motor vehicles | - | 25% per annum on cost |
| Fixtures and fittings | - | 25% per annum on cost |
| Assets under construction | - | Not depreciated |

1.7 Jointly controlled assets

Where assets are jointly controlled by the Academy Trust and third parties, the Academy accounts for its own share of these assets and the related depreciation in accordance with the terms of the joint arrangement.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

1.10 Taxation

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

1.11 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.12 Cash at bank and in hand

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

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.13 Liabilities and provisions

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

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

1.14 Financial instruments

The Academy Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.15 Pensions

Retirement benefits to employees of the Academy 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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

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/(income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|----------------|--|--|--|---------------------------------------|---------------------------------------|
| Capital grants | - | - | 30,231 | 30,231 | <i>26,731</i> |

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds, £ *NIL* was to restricted funds and £26,731 was to restricted fixed asset funds.

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3. OTHER TRADING ACTIVITIES

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|---------------------|--|--|---------------------------------------|---------------------------------------|
| Private fund income | - | - | - | 59,436 |
| Other income | 42,628 | 82,404 | 125,032 | 171,849 |
| | <u>42,628</u> | <u>82,404</u> | <u>125,032</u> | <u>231,285</u> |

In 2015, of the total income from other trading activities, £148,608 was to unrestricted funds and £82,677 was to restricted funds and £ NIL was to restricted fixed asset funds.

4. INVESTMENT INCOME

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|--------------------------|--|--|---------------------------------------|---------------------------------------|
| Bank interest receivable | - | - | - | 2,209 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,209</u> |

In 2015, of the total investment income, £2,209 was to unrestricted funds, £ NIL was to restricted funds and £ NIL was to restricted fixed asset funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/EFA grants | | | | |
| General Annual Grant (GAG) | - | 7,413,200 | 7,413,200 | 7,488,897 |
| Pupil Premium | - | 410,936 | 410,936 | 413,896 |
| Other DfE/EFA grants | - | - | - | 45,613 |
| | - | 7,824,136 | 7,824,136 | 7,948,406 |
| Other government grants | | | | |
| Local authority SEN income | - | 61,168 | 61,168 | 83,795 |
| Other government grants | - | 62,329 | 62,329 | - |
| | - | 123,497 | 123,497 | 83,795 |
| Other funding | | | | |
| Catering income | - | 183,820 | 183,820 | 157,428 |
| | - | 183,820 | 183,820 | 157,428 |
| | - | 8,131,453 | 8,131,453 | 8,189,629 |

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds, £8,189,629 was to restricted funds and £ NIL was to restricted fixed asset funds.

6. EXPENDITURE

| | Staff costs 2016 £ | Premises 2016 £ | Other costs 2016 £ | Total 2016 £ | Total 2015 £ |
|-----------------------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Academy's Educational Operations: | | | | | |
| Direct costs | 4,921,299 | 250,083 | 600,388 | 5,771,770 | 5,730,369 |
| Support costs | 1,120,315 | 597,371 | 892,160 | 2,609,846 | 3,141,593 |
| | 6,041,614 | 847,454 | 1,492,548 | 8,381,616 | 8,871,962 |

In 2016, of the total expenditure, £20,725 (2015 - £126,835) was to unrestricted funds and £7,860,836 (2015 - £8,172,323) was to restricted funds and £500,055 (2015: £572,804) was to restricted fixed asset funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. CHARITABLE ACTIVITIES

| | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|---|---------------------------------------|---------------------------------------|
| DIRECT COSTS - EDUCATIONAL OPERATIONS | | |
| Wages and salaries | 4,921,299 | 4,592,709 |
| Depreciation | 250,083 | 304,895 |
| Educational consultancy | 26,344 | 66,540 |
| Educational supplies | 311,570 | 400,870 |
| Education fees | 146,251 | 139,196 |
| Technology costs | 26,981 | 53,808 |
| Staff development | 60,335 | 64,685 |
| Other direct costs | 28,907 | 107,666 |
| | 5,771,770 | <i>5,730,369</i> |
| SUPPORT COSTS - EDUCATIONAL OPERATIONS | | |
| Wages and salaries | 1,120,315 | 1,419,781 |
| Depreciation | 249,972 | 250,451 |
| Pension finance cost | 46,000 | 43,000 |
| Recruitment and support | 139,925 | 95,471 |
| Maintenance of premises and equipment | 246,607 | 306,402 |
| Catering supplies | 207,107 | 178,346 |
| Cleaning and caretaking | 133,973 | 136,659 |
| Rent and rates | 53,803 | 102,958 |
| Energy | 115,879 | 137,306 |
| Insurance | 32,886 | 42,818 |
| Legal and professional | 9,588 | 72,486 |
| Other support costs | 227,609 | 338,417 |
| Governance costs | 26,182 | 17,498 |
| | 2,609,846 | <i>3,141,593</i> |
| | 8,381,616 | <i>8,871,962</i> |

8. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

| | Total | Individual items above £5,000 | Reason |
|-------------------------|--------------|--------------------------------------|---------------|
| | £ | £ | |
| Gifts made by the trust | 8 | - | |

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

| | 2016 | <i>2015</i> |
|---|----------------|----------------|
| | £ | £ |
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 500,055 | <i>555,346</i> |
| Auditors' remuneration - audit | 9,500 | <i>9,285</i> |
| Auditors' remuneration - other services | 14,758 | <i>8,213</i> |
| Operating lease rentals | 19,359 | <i>19,359</i> |
| Loss on disposal of fixed assets | - | <i>17,457</i> |
| | ===== | ===== |

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. STAFF COSTS

Staff costs were as follows:

| | 2016 | <i>2015</i> |
|--|------------------|------------------|
| | £ | £ |
| Wages and salaries | 4,345,459 | <i>4,542,939</i> |
| Social security costs | 388,488 | <i>361,114</i> |
| Operating costs of defined benefit pension schemes | 775,751 | <i>777,828</i> |
| | 5,509,698 | <i>5,681,881</i> |
| Supply teacher costs | 465,784 | <i>279,471</i> |
| Staff restructuring costs | 66,132 | <i>51,138</i> |
| | 6,041,614 | <i>6,012,490</i> |

Staff restructuring costs comprise:

| | | |
|---------------------|---------------|---------------|
| Redundancy payments | 29,132 | <i>-</i> |
| Severance payments | 37,000 | <i>51,138</i> |
| | 66,132 | <i>51,138</i> |

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £37,000 (2015: £51,138). Individually, the payments were: £20,000 and £17,000.

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

| | 2016 | <i>2015</i> |
|----------------------------|-------------|-------------|
| | No. | No. |
| Teachers | 67 | <i>77</i> |
| Administration and support | 59 | <i>64</i> |
| Management | 12 | <i>8</i> |
| | 138 | <i>149</i> |

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

| | 2016 | <i>2015</i> |
|---------------------------------|-------------|-------------|
| | No. | No. |
| In the band £70,001 - £80,000 | 5 | <i>3</i> |
| In the band £100,001 - £110,000 | 1 | <i>1</i> |

Five (2015: three) of the above employees participated in the Teachers' Pension Scheme and one employee (2015: one) participated in the Local Government Pension Scheme. During the year ended 31 August 2016, pension contributions for these staff amounted to £66,412 and £16,980 respectively. (2015: £34,676 and £16,652 respectively).

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NOTES TO THE FINANCIAL STATEMENTS
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11. GOVERNORS' REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

| | | 2016 | <i>2015</i> |
|----------------------|----------------------------|------------------------|------------------------|
| | | £ | £ |
| N Clemens, Principal | Remuneration | 100,000-105,000 | <i>100,000-105,000</i> |
| | Pension contributions paid | 15,000-20,000 | <i>10,000-15,000</i> |
| K Ranchod | Remuneration | 50,000-55,000 | <i>45,000-50,000</i> |
| | Pension contributions paid | 5,000-10,000 | <i>5,000-10,000</i> |
| M Kindley-Deeks | Remuneration | 20,000-25,000 | <i>15,000-20,000</i> |
| | Pension contributions paid | 0-5,000 | <i>0-5,000</i> |
| J Churchill | Remuneration | 50,000-55,000 | <i>30,000-35,000</i> |
| | Pension contributions paid | 5,000-10,000 | <i>0-5,000</i> |

During the year, no Governors received any reimbursement of expenses (2015 - 1 Governor received £1,318).

12. GOVERNORS' AND OFFICERS' INSURANCE

The Academy entered into the Department for Education's Risk Protection Arrangement in June 2015. This protects Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 for each and every loss and in the aggregate per Academy whose Academy Trust is a member. The cost for the year ended 31 August 2016 is not separately identifiable.

13. PENSION FINANCE COST

| | 2016 | <i>2015</i> |
|--|-----------------|-----------------|
| | £ | £ |
| Interest on pension scheme liabilities | (46,000) | <i>(43,000)</i> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

14. TANGIBLE FIXED ASSETS

| | Freehold property £ | Motor vehicles £ | Fixtures and fittings £ | Assets under construction £ | Total £ |
|--------------------------|---------------------------|------------------------|-------------------------------|--------------------------------------|-------------------|
| Cost | | | | | |
| At 1 September 2015 | 22,504,162 | 7,000 | 1,263,202 | 235,652 | 24,010,016 |
| Additions | - | - | 420,545 | 2,169,317 | 2,589,862 |
| Transfer between classes | 2,404,969 | - | - | (2,404,969) | - |
| At 31 August 2016 | <u>24,909,131</u> | <u>7,000</u> | <u>1,683,747</u> | <u>-</u> | <u>26,599,878</u> |
| Depreciation | | | | | |
| At 1 September 2015 | 977,235 | 7,000 | 738,589 | - | 1,722,824 |
| Charge for the year | 250,083 | - | 249,972 | - | 500,055 |
| At 31 August 2016 | <u>1,227,318</u> | <u>7,000</u> | <u>988,561</u> | <u>-</u> | <u>2,222,879</u> |
| Net book value | | | | | |
| At 31 August 2016 | <u>23,681,813</u> | <u>-</u> | <u>695,186</u> | <u>-</u> | <u>24,376,999</u> |
| <i>At 31 August 2015</i> | <u>21,526,927</u> | <u>-</u> | <u>524,613</u> | <u>235,652</u> | <u>22,287,192</u> |

Included in freehold property is freehold land at valuation of £10,000,000 (2015 - £10,000,000) which is not depreciated.

15. DEBTORS

| | 2016 £ | 2015 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 29,463 | 27,317 |
| VAT recoverable | 168,224 | 54,700 |
| Prepayments and accrued income | 211,377 | 487,110 |
| | <u>409,064</u> | <u>569,127</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. CREDITORS: Amounts falling due within one year

| | 2016 | <i>2015</i> |
|--------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 504,868 | <i>263,156</i> |
| Other taxation and social security | 114,407 | <i>106,766</i> |
| EFA creditor: abatement of GAG | - | <i>12,966</i> |
| Other creditors | 1,663 | <i>10,637</i> |
| Accruals and deferred income | 157,708 | <i>266,403</i> |
| | 778,646 | <i>659,928</i> |
| | 778,646 | <i>659,928</i> |
| | 2016 | <i>2015</i> |
| | £ | £ |
| Deferred income | | |
| Deferred income at 1 September 2015 | 8,973 | - |
| Resources deferred during the year | - | <i>8,973</i> |
| Amounts released from previous years | (8,973) | - |
| | - | <i>8,973</i> |
| | - | <i>8,973</i> |

Deferred income relates to income received for trips taking place after the year end.

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

| | Brought forward £ | Income £ | Resources expended £ | Transfers in/(out) £ | Gains/ (losses) £ | Carried forward £ |
|-------------------------------------|--------------------------|-------------------------|----------------------------|----------------------------|-------------------------|--------------------------|
| Unrestricted funds | | | | | | |
| General unrestricted funds | 207,329 | 42,628 | (20,725) | - | - | 229,232 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 498,551 | 7,413,200 | (6,971,179) | (794,825) | - | 145,747 |
| SEN LACSEG adjustment | (12,967) | - | - | 12,967 | - | - |
| Funds transferred on conversion | 579,775 | - | - | - | - | 579,775 |
| Pupil premium SEN | - | 410,936 | (410,936) | - | - | - |
| Other restricted funds | - | 328,553 | (328,553) | - | - | - |
| Pension reserve | (1,193,000) | - | (89,000) | - | (950,000) | (2,232,000) |
| | <u>(127,641)</u> | <u>8,213,857</u> | <u>(7,860,836)</u> | <u>(781,858)</u> | <u>(950,000)</u> | <u>(1,506,478)</u> |
| Restricted fixed asset funds | | | | | | |
| Academies capital maintenance | 1,777,773 | 3,000 | - | (1,780,773) | - | - |
| Indoor training facility | 1,042,650 | - | - | - | - | 1,042,650 |
| Fixed asset fund | 21,244,542 | - | (500,055) | 2,589,862 | - | 23,334,349 |
| Devolved formula capital | - | 27,231 | - | (27,231) | - | - |
| | <u>24,064,965</u> | <u>30,231</u> | <u>(500,055)</u> | <u>781,858</u> | <u>-</u> | <u>24,376,999</u> |
| Total restricted funds | <u>23,937,324</u> | <u>8,244,088</u> | <u>(8,360,891)</u> | <u>-</u> | <u>(950,000)</u> | <u>22,870,521</u> |
| Total of funds | <u><u>24,144,653</u></u> | <u><u>8,286,716</u></u> | <u><u>(8,381,616)</u></u> | <u><u>-</u></u> | <u><u>(950,000)</u></u> | <u><u>23,099,753</u></u> |

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

All general funds are held for the purpose of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education Funding Agency by the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

The SEN/LACSEG adjustment represents a 2012/13 overfunding which was recovered by the EFA during the year.

The pension reserve has been created to separately identify the LGPS pension deficit inherited from the local authority upon conversion to Academy status, and through which all the pension scheme movements are recognised.

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents fixed assets funded from GAG.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets and unspent capital grants.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|-------------------------------|--|--|--|---------------------------------------|---------------------------------------|
| Tangible fixed assets | - | - | 24,376,999 | 24,376,999 | <i>22,287,192</i> |
| Current assets | 229,232 | 1,504,168 | - | 1,733,400 | <i>3,710,389</i> |
| Creditors due within one year | - | (778,646) | - | (778,646) | <i>(659,928)</i> |
| Pension liability | - | (2,232,000) | - | (2,232,000) | <i>(1,193,000)</i> |
| | 229,232 | (1,506,478) | 24,376,999 | 23,099,753 | <i>24,144,653</i> |

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

| | 2016 | <i>2015</i> |
|---|-----------------|------------------|
| | £ | <i>£</i> |
| Net expenditure for the year (as per Statement of financial activities) | (94,900) | <i>(422,108)</i> |
| Adjustment for: | | |
| Depreciation charges | 500,055 | <i>555,346</i> |
| Dividends, interest and rents from investments | - | <i>(2,209)</i> |
| Loss on the sale of fixed assets | - | <i>17,457</i> |
| Decrease in debtors | 160,063 | <i>1,601,279</i> |
| Increase/(decrease) in creditors | 118,718 | <i>(161,360)</i> |
| Capital grants from DfE and other capital income | (30,231) | <i>(26,731)</i> |
| Pension adjustments | 89,000 | <i>97,000</i> |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | 742,705 | <i>1,658,674</i> |
| | <hr/> <hr/> | <hr/> <hr/> |

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2016 | <i>2015</i> |
|--------------|------------------|------------------|
| | £ | <i>£</i> |
| Cash in hand | 1,324,336 | <i>3,141,262</i> |
| | <hr/> | <hr/> |
| Total | 1,324,336 | <i>3,141,262</i> |
| | <hr/> <hr/> | <hr/> <hr/> |

21. CAPITAL COMMITMENTS

At 31 August 2016 the Academy had capital commitments as follows:

| | 2016 | <i>2015</i> |
|---|-------------|------------------|
| | £ | <i>£</i> |
| Contracted for but not provided in these financial statements | - | <i>1,564,348</i> |
| | <hr/> <hr/> | <hr/> <hr/> |

UXBRIDGE HIGH SCHOOL ACADEMY TRUST
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22. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Hillingdon. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as 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 (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £457,420 (2015 - £438,063).

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22. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £367,000 (2015 - £373,000), of which employer's contributions totalled £280,000 (2015 - £286,000) and employees' contributions totalled £87,000 (2015 - £87,000). The agreed contribution rates for future years are 21.5% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

| | 2016 | <i>2015</i> |
|--|---------------|---------------|
| Discount rate for scheme liabilities | 2.10 % | <i>3.80 %</i> |
| Rate of increase in salaries | 3.10 % | <i>3.60 %</i> |
| Rate of increase for pensions in payment / inflation | 2.10 % | <i>2.70 %</i> |

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

| | 2016 | <i>2015</i> |
|----------------------|-------------|-------------|
| Retiring today | | |
| Males | 22.7 | <i>22.7</i> |
| Females | 24.7 | <i>24.7</i> |
| Retiring in 20 years | | |
| Males | 24.3 | <i>24.3</i> |
| Females | 26.9 | <i>26.9</i> |

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22. PENSION COMMITMENTS (continued)

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

| | Fair value at 31 August 2016 £ | <i>Fair value at 31 August 2015 £</i> |
|------------------------------|---|---|
| Equities | 1,417,000 | 1,011,000 |
| Debt instruments | 611,000 | 401,000 |
| Property | 293,000 | 227,000 |
| Cash | 122,000 | 105,000 |
| | <u>2,443,000</u> | <u>1,744,000</u> |
| Total market value of assets | <u><u>2,443,000</u></u> | <u><u>1,744,000</u></u> |

The actual return on scheme assets was £259,000 (2015 - £43,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

| | 2016 £ | <i>2015 £</i> |
|--|-------------------------|-------------------------|
| Current service cost (net of employee contributions) | (323,000) | <i>(340,000)</i> |
| Net interest cost | (46,000) | <i>(43,000)</i> |
| | <u>(369,000)</u> | <u>(383,000)</u> |
| Total | <u><u>(369,000)</u></u> | <u><u>(383,000)</u></u> |

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

| | 2016 £ | <i>2015 £</i> |
|------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation | 2,937,000 | <i>2,467,000</i> |
| Current service cost | 323,000 | <i>340,000</i> |
| Interest cost | 119,000 | <i>99,000</i> |
| Contributions by employees | 87,000 | <i>87,000</i> |
| Actuarial losses/(gains) | 1,222,000 | <i>(50,000)</i> |
| Benefits paid | (13,000) | <i>(6,000)</i> |
| | <u>4,675,000</u> | <u>2,937,000</u> |
| Closing defined benefit obligation | <u><u>4,675,000</u></u> | <u><u>2,937,000</u></u> |

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22. PENSION COMMITMENTS (continued)

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

| | 2016 £ | 2015 £ |
|-------------------------------------|-------------------------|-------------------------|
| Opening fair value of scheme assets | 1,744,000 | 1,335,000 |
| Interest income | 73,000 | 56,000 |
| Actuarial gains and (losses) | 272,000 | (14,000) |
| Contributions by employer | 280,000 | 286,000 |
| Contributions by employees | 87,000 | 87,000 |
| Benefits paid | (13,000) | (6,000) |
| | <u>2,443,000</u> | <u>1,744,000</u> |
| Closing fair value of scheme assets | <u><u>2,443,000</u></u> | <u><u>1,744,000</u></u> |

The amounts recognised in the balance sheet is as follows:

| | 2016 £ | 2015 £ |
|---|---------------------------|---------------------------|
| Present value of defined benefit obligation | (4,675,000) | (2,937,000) |
| Fair value of scheme assets | 2,443,000 | 1,744,000 |
| | <u>(2,232,000)</u> | <u>(1,193,000)</u> |
| Defined benefit pension scheme liability | <u><u>(2,232,000)</u></u> | <u><u>(1,193,000)</u></u> |

23. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2016 £ | 2015 £ |
|-------------------------|----------------------|----------------------|
| Amounts payable: | | |
| Within 1 year | 12,151 | 19,359 |
| Between 1 and 5 years | - | 12,151 |
| | <u>12,151</u> | <u>12,151</u> |
| Total | <u><u>12,151</u></u> | <u><u>31,510</u></u> |

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24. 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 11.

25. MEMBERS' LIABILITY

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

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26. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

| RECONCILIATION OF TOTAL FUNDS | Notes | <i>1 September 2014</i> | <i>31 August 2015</i> |
|--|--------------|-------------------------|-----------------------|
| | | £ | £ |
| Total funds under previous UK GAAP | | 22,745,553 | 24,144,653 |
| Change in recognition of ACMF grant income | A | 1,785,208 | - |
| Total funds reported under FRS 102 | | <u>24,530,761</u> | <u>24,144,653</u> |

| Reconciliation of net (expenditure) | Notes | <i>31 August 2015</i> |
|--|--------------|-----------------------|
| | | £ |
| Net income previously reported under UK GAAP | | 1,390,100 |
| Change in recognition of ACMF grant income | A | (1,785,208) |
| Change in recognition of LGPS interest cost | B | (27,000) |
| | | - |
| Net income reported under FRS 102 | | <u>(422,108)</u> |

Explanation of changes to previously reported funds and net income/expenditure:

- A Under previous UK GAAP the trust recognised grant income on a virtually certain basis. Under FRS 102 grant income must be recognised on a probable basis. Consequently £1,785,208 of ACMF grant income for a new drama and music block was recognised at the transition date of 1 September 2014. The effect of the change has been to increase total funds at 1 September 2014 by £1,785,208 and reduce net income of £1,390,100 for the 12 months to 31 August 2015 to net expenditure of £395,108. Total funds at 31 August 2015 remain unaffected by the change.
- B Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to expense by £27,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.