

Company Registration Number: 07561488 (England & Wales)

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

V Caldwell
M Denness (resigned 30 March 2017)
A Nutt
A Saunders (resigned 30 March 2017)
J Moulton (appointed 30 March 2017)
S Scott (appointed 30 March 2017)

Trustees

K Barnett, Centre Director¹
V Caldwell¹
S Cordell¹
M Denness (resigned 30 March 2017)
C Hallett (resigned 2 February 2017)
R Hatton
E Hindley
J Moulton¹
A Nutt
J Parker
A Saunders (resigned 8 December 2016)¹
S Scott

¹ Governors Finance Group

Company registered number

07561488

Company name

Freemantle Church of England Community Academy

Principal and registered office

Mansion Road
Freemantle
Southampton
Hampshire
SO15 3BQ

Senior accountability team

K Barnett, Centre Director
Miss E Hindley, Deputy to Centre Director
Miss N Myszkowski, Head of Learning (EY)
Mrs C Street, Head of Learning Key Phase 2

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Independent auditors

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Bankers

Lloyds Bank Plc
63 London Road
Southampton
Hampshire
SO15 2US

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Freemantle Church of England Community Academy (the Academy) for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, Governance and Management

Constitution

The Academy is a company limited by guarantee with no share capital (registration no. 07561488) and an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy. The members, with the written consent of the Diocese of Winchester, may agree unanimously in writing to appoint such additional members as they think fit. The articles of association require the members of the charitable company to appoint at least five trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy.

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

Members' Liability

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

Trustees' Indemnities

Governors' third party indemnity is covered by a policy of insurance with Aon.

Method of Recruitment and Appointment or Election of Trustees

The governing body is comprised of up to four governors appointed by the members as outlined in the constitution, the Principal (ex officio), the Principal Officiating Minister (ex officio), staff governors appointed by the members, foundation governors appointed by the members of the PCC Christ Church Freemantle, at least two parent governors elected by parents of registered pupils at the academy, and any additional or further governors elected in accordance with the Articles of Association.

Governors are subject to retirement following four years in post but are eligible for re-election at the meeting at which they retire. At each Annual General Meeting of the charitable company, the governors to retire are those who have been in office since their last election or appointment of four years.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on educational, legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and pupils. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual.

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

Organisational Structure

The structure of the academy consists of three levels: the Governors, The Senior Managers and the Strategic Accountability Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Managers are the Centre Director and Deputy to the Centre Director. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Strategic Accountability Team always contain a Governor. Some spending control is devolved to members of the Strategic Accountability team, following agreement with a Senior Manager.

The Strategic Accountability Team includes the Senior Management, Business Manager, and Curriculum Leaders. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and pupils.

Arrangements for setting pay and remuneration of key management personnel

The pay committee and SIP receive evidence of completed objectives by the centre director and if met, the pay committee agree a pay increase following advice from the SIP to ensure any increase is justified. New objectives are then agreed by all parties and set.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of the Freemantle C of E Community Academy to provide education for pupils of different abilities between the ages of 2 and 11 with an emphasis on basic Literacy and Numeracy Skills.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

Objectives, Strategies and Activities

The main objectives of the Academy during the year ended 31 August 2017 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to further develop under 3's nursery provision and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

The Academy's main strategy is encompassed in its mission statement which is 'To build a learning community which has access to the best possible teaching facilities and staff'. To this end the activities provided include:

- tuition and learning opportunities for all pupils to attain appropriate academic skills and knowledge;
- training opportunities for all staff, and especially teaching staff;
- a programme of sporting and after school leisure activities for all pupils.

Public Benefit

We confirm that governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Equal Opportunities Policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled Persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to most areas of the Academy. The policy of the Academy is to support recruitment and retention of pupils and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Strategic Report

Achievements and Performance

The Academy is now in its fifth academic year of operation and continues to achieve the forecast numbers of pupils. Total pupils in the period ended 31 August 2017 numbered 421 and the Academy has a few spaces in all year groups.

To ensure that standards are continually raised the Academy:

- operates a programme of observation of lessons;
- is visited by external inspectors and educational specialists and undertakes a comparison of results from entry to Key Stage 2

Standards in core subjects remain broadly in line with national expectations; despite an increase of pupils new to English joining the year group (2017 unvalidated data).

Key Performance Indicators

Staff costs as a % of income: 65.3% (2016: 67.7%)

Staff costs as a % total costs: 76.6% (2016: 76.2%)

Going Concern

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

Financial Review

Review of Financial Performance and Position

The Academy held fund balances at 31 August 2017 of £3m, comprising £222k of restricted funds, £3.3m of restricted fixed asset funds, £145k of unrestricted general funds, less a pension reserve of £637k. There are no known factors that are likely to affect the financial position of the Academy going forward other than the day to day running costs and the already planned building work.

The majority of the Academy's income is obtained from the DfE in the form of GAG and ESG grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2017, total expenditure of £1,908,577 (excluding restricted fixed asset fund and pension reserve) was covered by GAG and ESG grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset fund and pension reserve) was £271k.

At 31 August 2017 the net book value of fixed assets was £3.3m and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

Reserves Policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors have determined that the appropriate level of free reserves should be equivalent to four weeks expenditure, approximately £145,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £145,255, which is in line with the reserves policy.

Under Financial Reporting Standard no. 102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for our support staff to a specific restricted reserve. As at 31 August 2017, the deficit on this reserve amounted to £637,000. It should be noted however that this does not present the Academy with a current liquidity problem. Contributions to the pension scheme are being increased over the next few years in order to reduce the deficit and the situation will be monitored annually.

The Academy has limited fixed assets that could be disposed of to raise funds.

Investment Policy

The general objective is to invest surplus funds in short term low risk investments to obtain a superior return on these funds compared to that obtained from the current account.

Principal Risks and Uncertainties

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail below.

Plans for Future Periods

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils are well educated and prepared for secondary education once they leave.

The Academy aims in the future to extend provision of education to a greater number of pupils. To achieve this we have a community development plan, based on an identification and analysis of need. The plan's aim is to establish ways to benefit the wider community (from links with the Southampton Co operative Learning Trust).

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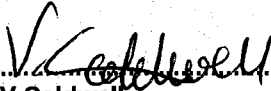
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Auditor

Insofar as the trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 11 December 2017, and signed on the board's behalf by:


.....
V Caldwell
Chair of Trustees

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Freemantle Church of England Community Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Governor

	Meetings attended	Out of a possible
K Barnett, Centre Director	6	6
V J Caldwell	6	6
R Hatton, Staff Director	4	6
E Hindley Staff Director	6	6
A Nutt	4	6
J Moulton	4	6
J Parker	6	6
A Saunders	1	2
S Scott	3	6
S Cordell	4	6
C Hallett	1	3

Governance reviews:

The board has had some changes throughout the year, as indicated on page 1. The board had a review of its effectiveness in January however it was felt that this was not robust enough and a further review was carried out in the summer term. The board has recognised the recommendations and will focus on these in the next academic year.

The Finance Committee continues to review the risks to internal financial control at the trust and to agree a programme of work to address, and provide assurance on, those risks.

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GOVERNANCE STATEMENT (continued)

Review of Value for Money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- working collaboratively with other local primary schools and feeder secondary to create and enhance opportunities for staff to develop and receive training;
- ensuring that purchasing supplies by using economies of scale are researched and considered by the local trust group of schools;
- at least three quotes are sought and considered for any procurement to ensure not only value for money but also added value for the school;
- researching and considering income generation activities and opportunities to support the DfE budget;
- reviewing contracts annually to ensure they offer value for money;
- the Finance Team meet weekly to discuss the cash position and any surplus is invested on a short term rolling deposits securing a preferential interest rate. This position is regularly reviewed by the Finance Committee.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Freemantle Church of England Community Academy for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance Group of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed S Scott, a Trustee, as Responsible Officer (RO).

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

- Sampling employees from the payroll and checking salary details back to personnel records to confirm that the amount paid is correct.
- Checking amendments to the payroll to ensure that appropriately authorised source documentation exists.
- Obtaining details of any new contracts in the period and review documentation to ensure correct quotation/tender procedures have been followed.
- Ensuring that bank accounts, financial systems and financial records are operated by more than one person.
- Ensuring that the Board and appropriate committees meet at least once a term and conduct business only when the meeting is quorate.
- Ensuring that there are appropriate procedures in place for whistleblowing, including making sure that all staff are aware to whom they can report their concerns.

On a quarterly basis, the RO reports to the board of trustees through the Finance Group on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

There have been no material control issues arising as a result of the appointee's work this year. New plans are in place for the RO to receive a schedule of work for the coming year to carry out checks at the direction of the Finance Group.

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GOVERNANCE STATEMENT (continued)

Review of Effectiveness

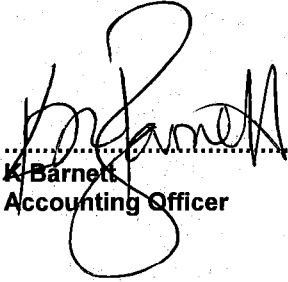
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 11 December 2017 and signed on their behalf, by:


.....
V Caldwell
Chair of Trustees


.....
K Barnett
Accounting Officer

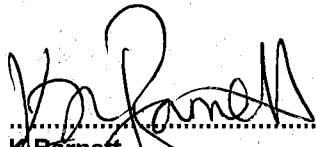
FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Freemantle Church of England Community Academy I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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


.....
K Barnett
Accounting Officer

Date: 11 December 2017

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

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

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

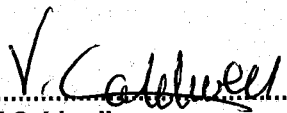
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 11 December 2017 and signed on its behalf by:


.....
V Caldwell
Chair of Trustees

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY**

OPINION

We have audited the financial statements of Freemantle Church of England Community Academy (the 'Academy') for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY**

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Hopper Williams & Bell Limited

Michaela Johns FCCA (Senior statutory auditor)
for and on behalf of

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Date: *14 December 2017*

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY AND THE EDUCATION AND SKILLS
FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Freemantle Church of England Community Academy during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Freemantle Church of England Community Academy's funding agreement with the Secretary of State for Education dated 1 April 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY AND THE EDUCATION AND SKILLS
FUNDING AGENCY (continued)**

SUMMARY OF WORK UNDERTAKEN

We carried out the following:

- planning of assurance procedures including identifying key risks;
- substantive testing including analytical review;
- concluding on procedures carried out.

Substantive testing included the following procedures:

- confirming that activities conform to the Academy's framework of authorities;
- considering the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- evaluating the general control environment of the Academy;
- testing a sample of transactions to consider whether the transaction is permissible within the Academy's framework of authorities;
- confirming whether any extra-contractual payments have been made and whether appropriate authority was obtained;
- reviewing documentation for evidence of borrowing and confirming if approval was obtained from the ESFA;
- confirming whether ESFA approval was obtained for any disposals of assets;
- reviewing the internal control procedures relating to credit cards;
- reviewing for any indication of purchases for personal use by staff or officers;
- reviewing the list of suppliers to consider whether supplies are from related parties;
- considering whether income generating activities are permissible within the Academy's charitable objects;
- reviewing whether lettings to related parties are made at favourable rates.

CONCLUSION

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

Hopper Williams & Bell Limited

Michaela Johns FCCA

Hopper Williams & Bell Limited

Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Date: 14 December 2017

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

	Note	Un- restricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	3	4,079	-	8,856	12,935	9,881
Charitable activities	4	-	2,162,927	-	2,162,927	2,195,761
Other trading activities	5	11,526	-	-	11,526	11,345
Investments	6	1,500	-	-	1,500	2,093
TOTAL INCOME		17,105	2,162,927	8,856	2,188,888	2,219,080
EXPENDITURE ON:						
Charitable activities		-	2,010,577	118,076	2,128,653	1,972,145
TOTAL EXPENDITURE	7	-	2,010,577	118,076	2,128,653	1,972,145
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	17,105	152,350 (33,840)	(109,220) 33,840	60,235 -	246,935 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		17,105	118,510	(75,380)	60,235	246,935
Actuarial gains/(losses) on defined benefit pension schemes	21	-	152,000	-	152,000	(383,000)
NET MOVEMENT IN FUNDS		17,105	270,510	(75,380)	212,235	(136,065)
RECONCILIATION OF FUNDS:						
Total funds brought forward		128,150	(685,419)	3,348,681	2,791,412	2,927,477
TOTAL FUNDS CARRIED FORWARD		145,255	(414,909)	3,273,301	3,003,647	2,791,412

The notes on pages 24 to 45 form part of these financial statements.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07561488

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		3,273,301		3,348,681
CURRENT ASSETS					
Debtors	14	67,168		72,685	
Cash at bank and in hand		436,148		385,099	
		<u>503,316</u>		<u>457,784</u>	
CREDITORS: amounts falling due within one year	15	<u>(133,510)</u>		<u>(320,673)</u>	
NET CURRENT ASSETS			<u>369,806</u>		<u>137,111</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,643,107</u>		<u>3,485,792</u>
CREDITORS: amounts falling due after more than one year	16		<u>(2,460)</u>		<u>(7,380)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>3,640,647</u>		<u>3,478,412</u>
Defined benefit pension scheme liability	21	(637,000)			(687,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>3,003,647</u></u>		<u><u>2,791,412</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	222,091		1,581	
Restricted fixed asset funds	17	3,273,301		3,348,681	
Restricted income funds excluding pension liability		<u>3,495,392</u>		<u>3,350,262</u>	
Pension reserve		<u>(637,000)</u>		<u>(687,000)</u>	
Total restricted income funds			<u>2,858,392</u>		<u>2,663,262</u>
Unrestricted income funds	17		<u>145,255</u>		<u>128,150</u>
TOTAL FUNDS			<u><u>3,003,647</u></u>		<u><u>2,791,412</u></u>

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2017

The financial statements on pages 20 to 45 were approved by the Trustees, and authorised for issue, on 11 December 2017 and are signed on their behalf, by:

.....

V Caldwell
Chair of Trustees

The notes on pages 24 to 45 form part of these financial statements.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	19	93,745	508,229
Cash flows from investing activities:			
Purchase of tangible fixed assets		(42,696)	(972,709)
Net cash used in investing activities		(42,696)	(972,709)
Change in cash and cash equivalents in the year		51,049	(464,480)
Cash and cash equivalents brought forward		385,099	849,579
Cash and cash equivalents carried forward	20	436,148	385,099

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Freemantle Church of England Community Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

1.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost, 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	20-50 years straight line
Plant and machinery	-	15 years straight line
Motor vehicles	-	4 years straight line
Fixtures and fittings	-	3-5 years straight line
Computer equipment	-	3 years straight line
Other fixed assets	-	4-5 years straight line

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

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 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.

1.8 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.

1.9 Debtors

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

1.10 Cash at Bank and in hand

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

1.11 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.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or other financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, 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.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2017 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2017.

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Un- restricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	4,079	-	4,079	899
Capital grants	-	8,856	8,856	8,982
	<u>4,079</u>	<u>8,856</u>	<u>12,935</u>	<u>9,881</u>
<i>Total 2016</i>	<u>899</u>	<u>8,982</u>	<u>9,881</u>	

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Un- restricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,628,326	1,628,326	1,644,122
DfE/ESFA other grants	-	221,781	221,781	159,751
	<u>-</u>	<u>1,850,107</u>	<u>1,850,107</u>	<u>1,803,873</u>
Other government grants				
Local authority grants	-	202,814	202,814	248,360
	<u>-</u>	<u>202,814</u>	<u>202,814</u>	<u>248,360</u>
Other funding				
Trip income	-	5,194	5,194	18,928
Other income	-	104,812	104,812	124,600
	<u>-</u>	<u>110,006</u>	<u>110,006</u>	<u>143,528</u>
	<u>-</u>	<u>2,162,927</u>	<u>2,162,927</u>	<u>2,195,761</u>
<i>Total 2016</i>	<u>-</u>	<u>2,195,761</u>	<u>2,195,761</u>	

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

5. OTHER TRADING ACTIVITIES

	Un- restricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	3,504	-	3,504	3,144
Feed in tariff	8,022	-	8,022	8,201
	<u>11,526</u>	<u>-</u>	<u>11,526</u>	<u>11,345</u>
<i>Total 2016</i>	<u>11,345</u>	<u>-</u>	<u>11,345</u>	

6. INVESTMENT INCOME

	Un- restricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	1,500	-	1,500	2,093
	<u>2,093</u>	<u>-</u>	<u>2,093</u>	
<i>Total 2016</i>	<u>2,093</u>	<u>-</u>	<u>2,093</u>	

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

7. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Academy's educational operations:					
Direct costs	1,210,109	-	212,002	1,422,111	1,349,643
Support costs	462,665	80,811	163,066	706,542	622,502
	<u>1,672,774</u>	<u>80,811</u>	<u>375,068</u>	<u>2,128,653</u>	<u>1,972,145</u>
Total 2016	<u>1,502,593</u>	<u>89,218</u>	<u>380,334</u>	<u>1,972,145</u>	

8. ANALYSIS OF SUPPORT COSTS

	Educational operations £	Total 2017 £	Total 2016 £
Premises costs	80,811	80,811	89,218
Governance costs	7,771	7,771	7,793
Other costs	108,453	108,453	101,159
Wages and salaries	307,663	307,663	313,718
National insurance	12,998	12,998	3,813
Pension cost	142,004	142,004	58,916
Depreciation	46,842	46,842	47,885
	<u>706,542</u>	<u>706,542</u>	<u>622,502</u>
At 31 August 2016	<u>622,502</u>	<u>622,502</u>	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	118,076	112,836
Auditors' remuneration - audit	4,770	4,630
Auditors' remuneration - other services	2,920	3,275
Operating lease rentals	<u>9,425</u>	<u>7,450</u>

FREEMANTLE CHURCH OF ENGLAND COMMUNITY ACADEMY
(A company limited by guarantee)

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

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,301,024	1,247,821
Social security costs	84,281	62,204
Operating costs of defined benefit pension schemes	287,469	192,568
	<u>1,672,774</u>	<u>1,502,593</u>

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

	2017 No.	2016 No.
Teachers	21	21
Administration and support	64	59
Management	5	5
	<u>90</u>	<u>85</u>

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

	2017 No.	2016 No.
In the band £70,001 - £80,000	1	1

The key management personnel of the academy trust comprise the senior accountability team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £230,050 (2016: £206,661).

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11. TRUSTEES' REMUNERATION AND EXPENSES

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

		2017	2016
		£'000	£'000
K Barnett	Remuneration	75-80	75-80
	Pension contributions paid	10-15	10-15
R Hatton	Remuneration	20-25	20-25
	Pension contributions paid	0-5	0-5
E Hindley	Remuneration	35-40	40-45
	Pension contributions paid	5-10	5-10

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016: £nil).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1m on any one claim and the cost for the year ended 31 August 2017 was £876 (2016 - £876).

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13. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £
Cost					
At 1 September 2016	3,402,100	30,148	27,335	216,302	177,388
Additions	3,050	-	-	34,952	1,518
At 31 August 2017	<u>3,405,150</u>	<u>30,148</u>	<u>27,335</u>	<u>251,254</u>	<u>178,906</u>
Depreciation					
At 1 September 2016	255,540	9,544	26,203	84,181	131,136
Charge for the year	71,234	2,010	1,132	20,084	21,834
At 31 August 2017	<u>326,774</u>	<u>11,554</u>	<u>27,335</u>	<u>104,265</u>	<u>152,970</u>
Net book value					
At 31 August 2017	<u>3,078,376</u>	<u>18,594</u>	<u>-</u>	<u>146,989</u>	<u>25,936</u>
At 31 August 2016	<u>3,146,560</u>	<u>20,604</u>	<u>1,132</u>	<u>132,121</u>	<u>46,252</u>
				Other fixed assets £	Total £
Cost					
At 1 September 2016				5,268	3,858,541
Additions				3,176	42,696
At 31 August 2017				<u>8,444</u>	<u>3,901,237</u>
Depreciation					
At 1 September 2016				3,256	509,860
Charge for the year				1,782	118,076
At 31 August 2017				<u>5,038</u>	<u>627,936</u>
Net book value					
At 31 August 2017				<u>3,406</u>	<u>3,273,301</u>
At 31 August 2016				<u>2,012</u>	<u>3,348,681</u>

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14. DEBTORS

	2017 £	2016 £
Trade debtors	-	2,286
Other debtors	9,053	39,978
Prepayments and accrued income	58,115	30,421
	<u>67,168</u>	<u>72,685</u>

15. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	43,900	168,454
Other taxation and social security	20,936	21,707
Other creditors	6,035	6,151
Accruals and deferred income	62,639	124,361
	<u>133,510</u>	<u>320,673</u>

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	64,229	42,147
Resources deferred during the year	51,736	64,229
Amounts released from previous years	(64,229)	(42,147)
Deferred income at 31 August 2017	<u>51,736</u>	<u>64,229</u>

Deferred income includes funds received in advance for school trips, school dinners and rates relief for the 2017/18 year.

16. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>2,460</u>	<u>7,380</u>

Other creditors comprises a Salix energy efficient loan, which is repayable in instalments.

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17. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General fund	128,150	17,105	-	-	-	145,255
Restricted funds						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General annual grant	1,581	1,628,326	(1,373,976)	(33,840)	-	222,091
Pupil premium	-	145,697	(145,697)	-	-	-
Other DfE/ESFA grants	-	76,084	(76,084)	-	-	-
Local authority grants	-	202,814	(202,814)	-	-	-
Other educational activities	-	110,006	(110,006)	-	-	-
Pension reserve	(687,000)	-	(102,000)	-	152,000	(637,000)
	<u>(685,419)</u>	<u>2,162,927</u>	<u>(2,010,577)</u>	<u>(33,840)</u>	<u>152,000</u>	<u>(414,909)</u>
Restricted fixed asset funds						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed asset fund	3,348,681	-	(118,076)	42,696	-	3,273,301
DfE/ESFA capital grants	-	8,856	-	(8,856)	-	-
	<u>3,348,681</u>	<u>8,856</u>	<u>(118,076)</u>	<u>33,840</u>	<u>-</u>	<u>3,273,301</u>
Total restricted funds	<u>2,663,262</u>	<u>2,171,783</u>	<u>(2,128,653)</u>	<u>-</u>	<u>152,000</u>	<u>2,858,392</u>
Total of funds	<u>2,791,412</u>	<u>2,188,888</u>	<u>(2,128,653)</u>	<u>-</u>	<u>152,000</u>	<u>3,003,647</u>

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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2015 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2016 £</i>
Unrestricted funds						
General fund	113,813	14,337	-	-	-	128,150
	<u>113,813</u>	<u>14,337</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,150</u>
Restricted funds						
	<i>Balance at 1 September 2015 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2016 £</i>
General annual grant	-	1,644,122	(678,814)	(963,727)	-	1,581
Pupil premium	-	87,120	(87,120)	-	-	-
Other DfE/ESFA grants	-	72,631	(72,631)	-	-	-
Local authority grants	297,846	248,360	(546,206)	-	-	-
Other educational activities	314,538	143,528	(458,066)	-	-	-
Pension reserve	(289,000)	-	(15,000)	-	(383,000)	(687,000)
	<u>323,384</u>	<u>2,195,761</u>	<u>(1,857,837)</u>	<u>(963,727)</u>	<u>(383,000)</u>	<u>(685,419)</u>
Restricted fixed asset funds						
	<i>Balance at 1 September 2015 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2016 £</i>
Fixed asset fund	2,490,280	-	(114,308)	972,709	-	3,348,681
DfE/ESFA capital grants	-	8,982	-	(8,982)	-	-
	<u>2,490,280</u>	<u>8,982</u>	<u>(114,308)</u>	<u>963,727</u>	<u>-</u>	<u>3,348,681</u>
Total restricted funds	<u>2,813,664</u>	<u>2,204,743</u>	<u>(1,972,145)</u>	<u>-</u>	<u>(383,000)</u>	<u>2,663,262</u>
Total of funds	<u>2,927,477</u>	<u>2,219,080</u>	<u>(1,972,145)</u>	<u>-</u>	<u>(383,000)</u>	<u>2,791,412</u>

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17. STATEMENT OF FUNDS (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the following funding streams:

- school budget share;
- minimum funding guarantee;
- education services grant;
- insurance;
- rates;
- pre-16 high need funding.

Pupil Premium and other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

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

Fixed asset fund

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

DfE/ESFA capital grants

This is money received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2017. Note 2 discloses whether the limit was exceeded.

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Un- restricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	3,273,301	3,273,301
Current assets	145,255	358,061	-	503,316
Creditors due within one year	-	(133,510)	-	(133,510)
Creditors due in more than one year	-	(2,460)	-	(2,460)
Pension reserve	-	(637,000)	-	(637,000)
	<u>145,255</u>	<u>(414,909)</u>	<u>3,273,301</u>	<u>3,003,647</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Un-restricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	3,348,681	3,348,681
Current assets	128,150	329,634	-	457,784
Creditors due within one year	-	(320,673)	-	(320,673)
Creditors due in more than one year	-	(7,380)	-	(7,380)
Pension reserve	-	(687,000)	-	(687,000)
	<u>128,150</u>	<u>(685,419)</u>	<u>3,348,681</u>	<u>2,791,412</u>

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	60,235	246,935
Adjustment for:		
Depreciation charges	118,076	112,836
Loss on the sale of fixed assets	-	1,472
Decrease/(increase) in debtors	5,517	(24,606)
(Decrease)/increase in creditors	(192,083)	156,592
Defined benefit pension scheme cost less contributions payable	102,000	15,000
Net cash provided by operating activities	<u>93,745</u>	<u>508,229</u>

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20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Notice deposits (less than 3 months)	<u>436,148</u>	<u>385,099</u>
Total	<u><u>436,148</u></u>	<u><u>385,099</u></u>

21. 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 Hampshire County Council. Both are Multi-employer defined benefit pension schemes.

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

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.

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21. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (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 is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £109,940 (2016 - £105,518).

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 2017 was £109,000 (2016 - £108,000), of which employer's contributions totalled £82,000 (2016 - £82,000) and employees' contributions totalled £27,000 (2016 - £26,000). The agreed contribution rates for future years are 13.1% 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.

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21. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.00 %
Rate of increase in salaries	3.40 %	3.40 %
Rate of increase for pensions in payment / inflation	1.90 %	1.90 %
Inflation assumption (CPI)	1.90 %	1.90 %

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

	2017	2016
Retiring today		
Males	24.0	24.6
Females	27.0	26.4
Retiring in 20 years		
Males	26.0	26.7
Females	29.3	28.7

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate +0.1%	1,547,000	1,469,000
Discount rate -0.1%	1,638,000	1,546,000
Mortality assumption - 1 year increase	1,546,000	1,460,000
Mortality assumption - 1 year decrease	1,638,000	1,555,000

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	584,000	465,000
Government bonds	237,000	216,000
Corporate bonds	11,000	15,000
Property	62,000	61,000
Cash	29,000	43,000
Other	32,000	20,000
Total market value of assets	955,000	820,000

The actual return on scheme assets was £36,000 (2016 - £130,000).

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21. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Current service cost	(171,000)	(87,000)
Net interest cost	(13,000)	(10,000)
Total	<u>(184,000)</u>	<u>(97,000)</u>

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

	2017 £	2016 £
Opening defined benefit obligation	1,507,000	884,000
Current service cost	171,000	87,000
Interest cost	30,000	34,000
Employee contributions	27,000	26,000
Actuarial (gains)/losses	(133,000)	489,000
Benefits paid	(10,000)	(13,000)
Closing defined benefit obligation	<u>1,592,000</u>	<u>1,507,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	820,000	595,000
Interest income	17,000	24,000
Actuarial losses	19,000	106,000
Employer contributions	82,000	82,000
Employee contributions	27,000	26,000
Benefits paid	(10,000)	(13,000)
Closing fair value of scheme assets	<u>955,000</u>	<u>820,000</u>

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22. OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
Amounts payable:		
Within 1 year	9,425	7,450
Between 1 and 5 years	19,734	21,721
Total	<u>29,159</u>	<u>29,171</u>

23. RELATED PARTY TRANSACTIONS

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

During the year, a close family member of K Barnett was employed by the academy. Remuneration of £15,156 (2016: £11,059) was paid and employer's pension contributions amounted to £2,000 (2016: £1,407). There were no other related party transactions during the year.

24. MEMBERS' LIABILITY

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